

Govt prepares new e-commerce law to protect customers

November 23, 2023

Online Desk: To bring the country's fast-growing e-commerce sector under a legal framework, the commerce ministry has prepared a draft Digital Commerce Authority Act with punitive provisions against fraud and deceptions.

The ministry has sought feedback from stakeholders to further refine the proposed act.

Under the proposed act, a Digital Commerce Authority Office will be established, comprising an executive chairman and four members.

The office is responsible for resolving disputes and preventing crime in the entire e-commerce sector.

The authority will conduct necessary proceedings, including taking measures to register organisations conducting digital commerce, receiving buyer and seller complaints and taking measures to monitor and investigate complaints filed by customers.

The proposed act includes a punitive provision for deceiving buyers or customers through false or misleading advertising or sales.

Besides, the act proposes strict penalties, including a Tk 0.1 million fine for non-cooperation or obstruction of on-site inspections, monitoring and supervision of online buying and selling activities by the e-commerce company concerned.

Earlier, the commerce ministry decided to prepare the Digital Commerce Act (DCA) 2023. However, the ministry instead prepared the Digital Commerce Authority Act at the request of stakeholders in the e-commerce sector.

Contacted, a senior commerce ministry official said that the law was prepared in line with international standards. The ministry will finalise it after incorporating the necessary suggestions.

Currently, the country has no law to govern the growing e-commerce sector. However, it does have the Digital Commerce Policy-2020 and the Digital Commerce Operational Guide-2021.

The official talked about a legal vacuum in preventing fraud by dot-coms.

In the face of massive e-commerce frauds and scams in 2021, the authorities rushed to discipline the burgeoning sector thriving since the pandemic-led shutdown.

However, the countermeasures were late to contain the damages and stop the collapses of key e-shops such as Evaly, Dhamaka, e-Orange, Sirajganj Shop, Aladiner Prodip, Boom Boom, Adyen Mart, Needs, Qcoom.com and Alesha Mart.

Subsequently, the government mandated the Digital Business Identification (DBID) system.

The authorities said they are also working to introduce a central complaints management system (CCMS) to be developed by the ICT division.

There are around 1,609 e-commerce companies under the e-cab. According to the the commerce ministry, there are around 2,500 digital commerce companies in the country.