# Intergovernmental Group of Experts on Consumer Protection Law and Policy, First Session

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Contribution by

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## CUTS Contributions on the topics to be discussed at first session of the Intergovernmental Group of Experts on Consumer Protection Law and Policy to be held in Geneva on Oct. 17-18, 2016

### • Engaging stakeholders for the achievement of the Sustainable Development Goals: leaving no consumer behind

The Sustainable Development Goals (SDGs) are broad in scope addressing the interconnected elements of sustainable development: economic growth, social inclusion and environmental protection. Hence developing SDG strategies and plans should be a multistakeholder process, engaging national and local government representatives, civil society, businesses, faith-based groups and representatives from academia and science.

As SDGs are cross-cutting in nature, in India, NITI Aayog (National Institution for Transforming India) is entrusted with the task of coordinating the achievement of SDGs with the concerned ministries and line departments. The Development Monitoring and Evaluation Office (DMEO), an attached office under NITI Aayog has been nominated as the nodal organisation for the implementation of the SDGs. The body has been mandated to come up with a 15-year vision document for a period up to 2030, which will be co-terminus with sustainable development goals.

In line with, several Centrally Sponsored Schemes are implemented including Start-up India, Skill India, Clean India, Digital India, Jan Dhan Yojna, Saving the Girl-Child. NITI Aayog is also entrusted to undertake outcome -based monitoring of all government programmes and ministries on a yearly basis.

Since there is a significant role for the State Statistics Offices (DES) in monitoring the SDGs. National statistical office and DES's are working together to achieve reliable and cross nationally comparable data, thereby to determine the priorities to strengthen the capacities towards building data collection systems.

State Gov: SDGs require State governments to have a radical shift in the way policies and programmes are designed and implemented. State Governments are a key to India's progress on the SDG agenda.

- ➤ Government of Gujarat has initiated an important exercise to prepare a Road Map to achieve the Sustainable Development Goals (SDGs) in the State. UN system in India is partnering with the State government for this important initiative.
- ➤ The Government of Assam has officially adopted the "Transforming Our World: The 2030 Agenda for Sustainable Development" from January 1<sup>st</sup>, 2016.
  - The State has constituted eight working groups with representatives of concerned departments to prepare action plans for achieving the goals.
  - It has also set up a 'Centre for SDGs' and a Nodal Cell in Guwahati to ensure successful implementation of the goals. All departments have been directed to set up an exclusive cell for the SDGs and develop a charter of activities.
  - A two-day 'Partnership Conference' has been held by Assam to contextualize the goals in the State and to facilitate the laying down of a road map on the process of implementing the goals.

- A draft vision document, entitled 'Everything for Everyone Achieving inclusive and Sustainable Development' has also been launched.
- The Government of Assam will partner with the Earth Institute, Colombia University, for implementing the SDGs. Vision Plan 2030' for the State will focus on reducing poverty and ensuring sustainable development through afforestation, employment generation and pollution reduction, as well as a 'Smart Village' project.

Government experts has also recognised the importance of the role of public private partnerships (PPP) in achieving the development goals, requirement of a stable and reformed CSR policy by the government and also the need to create more awareness at national and state levels as well as building and strengthening capacities at the district level. Several stakeholders are already involved and doing their best at the grassroot levels. Civil societies are also ensuring to create an effective network to generate awareness and support local governments at the grassroot level for sustainable development.

#### Challenges and perspectives for the emerging collaborative economy

Shared economy or collaborative economy is yet to fully catch the market in India. Still at its nascent stage across most sectors in India, the concept of the collaborative economy, at the moment, is more about consuming services than sharing resources. However the country has some key factors in place that could promote collaborative economy in a big way over the next few years. First, the vast usage of mobile phones (second after US), and second the presence of large number of young consumers who are ready to accept new developments in market.

Of course, India will face many hurdles including issues like maintaining consumer trust and supplier quality of service. Apart from these security issues and tax compliance also need to be addressed. For instance, the problem of insurance for taxi sharing platforms could well lead to legislative complications as the need to protect consumers becomes of paramount concern.

There are also wider issues pertaining to protection of consumers. The unfortunate event of a lady being raped in one of the Uber cabs in Delhi saw authorities waking up to the issues and banning the service temporarily. Following the incident, Uber was banned in a few other cities as well. But later realising that banning is not a solution to the problem, the ban was lifted. There certainly is regulatory uncertainty on this.

The process for solving customer grievances in collaborative economy should be well defined and responsibilities well established for the consumers and on other relevant players who are responsible for the quality of products and services.

Despite these hurdles, the benefits of the sharing economy to India are set to be huge and potentially life changing for a lot of people. That's not just for consumers and suppliers but also for the Indian government who may have to preside over one of the biggest shifts in the national economy.

### • Capacity building in consumer protection: trends and challenges

India has made considerable progress in improving the overall status of consumers in the last 30 years since the enactment of Consumer Protection Act, 1986. Many new Schemes are

started by the Government to promote and protect the welfare of consumers. The Consumer Affairs Department is undertaking various measures involving all concerned, particularly the students and young men and women, to strengthen the consumer movement in the country.

Some of the steps recently taken by the Ministry of Consumer Affairs, Food and Public Distribution, are:

- a) Consumer Clubs, a scheme started by the Ministry of Consumer Affairs mobilises youngsters to strengthen the consumer movement in the country. Consumer Clubs are forums where students are be apprised about their consumer rights. Youth can also explain about consumer rights to the people and encourage them to boycott defective and bad quality goods. They can spread the market and the product knowledge to the consumers.
- b) GAMA portal has been launched in 2015 to curb the menace of misleading advertisements. Consumers can lodge their complaint regarding misleading advertisements on www.gama.gov.in
- c) Grahak Suvidha Kendras have also been started in 2015 in six states to help the rural consumers regarding filing of complaints in local language.
- d) Under CONFONET scheme the consumers who have filed complaints in District Fora/State Commission/ National Commission can see the cause list, case status and judgment through online sitting at their home or elsewhere.
- e) Under the multi media campaign 'JagoGrahakJago' (Awake Consumer Awake) a radio serial has been started by the Ministry in which advice is given to consumers in local and regional language on consumer related problems.

Inspite of all such efforts, disparities between regions and between the poor and affluent continue to widen. Most of the consumers are relatively a vulnerable lot due to poverty, illiteracy and lack of awareness of basic legal and consumer rights. They are largely in the dark about many key issues that affect them directly and indirectly, and not many are aware of the important role they can potentially play in ushering in better policies, quality products and services and improving their immediate environment. Consequently, manufacturers and suppliers of goods and services by and large exploit the consumers by adopting unfair and restrictive trade practices. While modern technological developments have made a great impact on the quality, availability and safety of goods and services, yet consumers are victims of unscrupulous and exploitative practices. Exploitation of consumers still take place through adulteration of food, spurious drugs, dubious hire purchase plans, high prices, poor quality, deficient services, deceptive advertisements, hazardous products, black marketing and many more. In addition, with revolution in information technology newer kinds of challenges are thrown on the consumer like cyber crimes, plastic money etc., which are affecting the consumer in even bigger way.

Inadequate institutional arrangements and limited financial resources are stopping the Government from fulfilling its role effectively. Addressing above unfair practices requires sufficient funds and investment in human resources and systems through capacity development. Apart from these, the growing distance between various stakeholders are also posing a difficulty in ensuring a participatory approach to the reform process as a whole. Various schemes and programmes initiated for the upliftment of consumers have limited outreach primarily due to lack of coordination among the various organisations involved in their promotion, including organisations of the State/UT Governments and poor linkages with the institutional stakeholders in the private sector.

The lack of reliable and updated data base is another area of concern as it inhibits monitoring of development initiatives and formulation of appropriate schemes to meet the differential needs of the heterogeneous profile of the beneficiaries.