

**Seventh Intergovernmental Group of Experts on
Consumer Law and Policy
Room XIX, Palais des Nations, Geneva
3-4 July 2023**

Opening Plenary

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Speech of
Shri Rohit Kumar Singh, Secretary (Consumer Affairs), Government of India
at
Intergovernmental Group of Experts on Consumer Protection Law and Policy
Geneva, 3 and 4 July 2023

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Deputy Secretary General of the Consumer Protection Board, Thailand, **Mr. Ularn Jiwcharoen**

Director of International Cooperation, Office of the Competition and Consumer Protection, Poland, **Ms. Martyna Derszniak-Noirjean**

Ladies & Gentlemen,

It give me great pleasure to be present here and share my country India's achievements in overcoming the milestone in consumer protection on a global platform. Consumer protection law and policy is a key instrument in addressing unfair fraudulent and deceptive commercial practices in a globalized and interdependent world. By enhancing the transparency and accountability of businesses, resource mobilization and the empowerment of consumers, as well as by delivering dispute resolution and redress and poverty reduction and by promoting inclusive economic and social policies an effective enabling environment for consumer protection and development may be achieved.

1. Protection of Consumer Rights Deeply Rooted in Indian Culture:

- Manu Smriti (800 B.C. to 600 B.C.), and Kautilya also described some laws for traders in his book 'Kautilya's Arthshastra' which can be traced back to the 12th century.

2. Enactment of the Consumer Protection Act of 2019:

- To address the new challenges emerging effectively, the Consumer Protection Act, of 2019 was enacted in July 2020, which incorporates new provisions to address the speedy disposal of cases.

3. Salient features of Consumer Protection Act of 2019:

- include a robust, three-tier consumer dispute redressal system,
- a simplified dispute resolution process,
- the establishment of the Central Consumer Protection Authority (CCPA),
 - CCPA empowered to conduct investigations into violations of consumer rights order recalls of unsafe goods and services and take action against unfair trade practices.
- the provision for alternate dispute redress through mediation
- rules for protecting consumer from Unfair Trade Practices in e-commerce and direct selling
- product liability for manufacturers, service providers and product sellers and penalties for the adulteration of products or the sale of spurious goods.
- Endeavor to dispose the complaint within 3 months if it does not require analysis or testing of commodities, and within 5 months, in case it requires analysis and testing of commodities – Section 38(7) of the Consumer Protection Act, 2019

4. A robust Framework for Protection of Consumer Rights and few initiatives of the last one year.

- The Guidelines for **Prevention of Misleading Advertisements** and Endorsements for Misleading Advertisements, notified in June 2022.
- To safeguard consumers from fake and deceptive reviews in e-commerce **Standards have been notified on 21.11.22 under the framework 'Indian Standard (IS) 19000:2022** which aims at Integrity, Accuracy, Privacy, Security, Transparency, Accessibility and Responsiveness of the reviews. The standard provides for method for verification of review author to check traceability, provision for both automated and manual moderation, developing a code of practice, and necessary stipulations like accessibility criteria and ensuring content does not contain financial information.
- Guidelines issue for influencers (**Endorsements Know Hows!**) which make it mandatory for influencers to disclose material connection while endorsing a product. The manner as to how the disclosures have to be made and who is required to make a disclose also prescribed.
- A Separate Guideline for **influencers endorsing Health and Wellness** related Products on the anvil.

5. Right to Repair -

- The Government of India has taken a significant step for developing a Framework for the Right to Repair and has **constituted a Committee of experts to examine the issue of repair and sustainability of product.**
- **Four sectors** with high demand for repair which are Farming Equipment, Mobile Phones/ Tablets, Consumer Durables and Automobiles/Automobile Equipment identified
- In light of it the government has recognized the need for three-tier plan
 - Companies / OEM's are encouraged to provide detailed manual / SOP's without affecting IP rights,
 - self-repair for consumers or maintenance by authorized repairs,
 - availability of spare parts and vibrant ecosystem for third party repairers which will also enable skilling of youth for employment generation through Aatmanirbhar Bharat.
- **A Right to Repair India Portal** launched in December 2022 which provides information with regard to post-sales service to consumers. The portal is launched with the aim to protect consumer rights against **Planned Obsolescence** (designing a product with artificially limited life) and to curb the menace of **“use and dispose economy” with “circular economy”** and **“mindless consumption” with “mindful utilization”**. Around 20 Companies are on board which includes Kent, Samsung, Hero Honda, LG, Apple, Lenovo, Nokia, HP, Hewels, Panasonic, and, Acer etc.

6. ADR/ODR-

- **National Consumer Helpline (NCH) as a Pre-litigation Consumer Dispute Resolution** mechanism has been operationalised. The National Consumer Helpline is now available through various channels such as call centres, the UMANG app, the NCH app, and also on WhatsApp service in 17 regional languages.
- The world's **biggest challenge is to resolve B2C & B2B cross-border disputes** focusing on Low Value & Large Volume transactions, particularly e-commerce transactions.
- In October 2021 the new first-of-its-kind Online Dispute Resolution (ODR) manual was launched by NITI Aayog in India. It underlines the need for such a mechanism, for the ODR models that companies can adopt and for an operational path. **Justice DY Chandrachud, CJI has addressed that the ODR handbook is a watershed document for dispute resolution.**
- Recognizing the sharp increase in online cross-border transactions Department is working towards the framing of the 'Online Dispute Resolution' platform through which the consumer cases will be resolved through the ADR i.e. Mediation, Conciliation and Arbitration on the pre-litigation stage. In regard to it the department **is developing an ODR platform**. The proposed architecture shall

- have the capability to generate send receive store, exchange or otherwise processing communications all on a **Single Platform on an end-to-end basis** so as to provide hassle-free resolution of consumer disputes.
- The ODR platform will have the **capability to address major cross-border issues** such as Jurisdiction, language, culture and geography.
- will include multilingual support through **AI Speech Technology** i.e. real-time translation, transcription, etc. to redress language barriers.
- **Multicultural Neutral Panels** and **Algorithm Empowered by Online Dispute Resolution** will make understanding of the consumer dispute easier.
- Through **Artificial Intelligence (AI), Machine Learning (ML)/Deep Learning**, and **Natural Language Processing/ Large Language Model** will assess each dispute and recommend its solutions and the whether it has the potential to be disposed of through mediation.
- will have **an interactive interface** so that the consumers have complete faith in the resolution process.

7. Dark Patterns:

- India has around 759 million active internet users, which is almost the population of whole Europe and in this context preventing consumer exploitation through dark commercial patterns of special importance. WE are keeping a close watch what is happening globally and what Europe and USA is doing.
- Online platform have been urged recently on 28.6.23 not to engage in 'unfair trade practices' by incorporating dark patterns in their online interface to manipulate consumer choice and violate 'consumer rights' as enshrined under Section 2(9) of the Consumer Protection Act, 2019. Some of the Dark Patterns identified are
 - **False Urgency:** This tactic creates a sense of urgency or scarcity to pressure consumers into making a purchase or taking an action.
 - **Basket Sneaking:** Websites or apps use dark patterns to add additional products or services to the shopping cart without user consent.
 - **Subscription Traps:** This tactic makes it easy for consumers to sign up for a service but difficult for them to cancel it, often by hiding the cancellation option or requiring multiple steps.
 - **Confirm Shaming:** It involves guilt as a way to make consumers adhere. It criticizes or attack consumers for not conforming to a particular belief or viewpoint.

- **Forced Action:** This involves forcing consumers into taking an action they may not want to take, such as signing up for a service in order to access content.
 - **Nagging:** It refers to persistent, repetitive and annoyingly constant criticism, complaints, requests for action.
 - **Interface Interference:** This tactic involves making it difficult for consumers to take certain actions, such as canceling a subscription or deleting an account.
 - **Bait and Switch:** This involves advertising one product or service but delivering another, often of lower quality.
 - **Hidden Costs:** This tactic involves hiding additional costs from consumers until they are already committed to making a purchase.
 - **Disguised Ads:** Disguised ads are advertisements that are designed to look like other types of content, such as news articles or user-generated content.
- Consumers can report instances of 'dark patterns' or provide feedback and report such manipulative online practices on the National Consumer Helpline (NCH) by calling '1915' or through Whatsapp on 8800001915 which could form the basis for subsequent action by CCPA.
8. We in India are conscious of the fact that the emergence of online platforms on the one hand offers multiple benefits to the consumers but on the other hand its potential abuse poses serious challenges for consumers. We are committed to protect the consumers from the potential abuse of online platforms without harming the business and preventing innovation.
