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**Review of Capacity-building in and Technical Assistance on Consumer
Protection Law and Policy**

Contribution

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IG Group of Experts on Consumer Protection Law and Policy

7th Session on Review of Capacity Building in and Technical Assistance on Consumer Protection Law and Policy

by Pradeep S. Mehta¹

Introduction

- CUTS, established in 1983-84 as a rural development communication initiative, has become a prominent force in the global consumer movement. The organisation works on trade, regulation, and governance, representing the perspectives of the Global South. Today, CUTS is the only Indian NGO with a global presence, growing organically in response to societal demands. Our expansion has been influenced by international developments such as globalisation, liberalisation, the establishment of the WTO, and India's economic growth.
- CUTS addresses various issues like women's empowerment, road safety, food safety, sustainable consumption, governance, and accountability. We promote effective competition and regulatory frameworks in India and other countries in Africa and Asia through South South cooperation. CUTS also aims to enhance understanding of the new international trade regime, particularly at the grassroots level.

CUTS Role in Empowering and Building Capacities of Consumers

- CUTS focuses on consumer empowerment and campaigns for the rights of poor and marginalised individuals. We played a leading role in enacting and strengthening the Consumer Protection Act of 1986 (COPRA) in India, which provided for a unique consumer disputes redressal system, where a consumer could lodge her complaint without the procedural hassles of a civil court and get relief. CUTS further contributed to its various amendments, including the last one in 2019, which addressed modern topics like e-commerce and digital financial consumer protection.
- Since COPRA recognised the rights of consumers and the ability of complaints to be lodged in the consumer disputes redressal fora, CUTS spawned a movement to establish small consumer groups at the local level which could take up local matters themselves and also work with others when the need arose, such as state level and national level issues.

¹ Secretary General of CUTS International. Simi T. B., Assistant Policy Analyst of CUTS contributed to this paper.

- In order to create a large number of consumer activists CUTS took up a novel 2-day Consumer Friends training programme at a low cost which led to a minor revolution as it led to easy redressal and jobs for unemployed or underemployed youth.
- Furthermore, armed with the formidable experience, CUTS has worked extensively on developing competition and consumer protection regimes in nearly 30 developing countries, including the Competition Act in India.
- In both the above areas of market regulation CUTS has worked extensively in networking and capacity building of consumers in many developing countries including India.
- In view of the above, CUTS has been recognised for its efforts, receiving multiple awards. For example, the coveted M R Pai Memorial Award 2008 for relentless campaign to educate consumers on competition and regulatory issues; the India Power Award 2008 for our work in empowering consumers in the Electricity Sector of India. In 2016, CUTS received the Swachh Rajasthan Award 2016 for our contribution in Urban Governance in Rajasthan.
- We empower financial consumers and rural communities through initiatives like self-help groups (SHG)-Bank Linkages programme and promote transparency and accountability at all levels of governance through various methods.
- Additionally, CUTS implements projects to promote organic farming and sustainable consumption, collaborated with SSNC on the Green Action Week campaign in India, and works on issues related to food systems, advocating for front-of-pack labeling and elimination of trans fats.
- Over the years, CUTS has published various materials, including briefing papers, policy briefs, and research reports, to disseminate knowledge globally. These glimpses highlight the organisation's work over its 40 years of existence

CUTS & UNCTAD Together So Far

- CUTS has been working with UNCTAD in many areas, such as trade, investment, competition, consumer protection, e-trade etc since the year 1995. It is a long list. In the area of consumer protection, CUTS has worked extensively on amendments to the UN Guidelines for Consumer Protection with UNCTAD which led to its inclusion of sustainable consumption and financial services, digital services etc.
- In 2011, CUTS was accredited by UNCTAD as an observer, allowing us to represent and participate in all its meetings and be invited to speak. In the areas of trade, investment,

competition and consumer protection, CUTS has organised a large number of meetings in partnership with UNCTAD in Europe, Africa and Asia since the year 1995.

- In the area of Competition and Consumer Protection, CUTS has worked with UNCTAD in its various projects implemented in over 30 developing countries since the year 1998.
- CUTS joined UNCTAD's 'eTrade for All' initiative in 2018 as the 30th partner, aiming to enhance developing countries' ability to benefit from e-commerce, especially least developed countries.
- In all meetings of UNCTAD IGEs on Consumer Protection and Competition, CUTS has been providing real time information dissemination (The Talk) which reaches out to relevant stakeholders all over the world. Similarly, CUTS has provided information dissemination services during the World Investment Forum organised by the Investment and Enterprise Division of UNCTAD.
- In the coming month, August 23, 2023, CUTS is organising a Global Webinar in cooperation with UNCTAD titled 'The G20 Championing the Consumer Movement'. Objective is to bring back the consumer protection agenda on the G20 platform.

Review of Capacity Building

- Capacity building is necessary to improve the understanding and implementation of consumer protection laws and policies, considering the evolving challenges faced by consumers worldwide. This involves addressing emerging issues like online transaction safety, data privacy, digital financial frauds, unfair contract terms, misleading advertisements, AI, Internet of Things, and product safety, considering technological advancements.
- Simultaneously, it's crucial to provide capacity building to consumers in developing countries to enhance complaint handling processes, ensuring timely and fair resolutions. This includes training consumer protection agencies, alternative dispute resolution bodies, and relevant stakeholders in effective complaint handling techniques, mediation, arbitration, and redressal mechanisms.

Review of Technical Assistance

- Developing countries often need technical assistance to establish or update their regulatory frameworks, especially regarding consumer safety in online marketplaces.

This involves modifying existing laws or creating new ones to address the unique challenges of the digital environment.

- Support is also required to help these countries adopt and implement technological solutions for effective monitoring of online platforms. This may include developing specialised tools, data analytics systems, or risk assessment frameworks to identify and mitigate potential threats to consumer safety.
- Learning from doing is often the best way that capacities can be built up. In order to do this effectively, UNCTAD could facilitate long term visitorships for officials to other countries which are already well advanced. Care should be taken that developing country officials are sent to other more advanced developing countries rather than developed countries, so that they get appropriate knowledge.

Proposed Future Activities in Cooperation with UNCTAD

- CUTS aims to collaborate with UNCTAD to ensure that the consumer protection issues are not sidelined in crucial global talks. Particularly when consumer protection laws, for a number of reasons, are of little practical use to protect consumers in the global economy. There is a constant need to ensure that consumer protection is always on the agenda of any global agenda so as to bring countervailing force against those who abuse their position in the global market.
- Conduct research studies with the support of UNCTAD on emerging consumer challenges, such as AI, e-commerce, and data privacy to help stakeholders to advocate for policy changes and improvements in consumer protection laws at the national level.
- Collaborate with UNCTAD to help developing countries adapt faster to green technologies by:
 - ~ Conducting research and analysis on consumer protection issues specific to green technologies, identifying challenges, and proposing policy recommendations.
 - ~ Facilitating knowledge-sharing and capacity-building workshops to enhance awareness and understanding of consumer rights and responsibilities in the context of green technologies.