# MAKING POLICY WORK FOR THE PEOPLE Has CUTS\* been successful?



\*Established in 1983

#1831

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Published by



**Consumer Unity & Trust Society** D-217, Bhaskar Marg, Bani Park, Jaipur 302016, India Ph: +91.141.2282821, Fax: +91.141.2282485 Email: cuts@cuts.org, Website: www.cuts-international.org

**Printed by** Jaipur Printers P. Ltd. Jaipur

ISBN: 978-81-8257-272-0

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### Preface



#### Taking stock – down the memory lane

When I sat down to write this Preface, my mind went back to 1983 when a few of my friends decided to establish a voluntary consumer protection body as none existed in Rajasthan at that time, and problems were galore. We did not have any funding but we had an ardent desire to try and resolve consumers' problems. But to do all that, one needs money.

Contributions from friends and society were quite limited as people did not value our work. Indians have a habit of charity for soft causes or even temples and schools, but advocacy to make their own lives easier never impressed most. We then looked around to see how other consumer groups in the country raised funds. Relying on membership fees was not smart as the cost of maintaining the system would be more than the income. Most of the consumer groups could only get support from foreign donors against specific projects rather than core support. There was a small grant scheme from the Central Government. Besides, the effort required much hard work and massaging the egos of the *babus*.

So we looked for foreign donors ourselves without help from other consumer groups. They were not very helpful because they felt that this would shrink their own kitty. In one case, a successful consumer leader even spoke disparagingly about us. Thankfully, this did not impress the donor. The fund raising process involved much foot path pounding, because we did not have a great track record but only ideas and energy. However, in five years – that is until 1988 – we implemented some remarkable consumer action projects, including litigation, which helped us to attain a reasonable reputation.

Due to that track record, we succeeded with Oxfam India Trust (a UK-based organisation) who gave us a small grant of ₹50,000 to publish a consumer guidance book. Following that, we could succeed to get programmatic support from two donors: HIVOS (a Dutch NGO) and Ford Foundation of the USA through its Delhi office. Both of them supported us for many years through project funding.

Since then we have never looked back and achieved considerable heights both geographically and in terms of functional areas. This growth of over three decades has been organic and has followed the philosophy of pursuing consumer welfare – that is to work on public policies which can help improve a consumer's rights and status. Over the years, CUTS has realised that consumers require empowerment not only socially but also economically and politically, so that they can take care of their interests and welfare and, thus, emerged the need for CUTS to work through this agenda.

Today, the CUTS Vision of 'Consumer Sovereignty' and its Mission of 'consumer sovereignty in the framework of social justice, economic equality and environmental balance, within and across borders', defines its focus areas of work across three verticals which are:

- Rules-based Trade
- Effective Regulation
- Good Governance



CUTS is broadly defined as an evidence-based policy advocacy organisation. Over the years, we have made significant contributions to either help define or shape policy for the betterment of the consumer and thereby society, at large. Our list of successes runs long and this document is an attempt to capture the organic growth and subsequent progress of CUTS since its inception.

Our aim is to present major impact stories that have made difference in the public policy area, both globally and locally. It will further provide guidance for pursuing the Vision of CUTS in future by way of synchronised efforts of our various offices in Asia, Africa and in Europe. It further envisages serving an additional purpose of acquainting relevant stakeholders with the organisation's thinking, goals and impactful growth.

We have attempted to capture the success stories of evidence-based policy advocacy in the above mentioned focus areas. These success stories are based upon outcomes from our various projects and a result of our consolidated energy that the organisation has evolved which now defines us.

In terms of our values, we have always believed that outcomes are more important than outputs; that we are accountable to all the tax payers from whose taxes we have been funded. We follow a middle path – we are neither left nor right of economic philosophy but centrist and, thus, believing in 'Liberalisation Yes, but with Safety Nets', and as against Value for Money, we believe in 'Value for People'.

Therefore, we are also carrying messages of few *Friends of CUTS* from grassroots to national, regional and international-levels who have known and interacted with us over a long period of time. We gratefully acknowledge their compliments.

Our list of achievements over the 30-plus years of existence runs into pages and, therefore, developing this Dossier required thorough and intensive brainstorming among senior management and other colleagues. The end result is this Document, which captures some of our most critical achievements. I thank my colleagues not only for the work they did in shortlisting the success stories but also for writing them up. I thank them for the support and look forward to furthering CUTS Vision and Mission in the years to come.

In future, the organisation will place greater emphasis on outcomes- and impact-oriented cutting-edge activities and interventions by consolidating and synergising its work across subjects and geographical regions. To guide us in this endeavour, we have also prepared a dynamic Vision Document to plan for our 50<sup>th</sup> Anniversary in 2034. It is dynamic because it is reviewed every few years to bring it up to date with the current situation.

I would also like to thank my colleagues in the editorial and design teams who have made this publication possible. I hope it will be read widely and generate more interest on the subject of consumer welfare.

December 2018

**Pradeep S Mehta** Secretary General CUTS International



### I. Rules-based Trade

### **Policy Interventions**

### **High Level Policy Interventions**

<u>2012-13</u>: CUTS Secretary General, Pradeep S Mehta served on the World Trade Organisation's (WTO) High Level Panel of Stakeholders on 'Defining the Future of Trade', under the chairmanship of Pascal Lamy, the then Director-General, WTO which submitted its report in April, 2013. In sum, the milestone report concluded on raising four convergence challenges: sequencing of negotiations; alignment with Preferential Trade Agreements (PTAs); coherence between trade and flanking policies domestically; and non-tariff measures.

<u>2003-05</u>: Mehta served on the NGO Advisory Board of the WTO Director General, Dr Supachai Panitchpakdi, which guided him through the turbulent years of Doha Round of trade negotiations.

<u>2007-08</u>: As another recognition of CUTS' work on trade policy, Mehta served on the Warwick Commission on Multilateral Trade, established by the University of Warwick in UK, which was chaired by former Trade Minister of Canada, Pierre Pettigrew.













### Mega FTAs and the Indian Economy

CUTS work has helped the Government of India to formulate its negotiating position in the agreement on Regional Comprehensive Economic Partnership (RCEP) of Asia and the Pacific in 2015.

### National Foreign Trade Policy of India

CUTS advocated why the scope of the National Foreign Trade Policy (NFTP) of India should be enlarged from just export promotion to also include means of development through employment generation and greater stakeholder participation. Most of its recommendations were included in the NFTP Statement of 2015-20.

### **Forging Cooperation in Rice Seeds**

As a result of CUTS research and advocacy, India and Bangladesh (and also Nepal) have signed an agreement in June 2017 to formalise their trade in high-yielding varieties of rice seeds and it is expected to be expanded to other seeds and areas of agricultural cooperation.

### New Dimensions in Cross Border Trade

CUTS work and advocacy has positively contributed to *haats* growing in numbers, i.e. from two to four now and many more that have already been approved and upcoming along the India-Bangladesh border. Key recommendations from the India Bangladesh Border *Haat* study were included as part of the revised Memorandum of Understanding (MoU) on Border *Haats* signed between India and Bangladesh on April 08, 2017.



### Focussing on 'Behind-the-Border' Issues

CUTS has brought into focus 'behind-the-border' issues, such as state and local level law and order, and infrastructure issues in trade facilitation. As a result of CUTS' continued on-the-ground work in this field, it received the 'World Customs Organisation (WCO) Certificate of Merit' by the Government of India for Trade Facilitation in South Asia on the occasion of the 2015 International Customs Day of the WCO, at New Delhi, India



### Striving for Better Connectivity in South Asia

CUTS engaged with the Ministry of Shipping, Government of India for development of inland waterways for trade and transport. The Ministry subsequently acknowledged its efforts on inland waterways in 2016. Consequently, it declared 106 Additional National Waterways.



### Promoting Regional Connectivity through BBIN MVA

CUTS produced a comprehensive study that included a practical mapping of the transportation situation in Delhi-Mumbai-Industrial Corridor as well as other economic corridors among BBIN countries. The findings of this study were presented to the Ministry of Road Transport and Highways, which contributed to their knowledge base for ratifying the TIR Convention in June 2017.

### **CUTS** as a Knowledge Partner

The SAARC Chamber of Commerce and Industry used the results of our studies to make specific representations before the South Asian Free Trade Area (SAFTA) Committee of Experts. The SAARC Chamber of Commerce and Industry invited CUTS to become a knowledge partner.

### **Revamping the Custom Clearance Process**

CUTS received the Trade Facilitation Innovation Award by United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) and Asian Development Bank in Yogyakarta, Indonesia in September 2017 based on a case study on India's initiative to set up a Customs Clearance Facilitation Committee jointly with Customs Commissioner, Government of India.

### **Enhancing Bilateral Trade**

CUTS study on '*Cost of Economic Non-Cooperation to Consumers in South Asia*' resulted in a shift in Pakistan's trade policy in 2013 to use a 'negative list' approach while trading with India. This has contributed in normalising India-Pakistan trade relations and increasing bilateral trade.

### Promoting Agro-processing Industry in East Africa

CUTS effort to promote agro-processing industry in East Africa as an effective weapon against climate change's impact on agriculture leading to poverty reduction was captured in Kenya's new Trade Policy as a policy measure. It also found a place in the Burundi's Industrialisation Policy.















### Stakeholder Engagement in Policy Processes

Under CUTS Enhanced Integrated Framework (EIF) sPokes project in Burkina Faso, Nepal and Zambia, the utilisation of Stakeholder Engagement Performance Index (SEPI) coupled with CUTS analyses on current public-private dialogue mechanisms led trade ministries to adopt roadmaps towards enhancing the stakeholder inclusiveness of these mechanisms.

### Making Trade Indispensable in Zambia

**Global Visibility to Trade Interventions** 

World Bank, which includes CUTS.

**CUTS and COMESA Seal Deal** 

export potential and corresponding challenges. A Steering Committee has been formed by the Ministry of Trade and the

As a result of intense capacity building under EIF grant to the Government in Zambia, several dairy farmers were able to improve their productivity by using the integrated traditional value chain system. This particular project was captured twice in WTO/OECD reports on Aid for Trade in 2010 and 2013.

CUTS Lusaka's report assisted the Ministry of Trade in Zambia to initiate the review of the 2005 Diagnostic Trade Integrated Study (DTIS). After the review, the revised DTIS highlights sectoral

CUTS signed an MoU with the Common Market for Eastern and

Southern Africa (COMESA) Secretariat to promote research on trade and development in the region. This is the third such MoU in

Africa after similar ones signed with East African Community (EAC) and African Union. Another such MoU with Economic Community of West African States (ECOWAS) is in the pipeline.







CUTS extensive research on Economic Partnership Agreements (EPAs) was used by several East African governments to strengthen their negotiating position with the EU where, for instance, special attention has been given to the provisions on export taxes. This led to the recognition of CUTS Geneva as a centre of excellence on trade policy, which resulted in signing of an MoU with the EAC Secretariat in 2010.



### Amongst the Top Think-Tanks in Zambia

CUTS Lusaka was identified by Zambia Economic Advocacy Programme (ZEAP), a Department for International Development (DFID), UK run programme as one of the five top Think-Tanks in Zambia in 2013, using evidence-based policy advocacy on trade and economic issues. This will strengthen CUTS Lusaka's ability to conduct evidence-based policy advocacy and facilitate positive changes in Zambia.



### **Case Studies**

### **Carpets at What Cost!**

This is a campaign document published by CUTS in 1993 seeking boycott of carpets made by bonded child labour in inhuman conditions.

### **Trade Policy and Labour Standards**

Using empirical evidence, CUTS argued that looking at the prospects of eradicating child labour while saving the child, trade sanctions will not work for improving the conditions of employment in both developed and developing countries. It received support from a number of developed and developing country governments toward this approach which led to the blocking of the inclusion of labour standards in WTO negotiations.



CARPETS, AT WHAT COST !

CONS 38



### **II. Effective Regulation**

### **Policy Interventions**



### Local Taxes Extra

A survey in 1985 on the cheating of consumers under the garb of 'Local Taxes Extra' was mentioned in the editorials of two leading newspapers (*Hindustan Times* and *Rajasthan Patrika*). Subsequently, the government changed the law, mandating manufacturers to print a maximum consumer price on packaged goods inclusive of all taxes.



### **Public Debate in Calcutta**

CUTS organised a public debate in Calcutta in 1986 on the amended Commission of Enquiry Act, which curbed the right of people to know about a Commission's report, wherein the then Union Law Minister, Asoke Sen, defended the motion. Subsequently, in 1989, the amendment was reversed.



### **Involvement with New Competition Law in India**

CUTS pioneered in advocating for a new Competition Law in India and succeeded. The Government, while drafting the Concept Bill on Competition, incorporated most of CUTS' suggestions. The Consumer Coordination Council, the apex body of consumer organisations of India, nominated CUTS to represent consumer organisations before the Standing Committee of the Parliament for submitting testimony on the new Competition Bill.



### Advocacy led to Amendments in Law

Following the intervention by CUTS at the Supreme Court on appointments of experts and judges in the Commission, the government drafted an amendment in the Competition Act, 2002 to split the body into two: regulatory body as the Competition Commission of India and the Competition Appellate Tribunal as the appellate authority to be headed by a judge. This resulted in an amended Competition Act in 2007.



### **Regulatory Reforms on the Anvil!**

CUTS organised a series of meetings in order to initiate discussions around the implementation of regulatory reforms, which focussed on the draft Regulatory Reform Bill 2010. As an outcome, a memorandum was prepared and submitted to the Ministry of Finance, Government of India and the Parliamentary Standing Committee on Finance for the adoption of the Bill. The need to undertake Regulatory Impact Assessment (RIA) has found its place in the Draft Regulatory Reform Bill, which is now being considered by *NITI Aayog*.

### **Need to Adopt National Competition Policy**

As a result of CUTS research-based advocacy, the Planning Commission established a Task Force on National Competition Policy (NCP) chaired by Pradeep S Mehta, Secretary General, CUTS. This was followed by the Ministry of Corporate Affairs which established a Committee on NCP and allied issues in 2009-2010.

Consequently, a draft NCP was declared in 2011. However, the government changed and the new government has not implemented the policy but adopted several recommendations for competition reforms, such as introduction of GST on goods and services to create a seamless national market.

## Addressing Bottlenecks in Growth of Payments Banks

CUTS made several suggestions which were accepted by the RBI in the Operating Guidelines issued in October 2016, and endorsed by *NITI Aayog's* Watal Committee in its Report on Promotion of Digital Payments published in December 2016.

### **Civil Society's Participation in Energy Sector**

CUTS has been nominated to several key advisory bodies as voice of consumers including those with State Electricity Regulatory Commissions (West Bengal and Rajasthan and Central Electricity Regulatory Commission) and Ministry of New and Renewable Energy. CUTS' recommendations to revise the criteria for rural electrification and bringing down the cost of new connections were incorporated by West Bengal State Electricity Distribution Company Limited.









#### **Broadband Disclosure Labels Empower Consumers**



Our campaigning on consumer broadband labels in 2017 led to launch of public consultation by the Telecom Regulatory Authority of India (TRAI) on how data speeds and broadband labels help in information disclosure. So far, there was no attention to this crucial aspect, which affects everyone using internet.

### **Banks Disciplined in Namibia**

BANK

The Namibian Consumer Association (NCA) led a campaign in 2006-07 pointing out how Namibian banks were charging high service charges/bank fees for customers which was strengthened by research undertaken by Namibia Economic Policy Research Unit (NEPRU), an advocacy partner of CUTS under the 7Up3 project.

As a result of evidence provided by NEPRU and the constant lobbying by NCA, the matter reached the Parliamentary Standing Committee on Economics, Natural Resources and Public Administration of Namibia. The Committee recommended all banks to become more transparent while dealing with their customers and to state their charges upfront while servicing them. The actions taken by CUTS and NEPRU were acknowledged by Hages G Geingob, the then Minister of Trade and Industry, Namibia.



### **Green Energy Policy to Address Barriers**

Kenya's Bomet County developed a draft Green Energy Policy to address key barriers on the basis of the baseline study done by CUTS Nairobi in February 2017. Other counties likely to follow suit.



### **Case Studies**

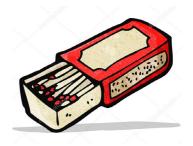
### **Matchbox Scam**

CUTS filed a case against a matchbox manufacturer in the year 1985 for perennial shortage of matchsticks in their matchboxes. It discovered that a 50-stick matchbox contains only 35-40 sticks, regardless of the type of the manufacturer. Besides, the quality of matchsticks was extremely poor.

This changed the whole industry's picture. Thus, the case got a huge publicity, and helped CUTS establish itself.

### **Misleading Sales**

CUTS filed the first unfair-trade-practice complaint in the Monopolies & Restrictive Trade Practices Commission (MRTPC) in August 1984 against Bal Krishna Khurana. He advertised selling prices of ₹250 and sometimes less for clothes worth ₹1000 and more. There were two problems: firstly, none of the clothes were worth what they were being advertised for i.e. the misleading aspect. Secondly, he practiced 'bait and switch,' i.e. when someone enquired for a particular cloth, Khurana would claim that he has run out of stock and thus coercing the consumer to buy something else. The Commission passed an *ex parte* order against Khurana and also directed newspapers to stop accepting such misleading advertisements.



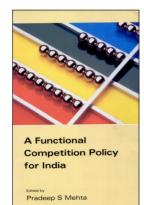


### **HLL-TOMCO** Case

As a result of adoption of liberalisation and reforms, the MRTP Act was amended in 1991 by dropping sections on mergers and acquisitions. Soon after the amendment Unilever's Indian subsidiary: Hindustan Lever Ltd. (HLL) took over Tata Oil Mills Co Ltd (TOMCO), which was manufacturing soaps and detergents. Thus, HLL became a dominant player in the consumer soaps and detergents market in India, acquiring a share of nearly 77 percent in soaps and 90 percent in detergents in the organised sector. Along with other consumer groups, CUTS challenged the merger in the MRTP Commission which did not succeed. However, the case flagged the issue prominently in the public thus raising awareness.







GENERAL PURPOSI

25 KG

### State Competition and Regulatory Agency

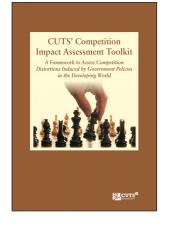
The 'Functional Competition Policy for India' report published by CUTS highlighted the nature of competition concerns and regulatory failures at the local level and the inadequacy of the existing enforcement mechanism. Considering the huge size of India, the need for a local level competition agency was realised to monitor such practices and enforce relevant laws. Responding to CUTS' demand for the establishment of State Competition and Regulatory Agency (SCoRA), the State Government of Rajasthan constituted a committee to prepare a draft of the SCoRA Bill. Alas, the effort did succeed.

### Stern Action on Cement... 17 Years on

In 2008, MRTPC undertook the investigation as a result of mounting pressure from CUTS and others (a complaint had also been brought by the Builders Association of India), and was able to unearth the existence of a cartel among 10 major players in the cement market operating on the platform provided by the Cement Manufacturing Association. A 'cease and desist' order was passed by MRTPC.

### Designing of a Better Business Regulatory Framework for India

CUTS has been contributing towards reforming India's regulatory architecture and one of the roles played by the organisation was that of a Knowledge Partner to the erstwhile Planning Commission of India to conceptualise, manage and operate the Working Group on Business Regulatory Framework. The report, released in 2011, served as a guiding document for the development of future strategies for business regulations.



### **Analysing Competition Distortions**

CUTS published a Competition Impact Assessment (CIA) Toolkit in 2014, which uses elements from the competition policy principles, identified by the Planning Commission as well by the Committee on NCP in India on the basis of research done by CUTS in India. The CCI has now launched an exercise to do CIA with seven institutions which includes CUTS and CIRC.



### **Raising ante for Responsible Business Behaviour**

In 2015, a national programme on Business Responsibility identified pharmaceutical as one of the key sectors for the development of sectoral guidelines (sector-specific NVGs) based on CUTS research (2010-12) and emerging recommendations. This exercise was undertaken by CUTS with inputs from key stakeholders – especially the national pharmaceutical industry associations.

### Green Growth and Energy Transformation

A network of more than 150 stakeholders (who have been associated with this initiative) in form of seed communities has been created. In the process, the initiative has also identified beneficiary groups and clusters at the grassroots level in both Rajasthan and West Bengal where solar solutions can be implemented.

### **Functional Competition Regime in Ghana**

CUTS Accra is acting as a reference point for state and nonstate actors on Competition Policy and Law and Consumer Protection issues in Ghana.

### Bringing down Milk Prices in Mauritius

Mauritians have to rely on powdered milk which was dominated by a handful of players. Due to CUTS' interventions, impact of anticompetitive practices on consumers' daily lives started getting discussed in public platforms and media. This was largely due to the extensive outreach activities carried out by Institute for Consumer Protection, an advocacy partner of CUTS. The government eventually intervened in the market and fixed the margin of profits at 14 percent. This led to a decrease of prices stabilisation.

### **Addressing Anticompetitive Practices**

CUTS Nairobi was instrumental in giving expert advice to the Government of Rwanda on tools, which can be used to conduct sector-specific investigations. The organisation also trained Ministry of Trade & Industry officials in the competition and consumer protection unit on how to use such tools in assessing anticompetitive practices in Rwanda.















### Nexus between Competition Reforms and Business Growth

The report entitled 'The Impact of the Competition Reforms on Businesses in Zambia: An Evaluation of the Zambian Governance Reform Programme' is the first attempt in Zambia to explore the impact of competition reforms on business growth which was disseminated at a meeting and widely shared with the public.

### **Making Competition Reforms Work for People**



The project entitled, 'Competition Reforms in Key Markets for Enhancing Social & Economic Welfare in Developing Countries' has helped to empirically demonstrate the linkage between competition reforms and consumer/producer welfare in key sectors. Some of these actions are as follows: (i) formation of an expert group to advise the Office for Competition in the Philippines on ways to promote competition in three sectors; (ii) establishment of a technical committee in Zambia to develop safety standards that were absent in privately run city buses; and (iii) development of a regulatory framework for Inter-city Bus Transport in the states of Gujarat & Madhya Pradesh (India).

### **Performance Audits of Telecom Towers**



CUTS Lusaka initiated performance audits of selected telecom towers and revealed that all of them installed in rural areas do not meet the technical and legal requirements. The findings raise questions on how these installations are being monitored by Zambia Information and Communication Technology Authority and saw the involvement of government, parliamentarians, local communities' consumers and various stakeholders among others, demanding for accountability and rectification.



### III. Good Governance including Consumer Protection

### **Policy Interventions**

### Gram Gadar

The genesis of CUTS can be found in the importance of communication in influencing the political economy of growth and development. A group of like-minded people came up with an innovative idea of producing a monthly wall newspaper in Hindi called Gram Gadar (Village Revolution). Indeed, it was so because before its advent there was hardly any means through which poor villagers could access what the government was doing for improving their standards of living.

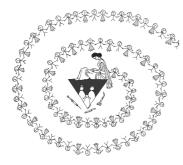


### Virulent Coin Shortage

Virulent coin shortage in 1984-85 saw CUTS organising a joint petition signed by 44 MLAs of Rajasthan, including one by the former Vice President of India, Bhairon Singh Shekhawat cutting across party lines. A subsequent highly acclaimed editorial page article by Secretary General Pradeep S Mehta, in *Janasatta*, a leading Hindi newspaper, provoked the government to take immediate action and end the shortage. This was the first campaign launched on June 18, 1984.







Brominated

Vegetable Oil

Use: Emulsifier in citrus drinks Health Risk: Negative effects on rain development; Reduces fertilit Disrupts normal thyroid function; Possibly causes cancer.

Found in: Citrus soda drinks, flame retardants in plastic\*

### **National Family Planning Programme**

The aftermaths of sterilisation operations under the National Family Planning Programme like complications and deaths brought into focus the sheer medical negligence in Rajasthan. When the issue of 44 deaths in one year echoed in the Rajasthan Assembly in 1988, CUTS initiated a sustain advocacy campaign – from highlighting the issue to studying its causes and filing public interest litigations against the wrong treatment, meagre compensation of ₹10,000 for educating the people on family planning and advocating with the government to stop targeting. A major success was achieved in 2006, when the Government of India raised the compensation to ₹200,000 under an insurance cover.

Cases of Suman Sethia, Geeta Rawal, Mohini, Manbhari were some of the known victims of medical negligence that were brought into focus by CUTS in a publication entitled, 'Numbers at What Cost?

#### **Campaign on BVO**

CUTS succeeded in getting a toxic additive, Brominated Vegetable Oil (BVO), banned for use in soft drinks in 1990. This led to widespread consumer awareness on health and safety issues. The BVO episode triggered an amendment in the Consumer Protection Act (COPRA) in 1993, empowering the consumer courts to stop the sale of and/or order the withdrawal of any unsafe or hazardous goods and services from being sold in the market under the Right to Safety.

### International Day for the Eradication of Poverty



Mother Teresa participated in a panel discussion: 'Dole vs. Opportunities' on the occasion of the World Poverty Day, November 01, 1992. This Day was adopted by CUTS in 1990 and endorsed by the consumer movement in India in 1991. Since then, in 1992 the United Nations has adopted the International day for Eradication of Poverty on October 17.



### **National Road Safety Policy**

CUTS' study on road safety in 1990 became the basis for the National Road Safety Policy adopted by the Government of India in 1993. It was nominated to the National Road Safety Council twice and to its first high-level Ministerial Committee, which was established to formulate the National Road Safety Policy.



### Medical Negligence and Compensation

Pursuant to an appeal in 1995 on medical negligence by CUTS, the Supreme Court of India ruled that all government employees, even if they or their families get free medical treatment, would be entitled for coverage under COPRA. The landmark judgment settled the controversy of medical negligence being covered under COPRA.

### **National Consumer Policy**

In 1998, in its advocacy for a National Consumer Policy, CUTS prepared a draft through a consultative process and submitted it to the Government of India. As a result of rigorous advocacy and lobbying for seven years, the Department constituted a committee in the year 2005 to formulate the policy and CUTS was made a member of the committee. The 1998 draft policy prepared by CUTS was taken as the basis for forming the National Consumer Policy.

### Why are Helmets Needed?

In the year 1999, CUTS, with the support of Ministry of Road Transport and Highways (MoRTH), implemented a project in Jaipur, for creating mass awareness on the necessity of helmets for two-wheeler riders and also pressurising the government for making wearing of helmets compulsory. The impact of the programme was so overwhelming that the Rajasthan government immediately enforced the provision laid down in Section 129 of the Motor Vehicles Act 1988 and made helmets use compulsory for two-wheeler riders in Jaipur,



which got replicated in other districts of Rajasthan later.





अग्य अन्य काम स्टाहते हैं तो रत्नियते-प्रदीप महत, सचिव पूर्व कार्यकांगी निर्देशक के ज्युवाब यूलिटी स्डे द्रस्ट सोसाईटी, प्रोजा कं 12, जयपुर-1



### **Analysing Traffic and Parking Conditions**

In 2005, a Public Interest Litigation in Rajasthan High Court was filed around four years back on the traffic and parking conditions in Jaipur. The High Court instructed the State Government to strictly improve the conditions of roads and make them user friendly.

### Performance Evaluation of Mid-Day Meal



CUTS in association with The World Bank, New Delhi implemented this project during October 2005-May 2006. The in-depth research and survey was done in Chittorgarh district. In the study, modern hybrid tools like 'Participatory Expenditure Tracking Survey (PETS)' and 'Citizen Report Card (CRC)' were used for doing the quantitative and qualitative assessment. The study findings were disseminated among service providers of the scheme which contributed into number of policy and practice changes.

Decisions were taken to address the delay and arrangements made to transfer funds three months in advance in the account of School Development Management Committee. After installing weighing machines at school level, quantity of food grains supplied to schools was thoroughly checked and as a result, full supply was being done timely. A significant change was the introduction of more realistic norms for reporting of student enrolments.

### **Concern over Low Consumer Awareness**



CUTS in partnership with Department of Consumer Affairs, Government of India, implemented this project from January 2010-December 2012 in 12 districts in Rajasthan. The project created an enabling environment at the grassroots which helped building a capable, dedicated and sustainable network for strengthening effective service delivery with enhanced transparency and accountability in the processes.

District Consumer Protection Councils, defunct earlier, were constituted in all 33 districts. Most of the vacancies in district consumer disputes redressal forums were filled up.

For the first time, a person with disability (PwD) was qualified as District Judge. Additionally, a convention of appointing only retired district judges as President of district forums was also discontinued as the position was opened for senior lawyers only. The State government announced establishment of two more district fora in Jaipur and Jodhpur districts respectively. It also intensified the action against adulteration in food products and fuels etc.



### An Efficient, Transparent and Competitive Public Procurement System

Following request by the Wold Bank and the Asian Development Bank, the Finance Department of the State has strengthened the procurement of Rajasthan. State Public Procurement Portal has been redesigned, regular trainings are being provided to officials, compliance of the concerned Rajasthan Transparency in Public Procurement (RTPP) Act, 2012 has increased; and procurement processes have been made more transparent and accountable.



### **Stakeholder Mobilisation and Consumer Issues**

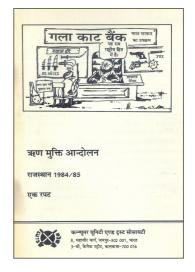
CUTS Nairobi conducted a baseline study on the state of consumer protection in Kenya in 2007 with specific focus on the selected key sectors including public health, transport, telecommunication, electricity and water.

The recommendations by the organisation have been captured in the National Transport and Safety Authority Act 2012. One regulation that has already been developed is the (Registration of Subscribers of Telecommunication Services) Regulations, 2012. Another achievement is the current development of the Health Bill, 2014 which when fully enacted, will be able to establish a unified health system.

### **Case Studies**

### Rin Mukti Andolan (Debt Relief Movement)

CUTS assisted a successful campaign and litigation in 1984-86 on the human and legal rights of over 800 indigent farmers in Rajasthan who were victims of legal quirks, false loans and inhuman recovery processes adopted by state officials. A study: 'Debt Relief Movement' was published in 1993.







### **Human Freedom Index**

The United Nations Development Programme (UNDP), in its 1991 Human Development Report, sought to account for the liberties of citizens across all countries on the basis of a facile, simplistic and colonial Human Freedom Index without considering any weightage or cultural variables. CUTS was probably the only NGO which criticised it and the UNDP, acknowledging its blunder, dropped this controversial Index from its further reports.

### **Rawatbhata Nuclear Tragedy**

CUTS caused a detailed government enquiry on the effects of nuclear pollution in the Nuclear Heavy Water Plant at Rawatbhata, Chittorgarh (Rajasthan) to be taken up as a public interest petition by CUTS.



### **Otis Elevator**

In 1985, Chitra Jayaram, a teacher in Don Bosco School of Calcutta opened the gate of lift of her school and stepped into a nightmare and then followed the painful recovery and the process of re-learning how to walk. When doctors told her she would require more operations, with no guarantees to walking normally, she finally decided to take on the elevator company. CUTS obtained an unprecedented compensation of ₹50,000 from Otis Elevator Co. for Jayaram in 1987 without going to the court. It was captured in the Limca Book of Records.





That just shows how everybody is feeling the pinch...!

#### **Behala Oil Tragedy**

CUTS ensured the legal and human rights of nearly 800 poor victims of adulteration in edible oil in Kolkata in 1988-90, commonly referred to as the 'Behala Oil Tragedy'. What happened was that about 1500 people in Behala (a suburb of Kolkata) were paralysed after consuming adulterated rapeseed oil sold through a ration shop called *Gharib Bhandar* (the poor man's store). CUTS filed a case before the National Commission under COPRA and the victims got justice. A medical board was established and all victims were surveyed in depth. This helped in their rehabilitation.

### No Work, No Wages

CUTS, by resorting to a consumer class action at the National Consumer Disputes Redressal Commission under COPRA against Bank of Baroda for a 40-day long strike in all its 73 branches in 1988, stopped the heinous practice of habitually occurring long strikes in banks. Besides front-page news, it was also mentioned in the editorials of all leading newspapers. This case established the



principle that there are not just two parties in a strike but a more important third party, i.e. the consumer and not just the staff and the management. Along with the rule of 'no work, no wages' this case led to a sea change in the trade union activism in the banks that no long strike has since taken place.

### 'Dead Phones' Contest

CUTS organised a 'Dead Phones' contest in 1988 which elicited good response from all over, including the Telecom czar, Sam Pitroda, who agreed to give away the prizes, but backed out. The event got unusual publicity in leading newspapers/magazines of India and the US.

### Find Garbage and Win a Prize

CUTS held a novel contest: 'Find Garbage and Win a Prize' in Calcutta in 1988 and Jaipur in 1992 to draw the attention on both the authorities and citizens on the environment and health hazards. This resulted in immediate action.

### Find Potholes and Win a Prize

CUTS organised a 'Find potholes and win a prize' contest in Kolkata in 1989 and in Jaipur in 1991 which provoked the civic authorities to work overnight and carry out speedy repairs.

### **Inaugurating National and State Commissions**

In 1988, CUTS 'inaugurated' the National Commission, the Rajasthan and the West Bengal State Commissions, set up under COPRA, not by cutting ribbons, but by filing the first complaints before each of these bodies.

### **Sham Fruit Drinks**

CUTS tested and actioned the claims of tetra pack fruit drink manufacturers in 1989 which led to an increase in the percentage of its juice contents and consumers became more aware.













# TEN PERCENT CITIZENSHIP? - A Provocation for Affirmative Action



### **Right to Life and Safety on Roads**

In 1990, CUTS released a paper on 'Right to Life and Safety on Roads' which was presented at the International Conference on Road Safety and Accidents in Developing Countries held at Cairo, Egypt, in March 1990. The document addressed the road accident scenario and called for concrete steps required for making vehicles and roads safer.

### **10 Percent Citizenship?**

In 1992, CUTS launched a study on the effects of corruption on the common man. In 1993 launched the '10 precent citizenship"? movement to provoke citizens to question the way their hard earned money is being spent, as half their time they spend on working for the government earning to pay for myriad taxes etc.

### **Campaign Against Auto Pollution**

CUTS conducted a year-long campaign against Auto Pollution in Calcutta by holding a 'For children's sake' rally on Earth Day, 1993. On the ensuing 'World Environment Day' put a gas mask on Mahatma Gandhi's statue which was published on front pages of leading newspapers.



#### **Banning Jeeps**

CUTS, in the year 2001, filed a petition in the Rajasthan Human Rights Commission for banning jeeps being used as public transport vehicles on highways. These jeeps are often overloaded and meet with serious accidents resulting into casualties. The Commission advised the state government with recommendations, which included replacing these jeeps by mini buses on some of the routes on the highways and also allowing only closed jeeps instead of the prevailing open ones on roads. It also recommended a strict vigil on such jeeps.



#### **Fertiliser Plant in Udaipur**

CUTS forced a fertiliser plant in Udaipur (Rajasthan) to install effluent treatment plant after organising a children's rally and petitioning the local authorities.



### How to Get Back Your Scooter Deposit?

One Lohia Machines Ltd (renamed as LML Ltd) got a licence from Italian company Vespa, former collaborators with Pune based Bajaj Scooters, to make them in Kanpur. Due to the short supply in the scooter market, there was a rush by consumers to do their booking by depositing ₹500 per scooter. Lohia, who did not even have a factory, collected crores of rupees from consumers as low interest deposits. As soon as they and other new manufacturers started deliveries the market crashed and the premium disappeared. Consequently there was a rush to seek refund of the booking deposits, which literally meant a 'rush on the bank'. CUTS obtained refunds of thousands of booking deposits of scooters made by LML Ltd. through an innovative use of COPRA by directing consumers to send their complaints to the Kanpur District Forum established under COPRA using the opposite party jurisdiction.



### **Upbhokta Mitra (Friends of Consumers)**

*Upbhokta Mitra* Training Programme imparted fee-based practical training to proactive consumer friends to provide impetus to consumer movement in Rajasthan and elsewhere. This programme created a large number of consumer activists in Rajasthan and elsewhere.



## The Voluntary Consumer Action Network (V-CAN)

It has resulted from the series of Training Workshops for Young Consumer Leaders (TWYCL) organised by CUTS and Consumers International (CI) to impart skills and create a second line leadership in the consumer movement in India. V-CAN articulated its vision statement as 'Affordable and sustainable health for all', and its mission as 'Equipping activists to empower people to achieve their right to health'.





### **Rehabilitating Kanjar Community**



To rehabilitate the Kanjar community (criminal tribe), CUTS was questioned by the police in Chittorgarh in 2008 to develop an intervention so that some of these tribes could join the mainstream of the society. Under this intervention, 22 persons surrendered before the police. As proposed by CUTS, a scheme called 'Nav Jeevan Yojana' was implemented for rehabilitation

by the district administration. CUTS has been awarded by the district administration for this work.

### *Balika Shiksha Praveshotsava* (Girl Child Education campaign)



For the last couple of years, CUTS has been organising 'Balika Shiksha Praveshotsava' (programme for encouraging the enrollment of girls into schools). As a result of this campaign, 80 percent girls have been enrolled in schools.

### **Promoting Accountability in the Budget Process**

The World Bank, in July 2004, through the project Global Stock Taking on Social Accountability Mechanisms for Asia and the Pacific, identified CUTS' interventions for a good case study on pro-poor spending.



### State-level Best Performing SHG Award

Women are said to be the largest untapped reservoir of talent in the world. Since ages, women are trying hard to break free from the barricades of cultural prejudice, social inequity and tags of an inferior sex to fulfil their domestic duties. CUTS SHG, Radhe Krishna has been awarded as the 'State-level Best Performing SHG' by National Bank for Agriculture and Rural Development (NABARD) on March 09, 2016.

Earlier, it was also awarded by Chittorgarh district administration for 'Excellence in Women



Empowerment'. This is a well-known woman SHG of nomadic community, *gadia lohars* (ironsmiths) of village Ochri in district Chittorgarh (Rajasthan) producing agricultural and household tools. Moreover, this SHG has inspired other women to establish 10 more such women SHGs in their neighbourhood and utilise their loans in promoting their traditional ironsmith work.

### **Empowering the Women Electorate**

The campaign initiated by CUTS resulted in increased participation of women, with greater awareness across communities to their role as responsible citizens and voters during elections. Women contested in larger numbers both in reserved and unreserved categories, as compared to previous years.

### **Best Practices in Improving Urban Governance**

Recognising CUTS contribution in the area of urban governance, the Government of Rajasthan conferred *Swachh* Rajasthan Award, 2016 on CUTS, which was given by Vasundhara Raje, Chief Minister of Rajasthan in a state level function held at Udaipur on December 22, 2016.

### Every Child has the Right to be Happy, Healthy and Protected

Bhilwara district administration applauded CUTS work on 'CHILDLINE 1098' which has reached out to 2935 children and resolved 2862 cases during August 2012-April 2018.

CUTS CHILDLINE, Labour Department and Anti-Human Trafficking Unit jointly rescued 16 children in the age group of 8-

14 years in 2017. The children were found working in Bricks Industries, Bhilwara. They were taken into custody and handed over to the Child Welfare Committee for their rehabilitation. Besides, an FIR has been registered under Juvenile Justice Act against the owner of the Brick Industries, so that necessary action could be taken against the employers.

In its endeavour against child marriage, CHILDLINE team Bhilwara (Rajasthan) intervened in prevention of four child marriages at Gajuna village of Block Kareda on February 25, 2016.









### **Disability is not Inability!**



State Award was given to the disabled by the Ministry of Social Justice and Empowerment, Rajasthan, for their excellent work in disability area; and National Award by the President of India to the District Magistrate for doing outstanding work in creating a barrier-free environment for persons with disabilities (PwDs) in Chittorgarh.



### Partnership with the Government of Kenya

CUTS Nairobi has been recognised by key government ministries and regulatory institutions in Kenya and called upon to provide technical expertise in the development of a number of consumer regulations in various committees.

### **Importance of Girl Child in Indian Society**

United Nations Children's Fund organised an event 'Ladli Samman' referring to equality of girl child in the society on October 11, 2014. Around 50 girls across Rajasthan were felicitated, out of which three marked their representation in



CUTS CHD and Bhilwara, fighting against prevalent barriers in upliftment of girl child in the community with the intervention of CHD.

Durga Kumari, President of *Ghagsa Bal Panchayat* (village level forum for children) was felicitated for protesting against her own child marriage on March 20, 2010. Ever since Durga has been working fervently against the social evil of child marriage in nearby rural areas.







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