



Green Growth and Energy Security in India *Political Economy Transformation and Challenges*



CUTS International has taken up an initiative 'Green Growth and Energy Security in India: *Political Economy Transformation and Challenges*' to explore clean energy strategies related to energy security in India and deliberate on opportunities and challenges.

As part of this initiative, CUTS with support from the Friedrich-Ebert-Stiftung (FES, India) would organise a National Conference at Jaipur, Kolkata and Delhi and two Parliamentarians' Forums to build consensus for the energy security through green growth in India. Toward the end of this initiative, CUTS would prepare a policy paper on issues related to the green growth, which would highlight key policy recommendations to address India's energy security challenges.

It is in this context, a National Conference was organised at Jaipur on June 19, 2015. The purpose of the event was to sensitise relevant stakeholders on the need for a green growth approach



L-R: Marc Saxer, Vishvanath Hiremath and Pradeep S Mehta

and identify a coherent strategy towards the shared goal of sustainable energy development and growth consultation with relevant stakeholders.

The event was attended by several dignitaries, such as Marc Saxer, Resident Representative, Friedrich Ebert Stiftung, India; Vishvanath Hiremath, Chairperson, Rajasthan Electricity Regulatory Commission; Rao Rajendra Singh, Member Legislative Assembly, State of Rajasthan; R P Goswami, Director, Ministry of New & Renewable Energy, Government of India; Shakti Sinha, Former, Principal Secretary (Finance & Planning, Power), CMD Delhi Transco, Government of Delhi and other key experts.

www.cuts-ccier.org/Green/

Regulatory Impact Assessment in Indian Electricity Generation Sector

ADB

CUTS Centre for Competition, Investment & Economic Regulation (CUTS CCIER) implemented a project on 'Regulatory Impact Assessment (RIA) in Indian Electricity Generation Sector', with support from the Asian Development Bank's India Resident Mission.

The project estimated costs and benefits of select regulations influencing electricity generation in select states in India. Impact of Forest Conservation Rules, 2004 on hydel power generation in Himachal Pradesh; Environment Impact Assessment Notification, 2006 on coal power generation in Rajasthan; and Gujarat State Solar Policy, 2014, on solar power generation in Gujarat, was assessed. The project involved suggesting regulatory alternatives to critical provisions of these regulations, which could result in higher net benefits to the stakeholders involved.

During the quarter ending June 2015, the research report for the project was finalised after incorporating comments and suggestions from external reviewers and subject experts. The report is divided into three sections, each dedicated to a specific sector. Each section conducts in-depth examination of prevailing power generation scenario in relevant state and justifies the selection of regulation under consideration.

This is followed with a baseline assessment wherein the relevant regulation has been analysed in detail. The regulatory alternatives have then been compared with existing provisions, for selection of most optimal alternative, having the potential to provide maximum net benefits to the stakeholders.

The report is currently undergoing proofread and layout and would soon be released in public domain, at CUTS website.

www.cuts-ccier.org/ADB-RIA

Quality of Mobile Internet Services in India



CUTS International organised consultation meetings on Quality of Service (QoS) for mobile internet in India, as a part of a study undertaken by CUTS in collaboration with Indian Institute of Technology at New Delhi on June 17, 2015. The objective of the study was to raise awareness among civil society organisations (CSOs), regulators, industry players, media, etc. on issues of depleting mobile internet quality and performance of service providers.

IIT Delhi conducted a study on 2G/3G Internet Measurements in India which focussed on collecting measurements from several rural and urban areas on the QoS consumers receive from different mobile internet service providers. Performance data was collected from four mobile operators across rural and urban areas of Madhya Pradesh, Jharkhand and Delhi.

The purpose of meetings was to disseminate findings of IIT study in order to generate space for dialogue between CSOs and the regulator, while focussing on the role they can play in ensuring good QoS for mobile internet services in India.

The meeting on CSOs had participants from various consumer organisations and Telecom Regulatory Authority of India (TRAI). CUTS representative delivered a presentation on roles which CSOs can play in ensuring QoS standards. Shaji Abraham, Joint Advisor (QoS), TRAI responded to concerns and issues faced by CSOs.

For the meeting on Regulator and Industry, there were participants from industry, media, academia and TRAI. CUTS presentation on existing regulations on QoS in India and learning lessons taken from the best practices globally. Robert J Ravi, Advisor (TD & QoS), TRAI responded to recommendations of the IIT study.

There were discussions on topics, such as penalties on non-compliances by operators, lack of information to consumers, performance indicators and indexing of operators on performance.

The meetings concluded with earmarking QoS issues in India, which would be discussed during the National Seminar sometime in 2015. www.cuts-ccier.org/QOSII/

Competition Reforms to Achieve Social and Economic Welfare



CUTS International with support from DFID, UK and BMZ, Germany through GIZ is implementing a project entitled, 'Competition Reforms for Enhancing Social and Economic Welfare in Developing Countries' (CREW).

The aim of the project is to bring attention of policymakers in developing and least developing countries towards effective competition enforcement by linking the same with consumer and producer welfare. The project countries are – Philippines, Ghana, India and Zambia, while the sectors that are being looked are staple food and bus transport.

Recently, fourth round of National Reference Group (NRG) meetings were held during April-May 2015. NRG members are a group of national level experts and relevant stakeholders who periodically through this meeting receive updates on the project and review the deliverables and deliberate on the way forward.

Fourth NRG meetings were important as it concluded the research phase of the project and marked the beginning of the advocacy phase. The objective of meetings was to present the National Advocacy Plans (NAPs), drafted by country partners with the CUTS Head office team and work plans to implement the NAPs to the NRG members for inputs and debate.

Under the NAP, two to three key issues from each of



Participants at the Fourth NRG Meeting at Ghana

the sectors (per country), from the research phase were selected for further focussed research and advocacy. The issues were discussed in detail and the work plan for rolling out NAPs was decided.

Additionally, bilateral meetings were also held in some countries to further the advocacy agenda. The meetings were divided as per the sectors and government officials were met to start momentum for the advocacy phase. In Philippines, for instance, where one of the advocacy issues is to push for removal of Quantitative Restriction on rice imports, a brainstorming meeting with relevant stakeholders was conducted to firm an action plan to achieve the same.

The fifth round of NRG meetings is due in September 2015, where the country partners will share updates on the implementation of NAPs. www.cuts-ccier.org/crew

The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement (Second Amendment) Bill, 2015

The present government has introduced the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement (Second Amendment) Bill, 2015. A Joint Parliamentary Committee of both the Houses has been constituted under the Chairmanship of S S Ahluwalia for comprehensive review and examination. Further, the Joint Committee, in order to take into consideration views of various stakeholders, invited comments/suggestions on the Bill, on which CUTS provided its comments on May 31, 2015.

The Bill mentioned five categories which would be exempt from the consent clause, Social Impact Assessment (SIA) and the Food Security clause and CUTS objected to this amendment. Forcible acquisitions have been a serious issue, especially under the 'eminent domain' and removing the consent clause would dilute the participatory approach of the bill and also create holdout problems. Thus, CUTS suggested the reduction of proportion to 51 percent. The SIA clause had various objectives, such as determining whether the project served any public purpose, estimating the number of affected families among others.

One of the issues with this clause was its time consuming nature however, since the objectives were critical CUTS suggested retaining the clause with necessary amendments to procedures to address the time and cost concerns and the example of Environmental Impact Assessment could also be utilised.

Other CUTS' suggestions included evaluation of the effectiveness of the LARR Act, 2013, conducting Regulatory Impact Assessment of the Bill to gauge its impact on stakeholders, adopting innovative mechanisms to accurately estimate the market rates, creating a regulator for Land among others. Further, sometimes land owners and other affected families do not have proper information and clarity regarding the need for acquisition and benefits to them which needs to be addressed.

www.cuts-ccier.org/pdf/

[CUTS_Comments_to_the_Joint_Parliamentary_Committee_on_The_Right_to_Fair_Compensation_and_Transparency_in_Land_Acquisition.pdf](http://www.cuts-ccier.org/pdf/CUTS_Comments_to_the_Joint_Parliamentary_Committee_on_The_Right_to_Fair_Compensation_and_Transparency_in_Land_Acquisition.pdf)

4th Biennial Conference 2015

Competition and Regulatory Reforms in the Post-2015 Development Agenda

CUTS and CUTS Institute for Regulation & Competition (CIRC) consecutively fourth time in a flagship series of biennial conference, is organising 4th Biennial Conference on 'Relevance of Competition and Regulatory Reforms in the post-2015 Development Agenda in Developing Countries' to be held in Nairobi, Kenya on December 12-13, 2015.

The conference aims to raise key pointers that can help developing country policymakers, opinion leaders and development actors understand the importance of according greater attention to competition and regulatory reforms – as a tool for achieving developmental objectives based upon economic democracy principles.

The conference is sub-divided into four knowledge sessions:

- Role of the government in promoting sustainable economic growth through competition reforms
- How can competition reforms in developing and least developed countries be designed to better contribute to inclusive economic growth, especially by creating greater scope for Micro, Small & Medium Enterprises (MSME) in the economy?
- Competition reforms as a component of sectoral/economic reforms to enable developing country consumers and producers derive benefits from key sectors
- Infusing competition and promoting regulatory reforms to make trade agreements and regional integration impactful in developing countries

www.cuts-ccier.org/pdf/Agenda-4thBiennial_Conference.pdf

New Project

NVGs based Sectoral Guidelines for Foundry Sector

CUTS, with support from the Foundation of MSME Clusters (FMC) is developing a sectoral guidelines on Business Responsibilities based on National Voluntary Guidelines on Social, Environmental & Economic Responsibilities of Business (NVGs) for coke based cupola foundries operating under the *Ajmer Zila Laghu Udyog Sangh* (AZLUS) at Ajmer District of Rajasthan.

The overarching objective of the assignment is to mainstream the NVGs principles into the MSME sector in order to help businesses understand, adopt and implement them. The Research team at CUTS had undertaken desk research (literature review) on various facets of Environmental, Social and Governance issues present in the sector.

A Focus Group Dialogue was conducted at Ajmer on June 30, 2015 to understand various material issues in the foundry sector. The exercise will help analyse and identify key areas in the foundry sector that needs improvement from the perspective of responsible business behaviour.

As a next step in the assignment, a sectoral analyses framework will be designed by juxtaposing the key material issues in the foundry sector *vis-a-vis* NVG principles.

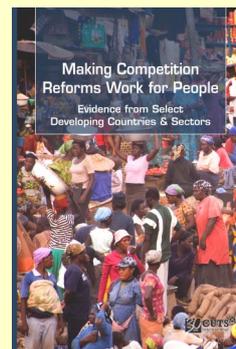
Synthesis Report

Making Competition Reforms Work for People Evidence from Select Developing Countries & Sectors

This Synthesis Report is published under the CREW project. The Report presents the cross-country experience from the staple food and bus transport sectors respectively, together with associated emerging lessons. It illustrates an emerging pathway, which is the medium through which competition reforms could lead to consumer and producer welfare. It also presents some illustrations to highlight how competition and regulatory reforms in the sectors have had implications on women's social and economic empowerment and concludes.

The report was released on the sidelines of the 7th Review Conference of the UN Set on Competition Policy at UNCTAD in Geneva on July 08, 2015.

http://www.cuts-ccier.org/CREW/pdf/Making_Competition_Reforms_Work_for_People-Evidence_from_Select_Developing_Countries_and_Sectors.pdf



Advocacy through Media

Regulating dream realty

The Asian Age, June 14, 2015

Pradeep S Mehta

In spite of the recommendations of the Parliamentary Standing Committee on Urban Development and comments of relevant stakeholders, including consumer organisations, industry associations, academia, experts, and the media, the Real Estate (Regulation and Development) Bill, 2013, was watered down by the government under pressure from the builder lobby. It did not go through in the last session of Parliament and a combined opposition has ensured that it be revisited so that it is fair to all parties, particularly the consumers. The bill is now before a select committee of the Rajya Sabha, which has invited comments from all stakeholders.

http://parfore.in/Regulating_dream_realty.htm

There's a gap between policy and practice

The Hindu Business Line, May 29, 2015

Pradeep S Mehta

The Modi government seems to settle for big ideas, hoping that good execution will follow. But that's a big ask "You are what you settle for," quipped Janis Joplin, American singer-songwriter. This appropriately sums up NDA government's approach during its first year in office. Let us take financial sector regulation. After making a big bang announcement in the Budget, the Finance Minister had to rollback his proposal to establish a 'separate'...Public Debt Management Agency (PDMA). The government will now consult the RBI and come up with a detailed roadmap for a new agency.

www.cuts-ccier.org/Article-There_is_a_gap_between_policy_and_practice.htm

[There_is_a_gap_between_policy_and_practice.htm](http://www.cuts-ccier.org/Article-There_is_a_gap_between_policy_and_practice.htm)

The Railways needs new policy signals

The Hindu Business Line, May 15, 2015

Pradeep S Mehta

India has adopted the mixed economy approach as a mantra. The same applies to the Bibek Debroy Panel's treatment of private participation in the Railways. It does not recommend privatisation of the Railways anywhere in its report. There has been much noise over whether the report recommends privatisation, which the minister Suresh Prabhu has contested. India liberalised the airline sector but did not wind up the haemorrhaging Air India...The draft report is well done and can change the face of the Railways if the recommendations are implemented in a defined time frame.

http://cippolc.in/article-The_Railways_needs_new_policy_signals.html

Jan Dhan – easier said than done

The Hindu Business Line, May 01, 2015

Pradeep S Mehta

The unfolding of the financial inclusion tale in India provides significant lessons about the need for regulators and market players to come together...Two recent initiatives aim to completely transform this scenario. First, the *Pradhan Mantri Jan Dhan Yojana* (PMJDY), which saw the opening of 12.54 crore bank accounts and issued 11.08 crore RuPay debit cards by January 2015; and second, technological innovations, which have enormous potential to cut costs, making business sense to cater to the rural populace on the ground.

www.cuts-international.org/articles/Jan_Dhan-easier_said_than_done.htm

Power haves, power have-nots

The Indian Express, April 08, 2015

Pradeep S Mehta

Union Power Minister Piyush Goyal has promised 24x7 electricity supply to all Indians by March 2019. A decade ago, launching the *Rajiv Gandhi Grameen Vidyutikaran Yojana*, the UPA government had set a similar target to ensure universal access to electricity by 2012. Yet, a quarter of the Indian population still lacks access to electricity. The major problem is in the stressed distribution sector — mainly in the public sector, coupled with freebies given to vested interests.

www.cuts-ccier.org/CPSER/article-Power_haves_power_have-nots.htm