



Pradeep Mehta honoured for lifetime contribution to consumer welfare

A living treasure as has been called by Professor Jagdish Bhagwati, Pradeep Mehta, the founder Secretary General of CUTS International and one of the stalwarts of civil society movement, was honoured for his lifetime contribution to consumer welfare in India and around the globe.

The honour was formally bestowed by Union Minister for Commerce and Industry and Civil Aviation, Suresh Prabhu through a video message at a book release and panel discussion event organised by CUTS International. Prabhu, who was away to South Africa, said Pradeep Mehta's guidance on issues of economic policy to him and others have been extremely valuable in shaping public policy.

A book, aptly titled – 'Putting Consumers first - Essays in Honour of Pradeep Mehta' and edited by noted political economist Sanjaya Baru with Abhishek Kumar from CUTS International was released in his honour.

Over 45 experts on Trade, Governance and Regulation across the world contributed essays on these topics to mark Mehta's contribution in these areas.



Dignitaries at the launch of the book entitled, 'Putting Consumers First'

Some of the prominent authors who have contributed to this rich book of knowledge include WTO Director General Roberto Azevêdo, Shashi Tharoor, Sanjaya Baru, Kishore Mahubani, Peter Varghese, Mohan Kumar, C Rangarajan and Secretary General of UNCTAD, Mukhisa Kituyi.

While noted economist, Jagdish Bhagwati has written the adulatory foreword, former Railways Minister and consumer activist, Dinesh Trivedi, MP has crafted a wonderful preface.

The book release was followed by a panel discussion on the Future of Trade Multilateralism in the era of Unilateralism. Chaired by Nitin Desai, former Under Secretary General of the United Nations, the panel reposed faith in the WTO despite the challenges being faced by the global trade body in the wake of bilateralism and unilateralism.

Need for Broadband Labelling to Empower Consumer Choice

CUTS International, in association with The Bengal Chamber of Commerce & Industries (BCC&I) and Deepalaya Organised a seminar on 'Information Disclosure for Broadband Services: *Empowering Informed Choices in the 4G Era*' at Kolkata on May 16, 2018. The seminar was a part of the 'Consumer Broadband Labels' initiative, which focusses on advocating a standard information disclosure mechanism, in the form of a Broadband Label. The objective was to highlight the need for Information Disclosure mechanisms, and discuss different perspectives

on Quality of Service (QoS) for broadband services in India.

Sadhan Pande, Minister-in-Charge, Department of Consumer Affairs, Government of West Bengal said that the state government has initiated many critical e-governance services for its citizens, which would be impactful if the quality of broadband Internet is enhanced and more consistent.

He announced that a stakeholders' consultation meeting will be organised soon, wherein the TRAI, TSPs/ISPs in West Bengal and CSOs, such as CUTS would be invited to deliberate on how to improve the broadband services in West Bengal.

<http://cuts-ccier.org/broadbandlabel/>



Sadhan Pande addressing the participants

Facilitating Innovation in Urban Mobility in India

CUTS International organised a Roundtable on 'Regulating Innovation in Urban Mobility in India' at Mumbai on June 22, 2018 as part of the project entitled, *Regulatory Impact Assessment (RIA) of Maharashtra City Taxi Rules, 2017*. The roundtable was divided in two small sessions. In the first session, the findings and recommendations of RIA study was presented. The second session was a discussion on 'Benefitting from Innovation in Urban Mobility in India: Is light touch regulation the key?'

The discussion was moderated by Amol Kulkarni, Fellow, CUTS International. The key speakers for the discussion includes BC Khatua, Chairman, Committee for Determination of Fare Structure of Taxis and Auto Rickshaws in Maharashtra (Taxi Fare Committee), Sudhir Badami, Transport Expert & Consumer Activist, Ranjit Gadgil, Director,

Parisar, and Sudhakar Yedla, Professor, Indira Gandhi Institute of Development Research.

The key findings of the study suggest that consumers and drivers are likely to incur high additional costs. The estimation suggests that the cost of the daily commute for the consumers may increase up to 40 percent from ₹310 to ₹426 while the cost per day to taxi drivers may increase up to 93 percent from ₹1500 to ₹2899. While there will be some benefits to Black & Yellow taxis, incomes of these are likely to be increased by six percent.

B C Khatua concurred with findings and highlighted that they reinforced the findings of Taxi Fare Committee through robust quantitative research. He also highlighted the utility of RIA framework for estimating the likely impact of regulatory proposals, and urged the government to adopt the same in policy making.

It was discussed that several incumbent city taxi providers are already subject to provisions similar to Rules and are incurring significant compliance cost. In fact, one of the rationales for introduction of the Rules was to create a level playing field between incumbent city taxi providers and taxis linked with app based service providers.

A level playing field may not necessarily be achieved by increasing the costs of new market entrants to match the costs of incumbents but can also be created by reducing the costs of incumbents to match the costs of new entrants. Thus, it is crucial to estimate in advance potential impacts of regulatory proposals and adopt such proposal which is most likely to achieve the objectives with minimum costs and maximum benefits.

www.cuts-ccier.org/RIA_Maha_City_Taxi_Rules_2017/

Standards Setting and the 5G Opportunity

Marking the World Telecom Day 2018, CUTS International along with Broadband India Forum (BIF), released a report on 'Standards and Welfare Maximisation: Towards a Competitive and Innovative 5G Ecosystem in India' during the 5G India 2018 2nd International Conference at Mumbai on May 17-18, 2018. The report takes account of the macro and micro economic effects of standardisation, both in terms of the work conducted by Standards Development Organisations (SDOs) as well as when such efforts lead to the development



Dignitaries at the launch of CUTS report on 'Standards and Welfare Maximisation'

of new and innovative products and services.

While speaking before the release, Telecom Secretary Aruna Sundararajan stated that standards would assume centre stage for the roll out of 5G across India. "As we get closer to understanding the

technical challenges associated with the roll out of high speed, pervasive and reliable 5G networks, standards will assume centre stage. India was not centre stage when earlier networks such as 2G, 3G and 4G were rolled out globally. 5G, however, presents a great opportunity to us," Sundararajan said.

India currently stands at a crucial juncture as the government is looking to successfully reap the potential benefits of an increasingly digitised economy, in light of the not so distant roll-out of the 5G technology.

T V Ramachandran, President, Broadband India Forum said that the discussion on standards and the critical role that they play in the larger economic context is crucial, and its relevance cannot be overestimated in the case of developing nations such as India.

Costs of Regulation to be Justified by its Benefits

CUTS International in collaboration with National Institute of Public Finance and Policy (NIPFP) had organised CRIA Training for TRAI officials at New Delhi on April 16-17, 2018.

It was a two day training programme divided into 6 training sessions. The sessions were mainly focused on Introduction to RIA, its elements and benefits and regulation making process in TRAI. The opening address was given by TRAI Chairman R S Sharma. The training sessions were delivered by Ajay Shah, Professor, NIPFP; V Sridhar, Professor, IIT Bangalore; and Siddharth Mitra, Professor, Jadavpur University. Various case studies of telecom sector were discussed to develop better understanding of RIA among TRAI officials.

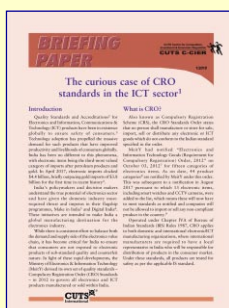
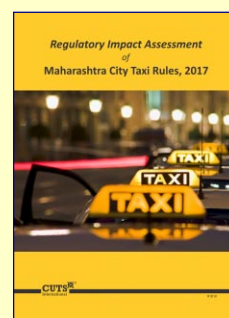
Furthermore, it was discussed that regulatory regime in India is in a nascent stage. Regulators are bestowed with administrative, financial and legislative powers but it appears that they are still miles away from achieving trust of stakeholders. Unlike legislators, they are not appointed through an electoral process. To earn the trust of stakeholders, regulators should enhance their internal capacities and adopt technical and logical frameworks to formulate regulations.

Also, it was argued that the regulation making process should focus on substance over form and based on principles of a good regulation making process. Therefore, it is imperative that regulations should be based on systemic analysis of cause and effect on different stakeholders and economy at large.

Publications

Regulatory Impact Assessment of Maharashtra City Taxi Rules, 2017

This study provides a glimpse of the unintended consequences of regulations which do not follow a transparent and structured process to assess costs and benefits of the regulatory proposals. The study points out that despite good intentions of retaining the benefits of innovation and technology in urban mobility sector and creating a level playing field between incumbent taxi providers and technology enabled new innovative players, if the Rules come into force, the cost to consumers for daily commute and the cost to the drivers are likely to increase very significantly. www.cuts-ccier.org/RIA_Maha_City_Taxi_Rules_2017/pdf/Report.pdf



The Curious Case of CRO Standards in the ICT Sector

Regulatory instruments, such as CRO Standards have widespread impacts, and affect multiple stakeholder groups in different ways. A suboptimal regulation has the potential to increase the cost of administration and compliance, have unintended outcomes and limits the likelihood of achievement of its objectives. Therefore, it is of paramount importance to understand its impacts, proposed or in operation, to achieve favourable outcomes of protecting national sovereignty and offer high quality electronic/ICT products to Indian consumers.

www.cuts-ccier.org/pdf/The_curious_case_of_CRO_standards_in_the ICTsector.pdf

Regulatory Innovation in Urban Mobility in India

CUTS International has applied the RIA framework to estimate costs and benefits of select provisions of the Rules. The analysis has been informed by in-person interactions with 1,000 drivers and 1,000 users of city taxi services in Mumbai Metropolitan Region and consultations with relevant stakeholders. This Policy Brief assesses the cost imposed by the Rules and gauge the potential benefits it entails.

www.cuts-ccier.org/RIA_Maha_City_Taxi_Rules_2017/pdf/PolicyBrief.pdf



Regulatory Reforms Needed for Ease of Doing Business: Learning from the Recommendations of Various Committees

Despite India's recent leapfrogging from the 130th to 100th position in the World Bank's Doing Business Rankings, the country's present business regulatory environment has significant potential to improve. Many committees have undertaken various studies at the instance of the Government to aid the 'Ease of Doing Business (EoDB)' in the country. This View Point Paper aims to provide an insight into the findings of some of these committees by compiling their relevant recommendations aimed to promote 'better regulation'.

www.cuts-ccier.org/pdf/ViewPointPaper-Regulatory_Reforms_Needed_for_Ease_of_Doing_Business_in_India.pdf

Economic Regulations, Competition, and Consumer Protection in Ancient India

By Pradeep S Mehta

It is learned that the Ancient India was a 'mixed economy' adhering to the socio-economic philosophy of a 'welfare state'. In general, the state was both regulator and competitor, including state enjoying monopoly over certain sectors, such as mines and mineral. This article introduces the audience to the ancient Indian ethos, where dharma (duty) was the backbone of the civilisation that made the society righteous and duty-centred. The article gives an overview of ancient India's economic activities along with a short account of sectoral regulations. Besides, the article presents a competition analysis of the then regulations. It analysed the state monopolies, state as regulator and competitor, the prevalence of the guild system, differential regulatory treatments, price control, treatment of cartels and consumer protection.

This article can be accessed at: http://cuts-ccier.org/pdf/Article-Economic_Regulations_Competition_and_Consumer_Protection_in_Ancient_India-AntitrustBulletin.pdf

Advocacy

CUTS Comments on National Digital Communications Policy 2018

CUTS commented on the draft National Digital Communications Policy 2018 (NDCP), released for consultation by the Department of Telecommunications (DoT). CUTS believes that the policy is forward looking and marks a commendable shift from the erstwhile telecom specific to a broader digital communications perspective. The objectives knitted around accessibility, affordability, inclusiveness and security, if achieved, have potential to transform India into a Global Digital Force.

However, the policy should enhance its focus on transparency to ensure consumer welfare. The sector also needs light touch regulatory approach, especially given its financial health. Regulatory decisions should be carefully evaluated for their implications on telecom players, before enforcement. For this, tools such as Regulatory Impact Assessment and Cost Benefit Analysis may be adopted.

Considering the future technologies, India would require opening more R&D centres and capacity building of youths, to promote innovation. Further, NDGP needs to strike an optimal balance with the National IPR policy and regulatory and competitive policy regime. Also, the Preferential Market Access should only be a short-term incentive and should envisage competition between products made in India and Internationally.

India also needs greater inflow of foreign investments, for which, it has to ensure ease of doing business and regulatory certainty, i.e. resolution over contentious issues such as data localisation and protection. Finally, NDGP should specify strategies and deadlines to the achievement of set objectives. Finally, the various government departments/ministries involved, should not work in silos and should rather adopt a "whole of government approach".

www.cuts-ccier.org/pdf/CUTS_Comments_on_Draft_National_Digital_Communication_Policy2018.pdf

Representations

Amol Kulkarni and Rahul Singh participated in a Roundtable on 'Ease of Doing Business in India's ICT Sector', organised by Carnegie India and The Information Technology Industry Council (ITI) at New Delhi on May 03, 2018.

Rahul Singh participated in the policy discussion on 'Online Content Regulation in India', organised by Medianama in New Delhi on May 03, 2018.

Prama Mukhopadhyay attended "Interactive session on SEZ/EOU units Developers in India" at PhD Chamber of Commerce and Industry, New Delhi on April 18, 2018.

Advocacy through Media

Foreign policy from the prism of currency

Live Mint, June 14, 2018

By Pradeep S Mehta

It is the season of high-profile conferences. At the IISS Shangri-La Dialogue held at Singapore recently, Prime Minister Narendra Modi outlined his vision for the Indo-Pacific region, extending from the shores of Africa to the Americas.

http://cuts-ccier.org/Article-Foreign_policy_from_the_prism_of_currency.htm

The role of competition policy for development

Live Mint, April 08, 2018

By Pradeep S Mehta

A competition policy will help in improving the competitiveness of enterprises and act as a bridge between industrial and trade policies.

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