

CUTS CCIER ACTIVITIES REPORT

CUTS[®]
International

JULY-SEPTEMBER
2021

Roundtable of Consumer Organisations in India on Proposed Amendments to the Consumer Protection (E-Commerce) Rules, 2020

Considering that the proposed amendments to the Consumer Protection (E-Commerce) Rules, 2020 are transgressing into addressing the concerns of the seller-side, many consumer organisations felt that the rules should stick to only consumer-facing issues.

CUTS International organised a roundtable of consumer organisations on July 02, 2021, to deliberate upon the proposed amendments, upon which the Department of Consumer Affairs sought comments. Around 30 representatives of various consumer organisations were present among 60 odd participants. It came out unanimously that the e-commerce ecosystem has benefitted consumers and needs to be promoted without hindrances.

Moderating the session, Pradeep S Mehta, Secretary General, CUTS, set the tone by flagging how adding Platform-to-Business regulatory elements could disturb the simplicity of the consumer protection regime. He recalled his successful fight in the 1980s that resulted in a



procedurally simple consumer protection regime in 1986 suited for general Indian consumers.

Anusha Iyer, Advocacy Officer, Consumer Education & Research Centre, Surendra Kanstiya, former Chairman, Consumer Guidance Society of India, Gowree Gokhale, Partner, Nishith Desai Associates, Vivan Sharan, Partner, Koan Advisory Group and George Cheriyan, Director, CUTS International were the eminent speakers at the roundtable.

<https://cuts-ccier.org/cuts-roundtable-of-consumer-organisations-in-india-on-proposed-amendments-to-the-consumer-protection-e-commerce-rules-2020/>

Improving India's Competitiveness for Inclusive Economic Growth

CUTS International and Pune International Centre organised a webinar on "Improving India's Competitiveness for Inclusive Economic Growth" on July 14, 2021. This was the fourth and last of the series on the same topic. Through a series of consultations with experts and stakeholders, CUTS International prepared a White Paper released in this webinar. This event aimed to discuss implementation challenges of its recommendations and way forward.



The event was graced by distinguished speakers such as Vijay Kelkar, Vice President, Pune International Centre, Harsha Vardhan Singh, former Deputy Director General, WTO, Ajay Shah, Research Professor, Jindal Global University, Dr. Ajit Ranade, Chief Economist, Aditya Birla Group and Nagesh Kumar, Director, Institute for Studies in Industrial Development.

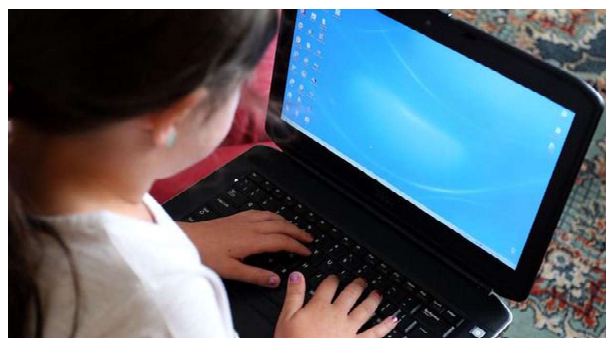
<https://cuts-ccier.org/cuts-webinar-on-improving-indias-competitiveness-for-inclusive-economic-growth/>

Practical Mechanisms to Protect Children's Data

To advocate for data protection laws to enable and empower children, supported with pragmatic and optimal parental consent, CUTS International organised a webinar on “Practical Mechanisms to Protect Children's Data” on July 22, 2021.

Speaking at the webinar, Amar Patnaik, Hon'ble Rajya Sabha MP and member of the Joint Parliamentary Committee (JPC) on the PDPB, opined that a one size fits all approach should not be adopted by the Personal Data Protection Bill 2019 (PDPB) to define the age threshold for classifying users as children. He highlighted the context of children's vast geographic and cultural diversity across the country and their varying maturity levels and needs.

Gaurav Gogoi, Hon'ble Lok Sabha MP, and member of the JPC on PDPB cited the increasing uptake of data-driven digital technologies by children, especially in light of the Covid-19 pandemic, which could increase risks to children. He called for academic institutions to impart awareness amongst children to navigate the



online world safely. He also called for capacity building of Law Enforcement Agencies (LEAs), and urged them to be proactive instead of reactive.

Deepak Maheshwari, Distinguished Fellow, CUTS International was the moderator and Brijesh Singh, Inspector General, Maharashtra Police, Janice Verghese, Manager, Cyber Peace Foundation, Aditi Chaturvedi, Head of Legal, Koan Advisory Group and Deepak Tewari, Founder & CEO, Privately SA were the part of this panel discussion.

<https://cuts-ccier.org/cuts-webinar-on-practical-mechanisms-to-protect-childrens-data/>

Localisation as a Vehicle for Achieving Just Energy Transition

CUTS International and FES India co-organised an online panel discussion on the theme “Localisation as a Vehicle for Achieving Just Energy Transition” as a part of Transformation Lab at the Just Transition Forum in Asia 2021 on September 09, 2021.

The objective is to converge industry, academic and policy narratives around the transition in the automotive sector, with a focus on EV manufacturing. Furthermore, the lab aimed to draw inference from the transportation sector's transition to inform the larger global sustainability shift underway.



The session was moderated by Bipul Chatterjee, Executive Director, CUTS International and Shilpi Samantray, Senior Manager and Lead Electric & Energy Mobility, Ola Mobility Institute, Zafar Equbal, Co-founder and CEO, Goenka Electric Vehicles Pvt. Ltd., K V Narsimham, Director and COO, Quanteon Powertrain, Arindam Lahiri, CEO, Automotive Skills Development Council and Anumita Roy Chowdhury, Executive Director, Research and Advocacy Centre for Science and Environment made their esteemed intervention.

<https://cuts-ccier.org/cuts-fes-webinar-on-localisation-as-a-vehicle-for-achieving-just-energy-transition/>

Evaluating Consumer Welfare in Digital Payments

CUTS International convened an online discussion on the issue of “Evaluating Consumer Welfare in Digital Payments” on September 21, 2021. The roundtable aimed to evaluate the efforts being made to uphold consumer welfare in digital payments and make pointed recommendations on how the same could be strengthened.

The discussion reviewed the recent Reserve Bank of India (RBI) circular that prohibits frictionless e-mandates from modes like debit cards from October 2021 if conditions mentioned therein are not complied with by industry stakeholders, particularly banks.

Eminent experts, such as Montek Singh Ahluwalia, Former Deputy Chairman, Planning Commission of India, Aruna Sharma, Former Secretary, Government of India, Ashish Aggarwal, Vice President and Head of Public Policy, NASSCOM, Akash Karmakar, Partner, Panag & Babu and Bhargavi Zaveri, Doctoral Candidate, National University of Singapore were engaged for the discussion.

<https://cuts-ccier.org/evaluating-consumer-welfare-in-digital-payments/>



Advocacy

CUTS Comments on National Health Authority on Unified Health Interface Consultation Paper

CUTS submitted its comments to the National Health Authority on the recently released Consultation Paper on Unified Health Interface (UHI). UHI will be one of the crucial digital building blocks for the National Digital Health Mission. CUTS believes that it can benefit consumers greatly in terms of increasing their access to digital healthcare services. It is also pro-competition and will increase competition among digital healthcare service providers. At the same time, there are concerns highlighted in the consultation paper which need to be addressed.

Accordingly, CUTS has provided generic as well as specific suggestions to address the identified concerns. CUTS proposes that the rights of the consumers in terms of their willingness to participate, their right to privacy, and adequate grievance redressal measures should be prioritised while building and implementing UHI.

<https://cuts-ccier.org/pdf/comments-on-the-consultation-paper-on-unified-health-interface.pdf>

CUTS Comments on Amendments of the Consumer Protection (E-Commerce) Rules, 2020

The Department of Consumer Affairs recently sought public comments on the Draft amendment of Consumer Protection (E-Commerce) Rules, 2020. CUTS International, was specifically requested to provide their inputs. Accordingly, CUTS submitted its comments on the proposed amendments.

CUTS firmly believes that the emerging e-commerce ecosystem in India has benefited consumers and that the same needs to be promoted without hindrances. Any regulation introduced in the e-commerce space must be optimal, i.e., it must be least restrictive to achieve the regulatory objective. It must also pass the tests of necessity, legality and proportionality. The benefits of regulation to consumers must outweigh the costs attached to the same.

The proposed draft amendments seem to be failing on these parameters. CUTS proposed applying Regulatory Impact Assessment tools so that optimal regulations are designed to achieve the desired objectives at least cost to stakeholders. Be that as it may, however, CUTS appreciates the government's effort and intent in dealing with consumer concerns in the e-commerce space while proposing amendments to the Consumer Protection (E-Commerce) Rules, 2020.

<https://cuts-ccier.org/pdf/cuts-comments-on-the-draft-amendments-of-the-consumer-protection-rules-2020.pdf>



Publications

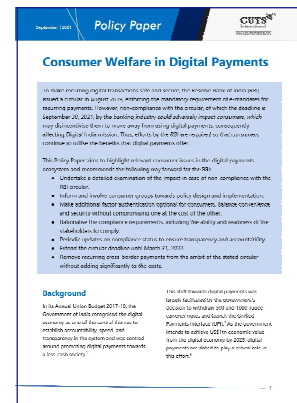
Policy Paper

Consumer Welfare in Digital Payments

To make recurring digital transactions safe and secure, the RBI issued a circular in August 2019, enforcing the mandatory requirement of e-mandates for recurring payments. However, non-compliance with the circular, of which the deadline was September 30, 2021, by the banking industry could adversely impact consumers, which may disincentivise them to move away from using digital payments, consequently affecting Digital India's mission. Thus, efforts by the RBI are required so that consumers continue to utilise the benefits that digital payments offer.

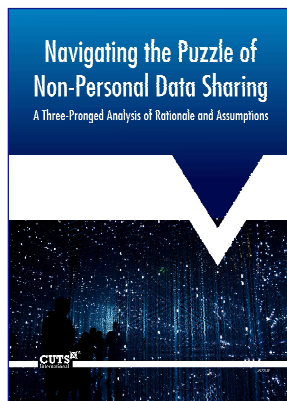
This Policy Paper aims to highlight relevant consumer issues in the digital payments ecosystem and recommends the way forward for the RBI.

<https://cuts-ccier.org/pdf/policy-brief-digital-payments.pdf>



Research Report

Navigating the Puzzle of Non-Personal Data Sharing: Three-Pronged Analysis of Rationale and Assumptions



CUTS conducted an extensive two-fold study on Examining Rational, Assumptions and Approaches to Non-Personal Data Sharing, producing an extensive research output. This report has taken a three-pronged analytical approach (Baseline Scenario Assessment, Comparative Jurisdictional Analysis, and Stakeholder Consultation). Each of these perspectives presents a different form of analysis, the Scenario Assessment provides a secondary literature review, the comparative jurisdictional analysis provides assessment from nineteen data sharing frameworks/policies/strategies, and more than thirty stakeholder consultations providing insights from national and international experts as well as industry representatives.

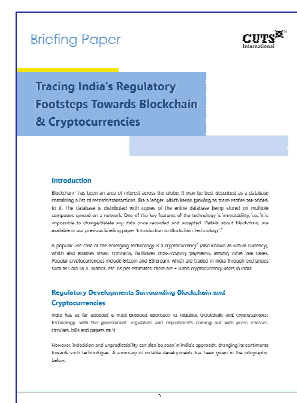
<https://cuts-ccier.org/pdf/report-navigating-the-puzzle-of-npd-sharing.pdf>

Briefing Paper

Tracing India's Regulatory Footsteps Towards Blockchain & Cryptocurrencies

In this Briefing Paper, CUTS discussed the regulatory developments surrounding blockchain and cryptocurrencies. Based on this discussion, some broad pros and cons/challenges of using blockchain and cryptocurrency technology have been identified. The mentioned regulatory measures exhibit a lack of consideration to consumer/investor interests with respect to cryptocurrencies. In the end, CUTS recommended that the government refer the 'Cryptocurrency and Regulation of Official Digital Currency Bill, 2021' to the Parliamentary committee before its passage, which may give recommendations after undertaking inclusive stakeholder consultations.

<https://cuts-ccier.org/pdf/briefing-paper-blockchain-and-cryptocurrency.pdf>





Representations

- Amol Kulkarni was a panellist in a webinar on 'Recurring Payments - Challenges to Regulatory Compliance and Next Steps' organised by Panag and Babu Law Offices on September 24, 2021. He was a part of the panel discussion 'Crypto as an Investment Class & Security – India Perspective' on September 07, 2021. Kulkarni also attended a webinar on 'Future of Digital Payments: Regulation, Consumer Interest and Innovation' organised by the Society of Indian Law Firms and Confederation of Indian Industry on August 23, 2021.
- Pradeep S Mehta was a panellist in a webinar on 'Ease of Doing Business: Is India agile enough to handle emerging market trends?' organised by Economic Times on August 20, 2021.
- Ujjwal Kumar took a session on 'E-Commerce: Issues and Challenges' as part of a Five Days Online Certificate Course on Consumer Law & Practice conducted by the Chair on Consumer Law at National Law University Delhi on August 04, 2021.



Advocacy through Media

Utilise a rear-view mirror for further telecom reforms

Livemint, September 21, 2021

By Pradeep S. Mehta

The future of the buoyant telecom sector in India seemed rickety, when the government finally bit the bullet and announced numerous structural and procedural reforms for the industry. Among the changes, the Centre announced a 4-year moratorium on adjusted gross revenue (AGR) and spectrum dues with an option to convert interest on penalty dues into equity after it ends. Most importantly, the contentious definition of AGR would now exclude non-telecom revenues. Other welcome measures can ensure sufficient competition in the market.

<https://cuts-ccier.org/utilize-a-rear-view-mirror-for-further-telecom-reforms/>

Dear RBI, don't make digital payments difficult for consumers

The Economic Times, September 20, 2021

By Pradeep S Mehta

The Reserve Bank of India (RBI) has been at the forefront for facilitating a broad-based economic recovery from the pandemic. As the RBI would have noted, while there are signs of revival, we are not yet out of the woods. The pandemic has accelerated the push towards digitalisation, with greater adoption of digital payments, which can act as a lever for 'inclusive' and 'equitable' development, which has been so astutely articulated as RBI's vision.

<https://cuts-ccier.org/dear-rbi-dont-make-digital-payments-difficult-for-consumers/>

India needs fourth pillar of economic governance: Regulatory Reforms

The Economic Times, August 29, 2021

By Vijay L Kelkar and Pradeep S Mehta

India's economic governance rests on four principal pillars: legislative, executive, judiciary and regulatory agencies. A fourth pillar is needed: reforms of regulatory agencies. India now has enough experience regarding the workings, and less-than-satisfactory effectiveness, of our regulatory institutions due to badly drafted laws and regulations, level of human capital, selection of top functionaries, absence of legislative oversight and degree of independence vis-à-vis the administrative ministries.

<https://cuts-ccier.org/india-needs-fourth-pillar-of-economic-governance-regulatory-reforms/>

Vaccination without discrimination: Equitable access now, for equal opportunities later

Economic Times, August 17, 2021

By Pradeep S. Mehta

The stark differences between the vaccinated and the unvaccinated will soon play out in cross-border contexts, in terms of limiting opportunities in aspects of services trade, such as travel, tourism and education, and broader access to avenues of mobility and employment. In the first half of this year, trade restrictions on vaccine raw materials and their consequent impact on vaccine production dominated news headlines.

<https://cuts-ccier.org/vaccination-without-discrimination-equitable-access-now-for-equal-opportunities-later/>

A check list for trust-based governance

Live Mint, August 05, 2021

By Pradeep S. Mehta

Prime Minister Narendra Modi's Kargil Diwas call for a Bharat Jodo Abhiyan, a programme to 'unite India', was music to my ears for its twin objectives: first, to build trust among all; and second, to work with all in the country. Readers might recall my last column, 'The world requires a trust-based model of governance', published on July 21, 2021 that speaks about multilateral issues and how we need to act from the bottom up to achieve our sustainable development goals by 2030. I concluded the piece with the question, which many of us have, of how we can achieve the same in India. Importantly, we need to implement the Bharat Jodo Abhiyan sincerely.

<https://cuts-ccier.org/a-check-list-for-trust-based-governance/>

It's now or never for the Indian telecom industry

Bloomberg Quint, August 05 2021

By Pradeep S. Mehta

The writing on the wall is quite clear now. The government, including the judiciary, has failed to acknowledge it. Vodafone Idea, one of the major telecom companies in India with about 27 crore subscribers, is in its final lap unless the government does not take some out-of-the-box remedial action. It should privatise BSNL instead of dumping Rs 70,000 crores to support it and give the same to VI as a soft loan payable over thirty years. Thus, protecting competition in the marketplace and attendant economic and consumer benefits.

<https://cuts-ccier.org/its-now-or-never-for-the-indian-telecom-industry/>

India's new rules for drones a welcome move

The Economic Times, August 04, 2021

By Pradeep S Mehta and Prince Gupta

On June 27, 2021, two enemy drones attacked the Indian Air Force base in Jammu. Given the threat to national security, a complete ban even on commercial drones was expected. However, the recently released Draft Drone Rules 2021 by the Ministry of Civil Aviation (MCA) are aimed at liberalising India's drone industry. It was not deterred by the possibility of a brouhaha over the same in view of the Jammu attack. This is a very welcome move because drones are now being used in many ways, including development activities.

<https://cuts-ccier.org/indias-new-rules-for-drones-a-welcome-move/>

National Competition Policy: An idea whose time has come?

The Economic Times, August 04, 2021

By Pradeep S Mehta

One of the first reforms in competition policy in 1991 was to throw out the provision on merger regulation in the Monopolies and Restrictive Trade Practices Act (MRTPA), 1969, to allow industries to grow through mergers and acquisitions. MRTPA came about as a 'competition' law to curb anti-competitive practices in the marketplace. But it ended up as a licensing law that curbed the output of industrial units and regulated their business practices.

<https://cuts-ccier.org/national-competition-policy-an-idea-whose-time-has-come/>

The world requires a trust-based model of governance

Livemint, July 21, 2021

By Pradeep S. Mehta

Copper mines in Zambia have mostly earned bumper profits. When the government wanted to impose a windfall-profits tax, the proposal faced huge resistance from all the foreign investors that were running those mines. These included Chinese companies. If one looks at China, it is no surprise that former US President Donald Trump howled against Beijing's opacity and support to state-owned enterprises, which could not be challenged under World Trade Organization (WTO) rules.

<https://cuts-ccier.org/the-world-requires-a-trust-based-model-of-governance/>