

CUTS Centre for Competition, Investment, and Economic Regulation

Report on Mini Retreat

1. Background

1.1. The mini retreat of CUTS Centre for Competition, Investment and Economic Regulation (CCIER) was organised on Saturday, 29 February, 2020 at CUTS conference hall in Jaipur. It witnessed participation from CUTS CCIER team along with CUTS senior management (List of participants enclosed as Annexure 1).

1.2. The agenda of the mini retreat (enclosed as Annexure 2) was consciously designed to have forward looking solution-oriented discussions on key themes that CCIER has been working on, and is likely to continue working for the foreseeable future: energy and digital economy. Dedicated presentations were made on these themes which were followed by intensive discussions.

1.3. This report summarises discussions and decisions taken during the meeting. The next section captures the discussion during opening remarks and context setting sessions. This is followed by section 3 on digital economy issues and 4 on energy issues. The report concludes with the way forward section which summarises key action points decided during the meeting.

2. Opening remarks and context setting

2.1. The meeting opened with a discussion on how global developments are impacting national and sub-national developments, our work and vice versa. It was mentioned that hyper-globalisation phase is over and the motion for deglobalisation is setting. The rate of growth of trade, investment, and migration is declining and will decline further. The decade of 2020s will move further away from globalisation towards local production supported by local capital, both financial and social. The focus will be on micro-small and medium enterprises (MSMEs), which will lead to more and different job opportunities. The nature of capital is also changing and we are increasingly recognising the importance of stakeholder capitalism.

2.2. At the same time, technology is increasingly entrenching our lives, and shaping interactions in the society. Technology is being dominated by big tech firms which will also be influenced due to changing global narrative in favour of de-globalisation. The interaction of big tech firms with MSMEs and society will need to be closely examined. Technology has the potential to enable cheaper production closer to the consumption source, thereby fostering re-emergence of local capital.

2.3. Despite the movement towards de-globalisation, there is a broad consensus to seriously consider and strengthening cooperation on issues relating to climate change, transition to cleaner fuels, and security.

2.4. At present, a churning is taking place on what should be the nature of global economic governance taking into account associated challenges of de-globalisation and potential benefits of working towards achievement of global public goods. The global political leadership is unable to create a balance and come to a broad consensus on these issues.

2.5. Given such developments, we (CUTS) need to be aware of our contribution of strengthening institutions, i.e. rules, regulations, practices and policies, while upholding the vision of consumer

sovereignty. Our future work must also continue in the same direction. Consumers are *raison d'être* of all economic activity and we need to communicate more effectively how our work contributes to consumer welfare and sustainable development.

2.6. In this regard, we need to work towards fostering a balance between economy, environment, and equity goals. We may also need to quantify the value added/ contribution through our work, particularly considering gender dimensions and impact on informal, micro, small and medium enterprises.

3. Discussion on digital economy issues

3.1. *Technology and society*: It was pointed out that technology is influencing society in different ways and there is no consensus as to which model shall be followed. For instance, on data localisation, China has adopted a closed approach while the U.S advocates free flow of data. We should explore a balance between such approaches. In the same vein, it was pointed out that there is no global convergence of the optimal model for internet governance. More importantly, voices of emerging economies are largely absent on global platforms discussing important aspects of internet governance. This is an evolving field and there is a need to revisit governance structures from the perspective of emerging economies.

3.1.1. For this to happen, it was decided that we need to build internal capacity on internet governance and related issues, take positions informed by evidence on how interaction between technology and society is influencing ease of living, disseminate our findings, and make our voice heard on global platforms. There must be a reconstruction of narrative that focuses on common citizens and we should explore how we can influence that - directly or indirectly.

3.2. *Deploying technology*: It was pointed out significant funding is available for the organisations who are involved in technology development and deployment for good, and a question was raised on whether we should venture on this path.

3.2.1. It was decided that a conscious decision has been taken at CUTS to not getting involved in service delivery and we need to leverage our strengths of policy research and advocacy. However, this does not mean that we cannot partner with service delivery organisations or not get involved in facilitation through advocacy and capacity building.

3.3. *Consumer or user*: Among the stakeholder community, “users of technology” is a more popular term, as compared with “consumers of technology” owing to lack of financial consideration. Also, it was also pointed out that stakeholders may not include merchants, entrepreneurs, micro, small and medium enterprises, within the term ‘consumer’.

3.3.1. However, it was decided that we persist with our understanding of ‘consumer’ which is broader than customers, and include intermediate and business consumers. We need to disseminate and popularise our understanding. In this regard, we should produce a short one-page note after each project to highlight the enhancement of consumer welfare and to link it with SDGs, through the project. In addition, we need to use more platforms for wider outreach and dissemination in order to increase the visibility of our work and contact donors.

3.4. *A ‘whole of CUTS’ approach*: Given the cross-cutting nature of technology, and its relevance for other sectors and themes, a cross-sector and cross-centre team may be required to fully leverage our capability and realise the potential of technology issues. It was proposed that a dedicated vertical on technology issues may be created in CCIER in this regard.

3.4.1. However, it was decided that adequate possibility already exists to foster cross-sector and cross-centre collaboration within the current set up, and there may not be a need to create separate dedicated vertical on technology issues. What could be done, instead, is to create a webpage wherein sector specific digital /technology interlinkages could be highlighted to showcase that technology is involved in our work in different sectors. In addition, it may also be useful to segregate our work on research, advocacy, networking, and capacity building themes and showcase how our work involves all these themes.

3.5. *Managing competition in light of human resource constraints:* It was pointed out that competition in digital economy research and advocacy space is increasing and in order to manage the same, we will need to focus on producing high quality outputs within limited time, for which dedicated human resources may be required.

3.5.1. It was decided that we need to clearly define scope of the project and timelines at the beginning of the project taking into account human resource availability, in order to efficiently conduct constraint optimisation. Also, at no point we should undermine the value of outputs and outcomes that we are creating through our work and interventions. Also, to ensure optimal quality, we should create advisory/ reference groups of experts, wherever possible, and should get our outputs peer reviewed.

3.6. *Collaborating with other organisations and becoming a voice of consumer organisations on tech issues:* It was pointed out that there is a need to collaborate with other like-minded organisations, particularly, consumer organisations, to inform them, build their capacity, and become a voice of consumer organisations on technology policy related issues.

3.6.1. It was decided that the CCC platform could be leveraged to talk about digital economy issues with national consumer organisations. Consumers International has also begun to discuss some of these issues and we could enhance our involvement. We could also approach consumer organisations registered with TRAI.

4. Discussion on energy related issues

4.1. *Consumers as stakeholders in energy sector:* It was pointed that in order to empower consumers and ensure their perspectives are taken into account, we may need to present them as ‘shareholders’ in the energy sector.

4.1.1. However, it was decided that it will be important to highlight that consumers are one of the most important ‘stakeholders’ in the energy sector, and their perspectives must necessarily be heard. Shareholders typically have a narrow perspective and it might not be advisable to consider consumers as shareholders.

4.2. *Identifying and realising the low hanging fruits:* It was pointed out that few low hanging fruits in the energy space include transition to clean, reliable and efficient energy, exploring potential of emerging technologies, systems approach to energy sector.

4.2.1. It was noted that ongoing work at the centre may not organically lead to some of the areas highlighted. Thus, we will need to identify what are the natural next steps from the work we are doing, identify capacity constraints that need to be addressed to work on areas that will would be interested to work on.

4.3. *Leveraging internal capacity and grassroots connect:* It was pointed out that there is a need to highlight consumer perspective in energy sector by quantifying consumer perspective and impact.

4.3.1. In this regard, it was decided to treat CHD and CRC as laboratories for testing grassroots interventions, gathering evidence, and highlighting consumer perspective. It will also be useful to expand collaborations with existing energy sector organization such as CSTEP, TERI, PRAYAS etc. Similarly, there is a need to engage with reference groups and advisory groups, to enhance the quality of outputs and outcomes.

4.4. *Focus on environment related issues:* It was pointed out that in the past, while we haven't focus as much on environment related issues, donor priorities are shifting towards carbon mitigation and climate change work.

4.4.1. In this regard, it might be useful to conduct an exercise to align our objectives with donors' priorities. We can focus to work on renewables and how it can be explored with respect to mitigation and transfer of technology. It is also important to focus on financing of decentralized energy with respect to consumer welfare. Electric mobility can be seen as an opportunity to rejuvenate auto sector. On cross border energy trade, private sector led investments could be explored that can be converted in phased and larger south Asian learnings.

4.5. *Linking energy work with our themes:* It was pointed out that there is a scope to link energy sector work with work on our themes like competition, investment, trade etc and work on other sectors like finance and technology.

4.5.1. In this regard, it was decided to look at legacy issues in power sector from the lens of competition. Thematic understanding of energy should be improved with tools that CCIER has developed expertise in, such as competition assessment, regulatory impact assessment etc. It will also be useful to highlight relation between inefficiencies in power sector such as price distortion and efforts related to the Make in India. The linkages of our work with Climate change and SDG 7 agenda needs to be established and explored. Gender should also be an important aspect. Women empowerment is an important part of consumer engagement which needs to be highlighted through our work. It was also decided to re-draft the energy vision document in light of aforementioned discussions.

5. Way forward

5.1. The following decisions were taken as immediate action points:

5.1.1. At the beginning of the project, clearly delineate scope of the project, with do's and don'ts. This will help in constraint management.

5.1.2. Depending on the project, designate reference groups, advisory groups, peer reviewers. This will help in ensuring adequate quality of outputs and working towards ensuring outcomes.

5.1.3. At the end of the project, create a one pager note on how project has contributed to enhancing consumer welfare and sustainable development goals. Special focus should be on vulnerable sections like women and informal, micro and small enterprises/ entrepreneurs. This will aid in showcasing value created by the project.

5.1.4. We need to focus on just transition across sectors and themes. This can happen by building internal capacity on issues related to global internet governance and transition to clean energy.

5.1.5. We can aim to achieve cross-sector and cross-centre cooperation, by involving colleagues from different sectors/ centres, even by holding informal discussions about the scope and approach of the project.

5.1.6. We need to efficiently highlight consumer centricity and consumer welfare approach of our work. This can happen by leveraging platforms like Consumer Coordination Council, India, and Consumers International.

5.1.7. We need to continuously map donor priorities and try and fit our work within such priorities.

5.1.8. We should utilise CHD and CRC as laboratories to test consumer facing initiatives, wherever possible.

Annexure 1

List of Participants

S. No.	Name
1.	Abhishek Kumar
2.	Akshay Sharma
3.	Amol Kulkarni
4.	Anurag Mishra
5.	Bipul Chatterjee
6.	George Cheriyan
7.	Kapil Gupta
8.	Khushboo Jain
9.	Prakash Vaibhav
10.	Prashant Sharma
11.	Prashant Tak
12.	Sarthak Shukla
13.	Shubhangi Heda
14.	Sidharth Narayan
15.	Ujjwal Kumar
16.	Veena Vidyadharan

Annexure 2

**CUTS CENTRE FOR COMPETITION, INVESTMENT AND
ECONOMIC REGULATION (CUTS CCIER)**

MINI RETREAT

Saturday, February 29, 2020 | CUTS Conference Hall, Jaipur

AGENDA

09:30 – 09:40	What this meeting is about? <ul style="list-style-type: none">• Context setting• Expectations of and from participants• What to expect in the following sessions Ujjwal Kumar
09:40 – 10:00	Looking outside and within: Think Global-Act Local <ul style="list-style-type: none">• Global developments• Indian context (social, economic, political)• Contribution of CUTS and thought process at the organisation Pradeep S Mehta
10:00 – 10:15	Tea Break
10:15 – 11:30	Tech issues¹: Medium term goal and its realisation <ul style="list-style-type: none">• Where do we see ourselves in next three years (medium term goal)?• What are our short term (half-yearly) targets to realise the medium term goal?• How can we achieve the short-term targets?• How do we plan to address the challenges that we know?²• How do we plan to identify challenges and fine tune as we progress?³ Sidharth Narayan⁴
11:30 – 12:45	Energy issues⁵: Medium term goal and its realisation <ul style="list-style-type: none">• Where do we see ourselves in next three years (medium term goal)?• What are our short term (half-yearly) targets to realise the medium term goal?• How can we achieve the short-term targets?• How do we plan to address the challenges that we know?• How do we plan to identify challenges and fine tune as we progress? Sarthak Shukla⁶
12:45 – 13:15	Connecting the dots <ul style="list-style-type: none">• Looking at the big picture⁷

¹ Includes data (DL), privacy (encryption), fintech (Dvara, Mastercard), IT and ITES (comp-IP), tech-enabled mobility (Uber, Ola), e-commerce (Omidyar), cyber security (USAID), regional work

² Includes challenges regarding funding

³ Includes flagging traditional donors' availability of funds on covered and related issues

⁴ With support from UJK, KGU, PRV, SBG

⁵ Includes electricity (SSEF), electric mobility (FES/ Mahindra), green growth (FES), solar rooftop, FoR, Kusum, value chain analysis, IRADE, regional work

⁶ With support from ANM, MGA, PST

⁷ Inspired from the Jobs, Judimpact, RIA and initiatives in other jurisdictions – which is not specifically covered as there is relative clarity about next two years work

	<ul style="list-style-type: none"> • Filling the void⁸ • Achieving synergy: Whole is better than sum of its parts Abhishek Kumar
13:15 – 13:30	Implementing the decisions <ul style="list-style-type: none"> • Immediate next steps for the team • Immediate next steps for senior management • Periodic progress review Amol Kulkarni
13:30 – 13:45	Conclusion and Way Forward <ul style="list-style-type: none"> • Integrating center’s strategy with organisation’s vision • Executing the decisions Bipul Chatterjee
13:45 – 14:30	Lunch

⁸ Potential to work on investment and unexplored areas, sustainable investment