



## Environmental Policy, Conservation and Sustainable use of Natural Resources

### Fact Sheet

#### Consumer Protection and Sustainable Consumption in India

**Client:** Bundesministerium für Wirtschaftliche Zusammenarbeit und Entwicklung (BMZ)

**Country:** India

**Lead Executing Agency:** Ministry of Consumer Affairs, Food and Public Distribution (MoCA), Government of India

**Overall Term:** January 2007 to December 2012



The Deutsche Gesellschaft fuer Technische Zusammenarbeit (GTZ) GmbH was established by the German government in 1975. As an international cooperation enterprise for sustainable development with worldwide operations, the federally owned GTZ supports the German Government in achieving its development-policy objectives. It provides viable, forward looking solutions for political, economic, ecological and social development in a globalised world. Working under difficult conditions, GTZ promotes complex reforms and change processes. India and Germany celebrated 50 years of development cooperation in 2008. GTZ is active in India on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ).

GTZ-ASEM (Advisory Services in Environmental Management) is a joint programme of the Ministry of Environment & Forests (MoEF), Government of India and GTZ (on behalf of BMZ).

#### Context

Under the thrust area “Sustainable Consumption and Consumer Protection” of the ASEM programme, the Department of Consumer Affairs under the Ministry of Consumer Affairs, Food



and Public Distribution, Government of India has joined hands with GTZ, to provide technical advice for streamlining and strengthening consumer protection in India.

#### Objective

The objective of the project is to provide best international practices tailored to the special needs of consumers in India to empower the demand side of the market. By improving the structures for consumer advice, comparative testing and legal redress, consumers will increasingly be able to make informed purchase decisions.

As the quality of products, services and good business practices become more transparent and consumers are enabled to make informed purchase decisions, the manufacturers and suppliers in India will increasingly be pushed towards adopting international quality, environmental and safety standards. This will improve India's competitiveness in the international market and its export opportunities. At the same time this will help to reduce the number of unsafe, unhealthy and contaminated products especially in rural areas thus improving the quality of life for the underprivileged citizens.

#### Approach

The approach of the project is to strengthen the institutional structure of consumer protection in India, to improve the enforcement of consumer rights and to increase the awareness of citizens on consumer rights and the environmental impact of their consumption patterns. The Government of India may be supported in the possible establishment of a new Consumer Protection Authority. The authority could take a coordinating role for the provision of consumer advice and function as a law enforcement body. Private consumer organizations are also supported as they play an important role in promoting consumer interests within the country. During the second phase of the project implementation (2009 to 2012) pilot projects will be focusing on advice and redressal to test models which can be replicated in other areas creating multiplier effects. A coordinated system of consumer advice centers will be set up with centralized

support for content and data availability, capacity building and IT infrastructure. Consumer courts will be supported with mediation facilities for reducing the time consumed in resolving consumer complaints satisfactorily. The implementation of recommendations suggested during the first phase will be an important area of focus.

Selected Consumer Clubs in the Schools and Colleges in the focused area would be guided to take up effective consumer awareness especially among the younger generation with a result oriented planned activities for impact which can be sustained.

Transparent regulation of measuring instruments under the legal metrology system acts as an effective mechanism for preventing disputes among stakeholders and support for getting best value for money for the consumers, extensive capacity building programmes and training for the enforcement officials is envisaged under the Project in coordination with the Department of Consumer Affairs and the State Government Departments. Suitable support to the Department of Consumer Affairs for upgrading the legal provisions of legal metrology in line with the best international practices and for its effective implementation across the country is envisaged during the 2nd phase.

**The activities of the project are concentrated on the following areas:**

- Consumer information and market transparency
- Raising awareness about energy efficiency and environment friendly products
- Institutional framework for consumer protection
- Unfair trade practices and their enforcement
- Legal redress for consumers
- Capacity building in the field of Legal Metrology

The project cooperates with various other stakeholders including Government, bench marked VCOs and apex industrial associations like FICCI, CII. The States of Gujarat, Madhya Pradesh, Orissa, Tamil Nadu and West Bengal have been selected for pilot projects.



Indo-German Bilateral Workshop on Consumer Protection, November 2009



Signing of a MoU between FICCI and GTZ

## Achievements

During the first phase of the project implementation the situation and problems of consumers in India were analyzed extensively by team of international and national experts. A detailed profile of different target groups was made to assess the variation in consumption patterns according to their educational qualifications and income level. Series of awareness workshops and training programmes were conducted for all stakeholders focusing on tools and instruments like comparative testing, alternative dispute resolution and the strengthening of Voluntary Consumer Organizations (VCOs). The project initiatives undertaken in Phase 1 of project implementation have resulted in recommendations focusing on improvements in the legal and institutional framework for consumer protection in India.

The project also resulted in extensive awareness among consumers on their legal rights and possibilities. The consumers in rural areas were made aware on consumer courts, precision of weights



Product Testing Laboratory

and measures and consumer redressal through "Jago Grahak Jago" campaign of the Department of Consumer Affairs, Government of India on Television and print media. Support was provided to the Department of Consumer Affairs for revision of the Consumer Protection Act and the Legal Metrology laws in line with international practices for meeting the present day requirements of consumers and other stakeholders. Training programmes were organized for creating awareness among the stakeholders on the need for complying with the provisions of the legal metrology regulations in the interest of stakeholders, especially the consumers. Infra-structural development by way of support for setting model legal metrology laboratories was carried out for replication across the country by the state enforcement agencies.

GTZ is active in India on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ)

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### Important websites:

<http://www.asemindia.com>

<http://www.fcamin.nic.in>

<http://www.consumerhelpline.in>

<http://consumer-voice.org>

<http://www.bis.org.in>

<http://www.confonet.nic.in>

<http://www.cercindia.org>



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