

AN EMPIRICAL STUDY -STRATEGIES FOR CONSUMER AWARENESS

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ABSTRACT

Consumer value has become a strategically significant factor transforming from market-driven and re-active to market-driving in global competitiveness and its value as a vehicle for and anticipatory firms is being increasingly recognized. The Consumer Protection Act, 1986, is one of the leading facts that are to be treated as a landmark in the history of socio-economic legislation to defend the interests of the consumers in India. In this research paper, highlight strategy for promotion of the protection of consumer rights and interests by improving legislation, create and deliver value that meets consumers growing and changing needs and wants as well as better integration of the consumer protection policy into other national policies. The main task of the Consumer Protection Act is to make sure that the better protection of consumers. Unlike existing laws which are preventive in nature, the provisions of this Act are compensatory in nature. The Act is also tried to provide simple, speedy and inexpensive redressal to the consumers' grievances, and relief of a specific nature and award of compensation wherever appropriate to the consumer. Based on a study conducted to examines to improve own system, especially in India. This paper try to analyze strategies of consumer awareness.

Keywords: *Consumer, Consumer Protection (CP), Consumer Right (CR), Interest, Consumer Redressal Machinery (CRM), Consumer Grievances (CG), Consumer Fora*

INTRODUCTION

The consumer movement in India is as old as trade and commerce. In Kautilyas, *Arthashastra*, there are references to the concept of consumer protection against exploitation by the trade and

industry, short weight and measures, adulteration and punishment for these offences. However, there was no organized and systematic movement actually safeguarding the interests of the consumers.

CONSUMER AWARENESS

In a world of information asymmetry the government has the responsibility to redress this imbalance. In the Government of India, the Department of Consumer Affairs is the focal point for different Departments and organizations to make the consumers aware of market realities as well as the rights of the consumers and the manner in which they can educate themselves and also enforce their rights. Accordingly, the, “Jago Grahak Jago” campaign has become immensely popular and is now being used by several Departments to communicate with consumers.

LEGISLATIVE MEASURES ON CONSUMER PROTECTION

CONSUMER PROTECTION ACT, 1986

One of the most important milestones in the area of consumer protection/consumer movement in the country has been the enactment of the Consumer Protection Act, 1986. This Act has been necessitated because the well-organized sectors of manufacturers, traders and service providers with the knowledge of market and manipulative skills often attempt to exploit the consumers, in spite of the existence of various provisions of different laws for protecting their interests. Moreover, the increase in population has resulted in enormous pendency and delay in disposal of cases in the civil courts. Hence, the Consumer Protection Act, 1986 was enacted to better protect the interests of consumers. It is one of the most progressive and comprehensive pieces of legislation and is umbrella legislation covering all goods and services.

The Salient Features of the Act are as under:

- (i) The Act provides for establishing three-tier consumer dispute redressal machinery at the national, state and district levels.
- (ii) It applies to all goods and services.
- (iii) It covers all sectors, whether private, public or any person.
- (iv) The Act provides for relief of a specific nature and also for compensation to the consumer as

appropriate.

- (v) The Act also provides for setting up of Consumer Protection Councils at the Central, State and District levels, which are advisory bodies to promote and protect the rights of the consumers.
- (vi) The provisions of the Act are in addition to and not in derogation of the provisions of any other law for the time being in force.

CONSUMER GRIEVANCE REDRESSAL

Consumers need an inexpensive and quick grievance redressal mechanism to ensure that manufacturers and service providers are accountable for the price and quality that the consumers are entitled to. Accordingly, it is necessary to provide several methods of grievance redressal including those which are available in accordance with the provisions of the Consumer Protection Act

Consumer Protection Act, 1986 enables the ordinary consumers to secure less expensive and often speedy redressal of their grievances. The Act mandates establishment of Consumer Protection Council at the Centre as well in each States and District, with a view to promoting the consumer awareness. It also provides for a three-tier structure of the National and State Commissions and District Forums for speedy resolution of consumer disputes. At present there are 632 District Forums, 35 State Commissions with the National Consumer Disputes Redressal Commission (NCDRC) at the apex. The provisions of this Act cover goods as well as services. The goods are those which are manufactured or produced or sold to consumers through whole sellers and retailers. The services are in the nature of transport, telephone, electricity, housing, banking, insurance, medical treatment etc. If, the consumer is not satisfied by the decision of the District Forum, he can appeal to the State Commission and against the order of State Commission a consumer can appeal in the National Commission

As per information made available by NCDRC, out of 38,73,772 cases filed in consumer fora at three-tier level since inception, 35,24,221 cases (almost 91%) have been disposed off. To ensure speedy disposal of cases, State Government advised to avoid any delay in appointment of President and Members in Consumer Fora. In order to dispose of the pending cases, Circuit

Benches from National Commission frequently visits the State. So far National Commission has held Circuit Bench sitting at Hyderabad, Bengaluru, Chennai, Pune, Kolkata, Ernakulam, Ahmadabad and Bhopal. Some of the State Commissions also held Lok Adalats for speedy disposal of the cases. Under the scheme of “Strengthening Consumer Fora” (SCF), financial assistance is provided to the States/Union Territories for strengthening infrastructure of building as well as non-building assets.

Scheme of Computerization and Computer Networking of Consumer Fora (CONFONET) was launched in March 2005. Under this scheme, the Consumer Fora at all the three-tiers throughout the country were to be fully computerised to enable access of information and quicker disposal of cases. The project is being implemented by the National Information centre (NIC) on a turnkey basis. The scheme has been extended during 11th Plan period with a total outlay of Rs.25.69 crores. During the year 2011-12 an amount of Rs.0.75 crores has been released to NIC for activities to be undertaken under CONFONET Project in the XIth Plan.

REVIEW OF LITERATURE

Bar-Gill, Oren and Ben-Shahar, Omri, and (June 1, 2012) - This Article classifies the consumer protection techniques that European contract law employs into four categories: Mandatory arrangements; disclosure; regulation of entry to and exit from contracts; and pro-buyer default rules and contract interpretation. It argues that these techniques are far less likely to succeed than advocates, including the European Commission, believe, and that they may bring about unintended consequences and hurt consumers. The techniques and their limits are illustrated through a study of the proposed Common European Sales Law (CESL). The Article argues that the ambitious pursuit of consumer protection goals is also likely to interfere with the other main goals of European contract law: harmonizing the laws of member states, encouraging cross border trade, and improving consumers’ access to markets.

Sahoo, Sheetal and Chatterjee, Aman, (August 14, 2009)-The research paper highlighted contemporary era is marked as the era of consumers. No country can knowingly or unknowingly

disregard the interest of the consumers. This can be argued on the basis of fast enactment of consumer protection laws in almost all part of the world. Apart from the consumer protection laws in developed world, we could find the accelerated rate of law making for consumers in developing countries like Thailand, Sri Lanka, Korea, Mongolia, Philippines, Mauritius, China, Taiwan, Nepal, Indonesia, Malaysia and other countries. India is not an exception to this rule. The Consumer Protection Act, 1986, is one of the examples that are to be treated as a milestone in the history of socio-economic legislation to protect the interests of the consumers in India.

Coglianesi, Cary and Finkel, Adam and Zaring, David T.,(2009)-concludes that with expanding global trade, the challenge of protecting consumers from unsafe food, pharmaceuticals, and consumer products has grown increasingly salient, necessitating the development of new policy ideas and analysis. In this author highlighted that Import Safety: Regulatory Governance in the Global Economy, a multidisciplinary project analyzing import safety problems and an array of innovative solutions to these problems. The challenge of protecting the public from unsafe imports arises from the sheer volume of global trade as well as the complexity of products being traded and the vast number of inputs each product contains. It is further compounded by the fact that as products move across jurisdictional boundaries regulators face a host of legal, cultural, and practical obstacles.

Ogus Anthony, Faure Michael G., Niels J. Philipsen (2008) - Consumer rights awareness (CRA) is most vital to society and a way to eliminate malpractices by the manufacturers, producers, and marketers. The heartening part of present day consumer courts to uphold the grievances, agony and strive for a transparent method of essential commodities, services reaches the consumers and to keep the service providers as well as manufacturers, marketers at bay. Corruptions at all stages let those traders to go scot free and unpunished. Hence the need of the consumer rights awareness and legal remedies through consumer courts to help the society's welfare.

RESEARCH METHODOLOGY

Research Design -:

Descriptive & Diagnostic Research Design

In descriptive research design: those studies are taken which are concerned with describing the characteristics of a particular individual or a group.

SAMPLE DESIGN -:

It is not possible for any researcher to include each and every member of the universe in his research process. So, he selects small portion of the universe, which is its true representative. This group is known as sample and this process is called sampling.

Non-probability Sampling

In it, researcher selects sample deliberately, by using his own judgment, in it every item of the universe does not have equal chances of inclusion in the sample.

It can be of following type:

- Convenience Sampling
- Judgment Sampling
- Quota Sampling

In this research, non-probability sampling will be use because sample is select by my own view and every item of the universe has not equal chances of being select. Under non-probability sampling, convenient sampling will be use because sample has been selected according to own convenience.

SOURCE OF RESEARCH DATA:

There are mainly two through which the data required for the research is collected.

PRIMARY DATA:

The primary data is that data which is collected fresh or first hand, and for first time which is original in nature.

SECONDARY DATA:

The secondary data are those which have already collected and stored. Secondary data easily get those secondary data from records, annual reports of the company etc. It will save the time, money and efforts to collect the data.

Objective of the study

- Promotion of the protection of consumer rights and interests by improving legislation
- Better integration of the consumer protection policy into other national policies

DATA ANALYSIS & INTERPRETATION

1. THE PROTECTION OF CONSUMER RIGHTS AND INTERESTS BY IMPROVING LEGISLATION

Activity 1.1. Review of and amendments to existing consumer protection legislation

With the adoption of the new Law on Consumer Protection (hereinafter referred to as LCP) and its implementation as from January 1, 2011, an important step forward in the normative regulation of this field has been made. Although this LCP is recent and comprehensive, it must be subject to continuous monitoring and review, in order:

- To update LCP in line with new developments taking place in EU consumer legislation
- To bring clarifications to these provisions for which practice shows that they raise interpretation issues and/or create confusion.
- To bring cohesion in consumer protection legislation by confirming the complementarity of LCP with regard to special/sector/vertical laws having an impact on consumers
- To ensure that adequate mechanisms for effective enforcement of the provisions of LCP are made available to bodies responsible for its enforcement, to consumer organizations and to individual consumers.

Proposed actions:

- 1.1.1. Preparing a plan for LCP amendments;
- 1.1.2. LCP amendments;
- 1.1.3. A campaign to inform consumers about their rights and interests in line with the LCP amendments;

Activity 1.2. Harmonization of the national consumer protection regulations with the EU legislation in this area

The 2010 Law on Consumer Protection has brought consumer protection legislation in Serbia very close to the EU Consumer Acquis, as the provisions of 15 EU directives have been transposed into this Law. However, this approximation process remains an evolving process as new regulations are adopted at the EU level and their provisions need to be transposed into the national legislation.

For example, in October 2011, the EU adopted Directive 2011/83/EC on consumer rights, which brought substantial changes to two matters that are also the subjects of the provisions of the Serbian LCP: *off-premise* and *distance contracts*. It also amended several of the definitions now provided by Article 5 of this Law.

Proposed actions:

- 1.2.1. Preparation of the Plan for harmonization of the national consumer protection regulations with the EU Acquis and its updating in line with the National Programme for the Adoption of the Acquis (hereinafter referred to as NPAA);
- 1.2.2. Transposition of EU regulations that are relevant for consumer protection;
- 1.2.3. Assessment of the area of application of these EU regulations and their effects on other regulations.

Activity 1.3. Clarification of the application of certain provisions of the Law on Consumer Protection in the sectors which are responsible for certain aspects of consumer protection

Consumer protection in Serbia falls within the competences of the Ministry of Foreign and Internal Trade and Telecommunications (hereinafter referred to as MFITT), but as in most countries this area is of a horizontal and multidisciplinary nature.

Indication of prices, pre-contractual disclosure requirements, unfair commercial practices, off-premises contracts, distance contracts, unfair contract terms, sales contracts and warranty obligations, services contracts, services of general economic interest, timeshare agreements, package travel contracts, and consumer redress are all matters regulated by LCP, which is under the competences of MFITT. This Ministry is also responsible for electronic communications regulated by the Law on Electronic Trade (*Official Gazette of RS*, no. 41/09), Law on Electronic Communications (*Official Gazette of RS*, no. 44/10) and postal services regulated by the Law on Postal Services (*Official Gazette of RS*, no. 18/2005), Law on Amendments to the Law on Postal Services (*Official Gazette of RS*, no. 30/2010), and for coordination in the system of fast exchange of information on hazardous products related to non-food products within the meaning of the Law on General Product Safety (*Official Gazette of RS*, no. 41/09) with bylaws for the enforcement thereof.

The area of consumer protection is also part of the responsibilities of other ministries and state institutions:

- Under the responsibility of the Ministry of Agriculture, Forestry and Water Management:
 - ✓ **Safety of food of plant origin and mixed food:** regulated by the Law on Food Safety (*Official Gazette of RS*, no. 41/09), Law on Organic Production (*Official Gazette of RS*, no. 30/10), and Law on Tobacco (*Official Gazette of RS*, no. 101/05, 90/07, 95/10).
 - ✓ **Safety of beverages:** regulated by the Law on Wine (*Official Gazette of RS*, no. 41/09), Law on Brandy and Other Alcoholic Beverages (*Official Gazette of RS*, no. 41/09), Law on Beer (*Official Gazette of RS*, no. 30/10), Law on Ethanol (*Official Gazette of RS*, no. 41/09), and Law on Organic Production (*Official Gazette of RS*, no. 30/10).
 - ✓ **Plant protection:** regulated by the Law on Food Safety (*Official Gazette of RS*, no. 41/09)
 - ✓ **Animal welfare:** regulated by the Law on Amendments to the Law on Veterinary Medicine (*Official Gazette of RS*, no. 30/10) and the Law on Food Safety (*Official Gazette of RS*, no. 41/09)

- Under the responsibility of the **Ministry of Health:**
 - ✓ **Food safety:** regulated by the Law on Sanitary Inspection (Official Gazette of RS, no. 125/04), Law on Health Safety Items of General Use (Official Gazette of RS, no. 92/11) and the Law on Food Safety (Official Gazette of RS, no. 41/09).
 - ✓ **Health care services:** regulated by the Law on Health Care (Official Gazette of RS, no. 107/05), and the Law on Health Insurance (Official Gazette. Gazette of RS, no. 107/05).
 - ✓ **Drug safety:** regulated by the Law on Medicines and Medical Devices (Official Gazette of RS, no. 30/10), and Law on Health Care (Official Gazette of RS, no. 107/05)
- Under the responsibility of the **Ministry of Finance and Economy:**
 - ✓ **Tourist services:** regulated by the Law on Tourism (Official Gazette of RS, no. 36/09), Law on Consumer Protection (Official Gazette of RS, no. 73/10), Law on Advertising (Official Gazette of RS, no. 79/05), Law on Public Ski Resorts (Official Gazette of RS, no. 46/06), and Law on Associations (Official Gazette of RS, no. 51/09).
 - ✓ **Product safety (quality infrastructure), standardization and metrology:** Law on Technical Requirements for Products and Conformity Assessment (Official Gazette of RS, No. 36/09), Law on Standardization (Official Gazette of RS, No. 36/09), Law on Metrology (Official Gazette of RS, No. 36/10).
- Under the responsibility of the **Ministry of Energy, Development and Environmental Protection:**
 - ✓ **Services of general economic interest:** regulated by the Law on Energy (Official Gazette of RS, no. 57/11), Law on Consumer Protection (Official Gazette of RS, no. 73/10);
 - ✓ **Environmental protection:** regulated by the Law on Environmental Protection (Official Gazette of RS, no. 135/04, 36/09, 36/09 - 72/09, 43/11), Law on Waters (Official Gazette of RS, no. 30/10) и Law on Waste Management (Official Gazette of RS, no. 36/09, 88/10).
- Under the responsibility of the **Ministry of Regional Development and Local Self-Government:**

- ✓ **Local self-government:** regulated by the Law on Local Self-Government (Official Gazette of RS, no. 129/07) and Law on Funding Local Self-Government Financing (Official Gazette of RS, no. 62/06, 47/11, 93/12).
- Under the responsibility of the **Ministry of Labour, Employment and Social Policy:**
 - ✓ **Availability of services and the exercise of rights in social protection:** regulated by the Social Security Law (Official Gazette of RS, no.24/11), and Law on Financial Protection of Family with Children (Official Gazette of RS, no. 16/02, 115/05, and 107/09),
- Under the responsibility of the **National Bank of Serbia:**
 - ✓ **Financial services:** regulated by the Law on Insurance (Official Gazette of RS, no. 55/04, no. 70/04-correction, no. 61/05- other law, 85/05- other law, 101/07, 107/09), Law on the Protection of Users of Financial Services (Official Gazette of RS, no. 36/11), Law on Financial Leasing (Official Gazette of RS, no. 55/03, 61/20 and 31/11).
- Under the responsibility of the **Republic Agency for Electronic Telecommunications (RATEL):**
 - ✓ **Telecommunication services:** regulated by the Law on Electronic Communications (Official Gazette of RS, no. 44/10).
- Under the responsibility of the **Commission for Protection of Competition (CPC):**
 - ✓ **Protection of competition:** regulated by the Law on Protection of Competition (Official Gazette of RS, no. 51/09).

Other laws whose application has a direct impact on the enforcement of the provisions of the Law on Consumer Protection are the Law of Obligations and draft Civil Code (Official Gazette of SFRY, no. 29/78, 39/85, 45/89 – Yugoslav Constitutional Court Decision, and 57/89, Official Gazette of SRY, no. 31/93, and Official Gazette of Serbia and Montenegro, no. 1/03 – Constitutional Charter), Law on Advertising (Official Gazette of RS, no. 79/05), Law on Trade (Official Gazette of RS, no. 53/10), and other laws regulating services of general economic interest, and Law on Civil Procedure (Official Gazette of RS, no. 72/11).

Proposed actions:

- 1.3.1 Introduction of the complementarity rule;
- 1.3.2 Review of the legislation having effects on consumer rights and interests;
- 1.3.3 Guidelines on the application of the complementarity rule;
- 1.3.4 Preparation of the Questionnaire on the competences of other state authorities in the area of consumer protection;
- 1.3.5 Implementation of training and capacity building activities through seminars and workshops in specific LCP areas for representatives of governmental and non-governmental institutions.

Activity 1.4. Social inclusion and protection of vulnerable consumers

Social inclusion and taking into account the specific situation of vulnerable consumers, including the needs of an ageing population, is one of the priority concerns of the proposal for the EU's Consumer Programme for the period 2014-2020 which is currently under discussion in Brussels.

Among the actions suggested for reducing consumer vulnerability are the following ones:

- Harmonization of the criteria for the definition of the vulnerable consumer when defining and implementing policies in different sectors, aimed at greater inclusion and greater availability of services, goods and protection for vulnerable consumers, and the improvement of the position of vulnerable consumers;
- Better inter-sectoral cooperation and coordination of policies and actions among institutions competent for improving the position of vulnerable consumers, with a view to more effectively provide services for vulnerable consumers;
- Investing effort to increase the scope of the target population as much as possible, having in mind that the vulnerable consumer is not necessarily part of the official statistics and databases;
- Increasing the accessibility of the infrastructure facilities and the content of services for vulnerable consumers;
- Assessing the effectiveness of the current policies and actions for improving the position of vulnerable consumers and proposing actions to improve them;

- Developing targeted consumer education and awareness campaigns;
- Stricter disclosure and literacy requirements imposed for financial and other non-financial services to avoid the vulnerable consumer entering into unequal position and their position additionally deteriorating;
- Stricter regulation of advertising and marketing towards children and adolescents;
- Ensuring access of all consumers to basic goods and services and taking measures to better regulate the suspension or cut-off of such services;
- More attention given to the digitalisation of services, transactions, marketing and consumer information tools.
- Investing effort to identify different methods of information, adjustment and simplification of procedures for the exercise of rights, in particular from the point of view of availability and accessibility of information or innovative practices of payment, e.g. upon delivery of an invoice in electronic format or in Braille;

Proposed actions:

- 1.4.1. Making amendments to LCP related to the sector-based approach in defining the vulnerable consumers;
- 1.4.2. Preparation of a study on vulnerable consumers;
- 1.4.3. Preparation of a National Programme on Vulnerable Consumer Protection in Services of General Economic Interest;
- 1.4.4. Campaign to promote education and raise awareness of vulnerable consumers about their rights;
- 1.4.5. Familiarizing public entities and economic operators and local self-governments with new regulations governing protection of vulnerable consumers and conducting trainings to improve their knowledge of this field.

Activity 1.5. Regulation of new consumer issues

As consumer markets develop and evolve, new consumer concerns emerge which call for legal regulation. For the time-period of implementation of this Strategy, it can be expected that the following consumer concerns will need to be addressed.

a) Consumer over-indebtedness

Consumer credit has become a central aspect of contemporary consumer markets. It is perceived as the driver of the economy and an indicator of consumers' trust in the performance of the market place.

Such actions include:

- Expanding choice for low income consumers, namely by developing new credit patterns directed at them in particular such as social micro-credit schemes or local self-government investment initiatives;
- Consumer education on the potential benefits and costs of consumer credit;
- Increased disclosure of information requirements about the costs of credit, ways to calculate the interest rates, and terms of credit agreement;
- Rules against usury or unconscionable interest rates;
- Providing cooling-off periods in credit agreements;
- Increased regulation of contract terms in order to provide a high level of protection of the consumer's economic interest in credit transactions;
- The promotion of responsible lending, i.e. a requirement for creditors to consult credit databases before granting credit and a "suitability of credit" or advice requirement that would require the creditor to make sure that the type and amount of credit was appropriate to the needs of the debtor;
- Debt adjustment or repayment schemes, including discharge of debts procedures;
- Measures against social exclusion, i.e. to ensure decent living conditions and access to basic services.

(b) E-commerce and the protection of digital consumers

While consumers will benefit from the development of e-commerce, there are significant barriers which hamper the development of business-to-consumer e-transactions.

Namely there are concerns regarding:

- The quality of consumer information and obtaining consent of the consumer in digital commercial communications and marketing practices
- The increase in digital divide among consumers and exclusion of some consumer groups from the use of new information and transaction means
- Abuse of the intellectual property rights
- Protection of personal data and privacy
- E-identification and authentication tools
- Online frauds
- Unfair terms in electronically concluded contracts
- Access to and security of online payments
- Competent jurisdiction and applicable law in case of cross-border disputes
- Accreditation of on-line disputes resolution schemes, concerning electronically concluded contracts.

Among most recent policy documents presenting opportunities and barriers to e-commerce for consumers, the following ones are listed:

- Note, *Roadmap to Digital Single Market. Prioritising Necessary Legislative Responses to Opportunities and Barriers to E-commerce*, Directorate General for Internal Policies, Policy Department, IP/A/IMCO/INT/2012-13, August 2012, p525.
- European Commission Communication, *A coherent framework for building trust in the digital single market for e-commerce and online services*, COM (2011)9426.
- European Commission *Communication on Cross-border business-to-consumers e-commerce in the EU*, COM (2009)5577.

(c) Sustainable production and consumption patterns

It is common to say that mass consumption and free consumer choice conflict with sustainable development and environmental protection. Also, environmental protection actions may be perceived as unnecessary or too costly by individual consumers who, ultimately, are the ones who will pay for them. Thus a basic contradiction seems to exist between the promotion and protection of consumer interest and welfare and the need for protecting the environment against the adverse consequences of consumer society.

(d) Healthy environments and consumer safety

The main challenge is to maintain and improve consumer safety and health by promoting healthy and safe living, working and recreational environments and by reducing the harm caused by tobacco smoke, alcohol, pesticides, environmental contaminants, unsafe consumer and industrial products, the use of genetically modified organisms and/or nano-particles and radiation emitting devices.

Proposed actions:**a) Consumer over-indebtedness**

1.5.1 Preparation of a study on consumer over-indebtedness;

1.5.2 Legal initiatives on over-indebtedness (law amendments, initiative to include financial literacy into school curricula, etc.);

b) E-commerce and the protection of digital consumers

1.5.3 Preparation of a study on digital consumers;

1.5.4 Legal initiatives on improving the position of digital consumers on the market;

c) Sustainable production and consumption patterns

1.5.5 Preparation of a study on sustainable production and consumption patterns;

1.5.6 Preparation of the Strategy on Sustainable Production and Consumption;

1.5.7 Activities aimed at raising public awareness on sustainable production and consumption;

d) Healthy environments and consumer safety

1.5.8 Preparation of a study on healthy environments and consumer safety.

2. BETTER INTEGRATION OF THE CONSUMER PROTECTION POLICY INTO OTHER NATIONAL POLICIES

While the consumer protection policy has become a separate field of action, it also has direct connections with several other major national policies. The consumer protection policy is horizontal by nature, as most national policies also relate to consumers. The consumer protection policy extends across economic and social policies without being limited to any one particular.

Activity 2.1. Introduction of the consumer protection policy into other policies – Integration Principle

The principle of integration of consumer protection into other policies has been confirmed in the consolidated version of the *Treaty on the functioning of the European Union* (March 2010) as one of the Treaty provisions within Article 12, "*having general application*".

The impact of admitting such a horizontal dimension of the consumer protection policy is two-fold:

- It requires that consumer protection considerations be taken into account by State policy-makers when defining or implementing other national policies;
- In order that the said policy is effectively implemented, the integration principle calls for the creation of inter-institutional mechanisms or structures which will make integration and coordination with other ministries or state bodies possible.

The scope of the consumer protection policy significantly widens, as issues which were previously in the shadow in terms of consumer policy are being given more attention in so far as they have an impact, even indirectly, upon the position of consumers on the market place. Most directly concerned areas are:

- competition,
- internal and foreign trade,
- standardization and quality infrastructure,
- electronic commerce,
- digital rights,
- data protection (privacy),
- agriculture,
- food safety,
- general product (non-food) safety,
- financial services,
- health care,
- services of general economic interest,
- transport,

- education,
- social welfare,
- public health,
- energy,
- tourism,
- sustainable development and environmental protection.
- protection of human and minority rights and gender equality.

One of the reasons for setting-up the National Council for Consumer Protection is to support the consumer protection policy integration and implementation of this Strategy.

Proposed actions:

- 2.1.1. Identification of the key consumer issues within other government policies and responsibilities of state institutions in the field of consumer protection;
- 2.1.2. Establishment of a working group to define the modalities and the possibilities of integrating part of the consumer protection policy and competition protection policy with special emphasis on:
 - unfair business practice of traders,
 - compliance with the Code of Business Ethics (*Official Gazette of RS*, no.1/06) and initiating the adoption of a code of good business practice between traders (or their organizations) and consumer organizations in terms of developing fair market game and resolution of consumer problems in various fields of trade and, accordingly, out of court settlement of consumer disputes through arbitration and mediation procedures;
 - protection of collective consumer interests.
- 2.1.3. Establishing common ground for consumer protection policy and competition protection policy through analysis of legislation and competences of the institutions in order to enable further development in these areas;
- 2.1.4. The results of the actions 2.1.2 and 2.1.3. will be taken into consideration when amending the Law on Consumer Protection and the Law on Protection of Competition;
- 2.1.5. Organisation of regular meetings of the National Council.

Activity 2.2. Strengthening the operational and institutional set-up

The question is not only to agree on the principle of integration of consumer policy considerations into other national policies, but to explore ways to make it effective to promote the consumer interest across the range of other policies.

Effective implementation of the integration principle requires coordination between consumer protection policy makers and the state authorities responsible for other sectors which have an effect on consumer interests and welfare.

Proposed measures:

- 1.2.1. Designation of one contact point in each state institution dealing with consumer-related subject matters;
- 1.2.2. Development of a methodology in order to assess the likely impact of other national policy measures on consumer protection and welfare through the introduction of a Consumer Impact Assessment Sheet⁹;
- 1.2.3. Creating a legal basis for the participation of representatives of consumer organizations in experts' groups whose work relates to different state policies and the operation of regulatory, control and management structures of the state and combined sectors providing consumer services;
- 1.2.4. Preparation of a plan for integration of the part of the consumer protection policy and competition protection policy;
- 1.2.5. Initiating specialization of consumer organizations across the specific consumer protection areas and forms of their association and cooperation;
- 1.2.6. Initiating the establishment of an umbrella consumer organization.

CONCLUSIONS

There is a great need of making the consumers aware about their rights;

- In general the consumers are ignorant about their rights;
- The Government is also not making sufficient attempts to make the consumers aware;

- Certain rules and regulations are still needed to protect the consumers;
- The court procedures take a very long time and money required.
- The consumers often forget to obtain a cash memo of the purchase.
- Let us all unite to beware of poor quality, poor service and poor after sales care etc.
- One aspect is that advertisers believe that an ad must run 5 times before a consumer becomes aware of the product.
- Developing targeted consumer education and awareness campaigns
- Investing effort to identify different methods of information, adjustment and simplification of procedures for the exercise of rights, in particular from the point of view of availability and accessibility of information or innovative practices of payment.
- Ensuring access of all consumers to basic goods and services and taking measures to better regulate the suspension or cut-off of such services;
- More attention given to the digitalisation of services, transactions, marketing and consumer information tools. Participation in the *International Consumer Protection Enforcement Network (ICPEN)*
- Enhancing the exercise of consumer rights on the international level.
- Participation of national policy-makers and consumer actors in international training on consumer law and policy.
- Promoting the participation of representatives of Serbian consumer institutions, being State or non-governmental ones, in international networks of consumer experts. One such network is the *International Association for Consumer Law (IACL)19*, regular

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