

The Story of Glory



Annual Report 2012

TheNetwork for Consumer Protection



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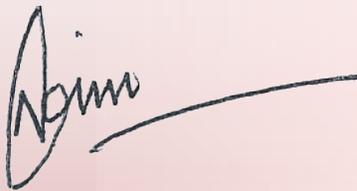
Word from Executive Coordinator:

Another busy year- 2012- saw TheNetwork pushing for the enforcement of consumer protection laws in the country. Energy sector was the area that TheNetwork has taken up for the activation of consumer protection particularly consumer redress mechanism and the meaningful involvement of consumers in the regulatory bodies such as NEPRA and OGRA.

On Tobacco Control, a flagship programme of TheNetwork, it has further consolidated its position as a leader in running the advocacy campaign for comprehensive ban on tobacco promotions by monitoring the point of sale advertisements. This include mobilizing partners and getting a police case registered against a leading tobacco giant for publishing a cigarette ad in leading newspapers and magazines of the country. A local court ultimately imposed fine on the tobacco company. TheNetwork also activated the newly established Press Council of Pakistan by lodging a complaint against Newsweek Pakistan for publishing a tobacco promotional article.

TheNetwork continued with its advocacy for the promotion of breastfeeding law and Iodized salt legislation. However, a new arena that the organization has entered is the promotion of income tax culture in the country. The number of people paying income tax is pathetically low to not even touching one million. As a part of responsible consumerism, TheNetwork has been motivating people to pay direct taxes that growing incidence of indirect taxes could be reduced as they were having an impact on poor segments of society.

This was also a good year with donors continued trust on the systems of TheNetwork. I am hopeful that next year will be more prosperous for TheNetwork and consumers of Pakistan.



Nadeem Iqbal

Executive Coordinator
TheNetwork for Consumer Protection

1. Mission & Vision

Mission Statement

TheNetwork's mission is to protect, respect and promote the interest of all Pakistani Consumers by educating them about their rights and duties; by providing well researched independent and nonpartisan information across the board of goods and services; and by informing them about government's performance as protector of their rights, especially the marginalized consumers. Indeed, TheNetwork also respect the responsible consumer rights. It promotes the interests of consumers by facilitating them and by advocating for pro-consumer policies that also address structural inequities in the public and private sectors. The organization also promotes responsible and sustainable consumption practices in society, as well as the development of alternative systems.

Goals

1. *Consumer concerns integrated into local, national and global official decision-making systems;*
2. *Consumers' actions are informed and responsible.*

Objectives

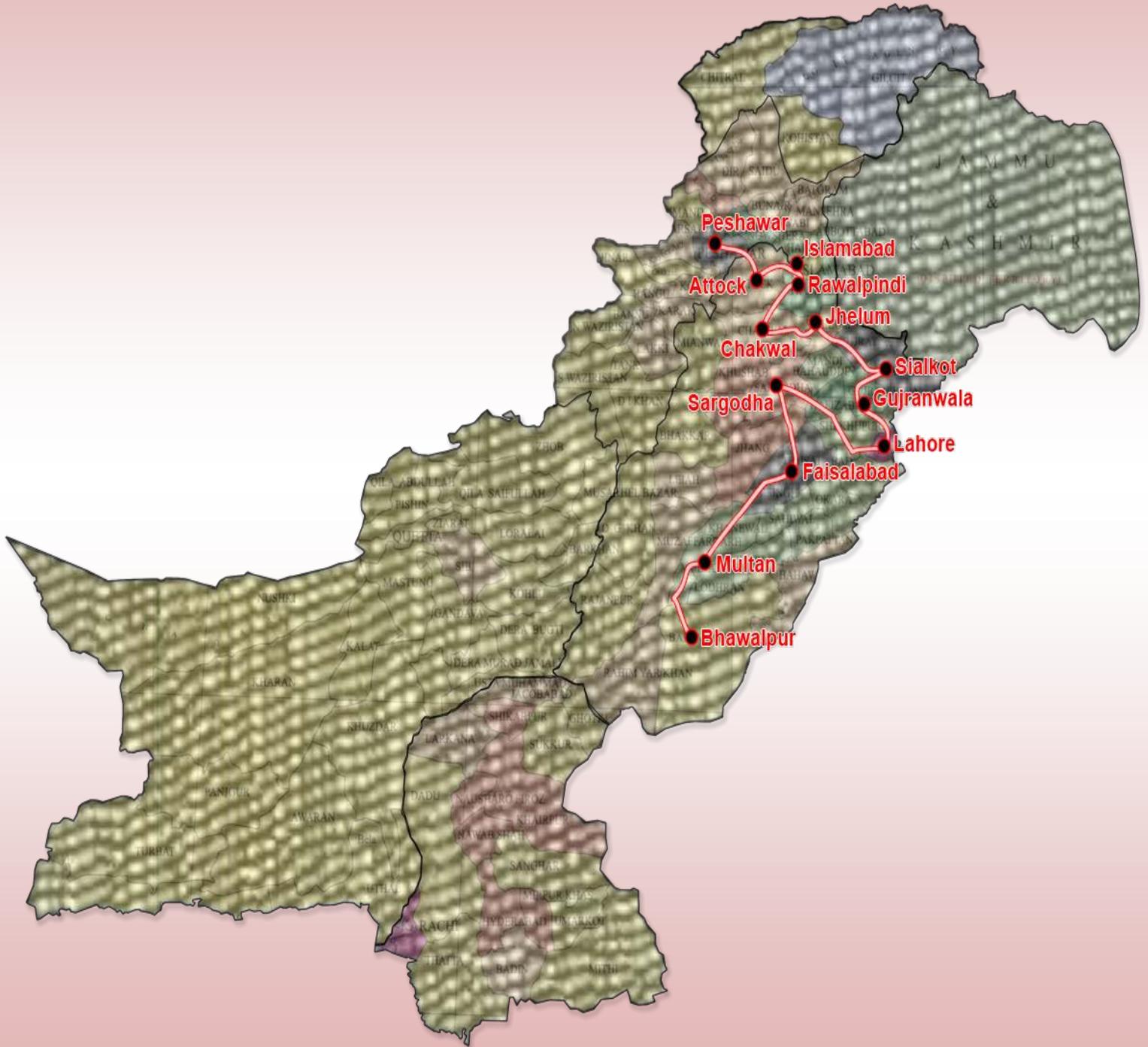
The ultimate objective of the organization is the protect consumers by raising voice to promote a just system in the best interest of consumer citizens' of Pakistan.

1. *To advocate for a consumer policy, and for it to be used to integrate pro-consumer concerns into local, national and global decision-making;*
2. *To advocate for the formulation, adoption and implementation of a people-centered, comprehensive and integrated national consumer legislation;*
3. *To educate consumers of their internationally accepted rights as established by the UN Guidelines for Consumer Protection (1985) and the Consumers International Charter, and of their responsibilities in consumption;*
4. *To assist consumers in making informed choices;*
5. *To assist consumers in exercising their rights;*

6. *To assist consumers in gaining just redress against grievances;*

7. *To promote alternative, and more equitable, systems of production, distribution and consumption.*

2. Our Work



3. Advocating the rights of Consumers



Advocating the rights of consumers at policy and public level has been TheNetwork's keen area of interest for last two decades. Every year at World Consumer Rights Day (WCRD), TheNetwork joins Consumers International and other international partners to foster consumers' protection movement at national and international level.

World Consumer Rights Day 2012 was marked to promote fair, just and efficient Financial Services for consumers. TheNetwork designed a short term campaign to promote the theme of WCRD 2012. A focal group discussion and a press conference were held to identify and discuss the hurdles consumers face in Pakistan while dealing with financial services. Media notes were issued to highlight the significance of WCRD and consumers protection.



4. Tobacco Control for a Healthy Pakistan

Monitoring of Tobacco Advertising, Promotion & Sponsorship & Tobacco Industry Tactics

A project by The Union against Tuberculosis & Lung Diseases

&

Campaign for Tobacco Free Kids



The year 2012 commenced with a major accomplishment TheNetwork achieved against tobacco giant Philip Morris International (PMI), the parent company of Marlboro. Court of Magistrate 1st Class Hyderabad sanctioned PMI for violation of tobacco control law 2002 by publishing full page ad of Marlboro cigarettes in November 2011. TheNetwork has been pursuing the case since November 2011 when TN registered first ever FIR against PMI in Margala Police Station after the cause of action occurred. TN not only filed first FIR but also advocated other tobacco control partners to pursue the case. In resulting thereof, eight different FIRs were registered in different eight cities of Pakistan. The initiative by TN not only put tobacco control law in test but

also set a precedent in the history of tobacco control in Pakistan. PMI was penalized with a fine of rupees five thousand under section 7 of Prohibition of Smoking & Protection of Non-smokers Health Ordinance 2002. During the proceedings of case, the international tobacco control community gazed for final decision which was later highlighted and appreciated. The TN initiative helped Pakistan to join select list of countries are fighting hard against big tobacco.



TheNetwork believes to advocate rights of responsible society and strengthening institutions and regulatory bodies to ensure observance. TN yielded to activate powers of Press Council of Pakistan (PCP). Newsweek Pakistan published a testimonial cum interview of Ms. Abida Hussain, famous politician and industrialist. The testimonial titled "When Ms. Abida Hussain Fell in Love with Marlboro Man" published in February 24th, 2012 issue of Newsweek Pakistan. Newsweek Pakistan had been considered guilty of violating tobacco control laws 2002 in previous Marlboro case (Newsweek Pakistan including other magazines published the Marlboro Ad in 2011). The recent testimonial was another attempt to indirectly promote Marlboro with words of mouth. TN lodged a complaint against Newsweek Pakistan in PCP under Section 3 and 12 of PCP Code of

Ethics as Ms. Abida Hussain not only tried to nullify the established medical researches that evident tobacco a major risk factor of four leading death causes worldwide. The testimonial was a promotional blitz to promote specific cigarette brand the magazine deliberately mentioned "the Marlboro". PCP after sending various notices to Newsweek Pakistan for explanation of act issued a showcause notice and warned to decide the complaint ex-parte. However Newsweek Pakistan kept mocking and challenging the jurisdiction of PCP by declaring it a "foreign publication". TN not only argued well in PCP against Newsweek Pakistan but presented proofs to exercise its jurisdiction. Till these lines, TheNetwork vs Newsweek Pakistan is pending with PCP for final decision in writing which is apparently against Newsweek. The case will certainly be a victory of tobacco control advocates in Pakistan but has helped to indentify different institutional capacities to redress.



TheNetwork has created a niche for monitoring & exposing the tactics of transnational companies making consumer products. These transnational tobacco companies heavily publicize their charity initiatives in tobacco farming areas. TN again set an example to expose the

unethical marketing of tobacco industry by capturing a video of child labour in tobacco fields of Sawabi (Khyber Pakhtunkhwa). TN video glimpsed of young children as of age 4-7 years labouring in tobacco fields and vulnerable to diseases common in tobacco cultivation areas as skin cancer and green tobacco sickness etc. Also wet tobacco leaves become a major source of nicotine transmission to human body and innocent youngs are getting prone to be addicted of nicotine for life long. TN screened this video in a press conference in Islamabad and uploaded the video on Youtube from where it got attention of international medical and tobacco control community. The famous and credible British Medical Journal (BMJ) contacted TN and asked for permission to upload the video and related document in BMJ online chapters on Tobacco Control.

TN has been monitoring Tobacco Advertising, Promotion & Sponsorship (TAPS) and Tobacco Industry (TI) Tactics in 10 major district of Punjab. In December 2012, TN finalized the first draft of a comprehensive report on TAPS & TI tactics. The report will be a benchmark for tobacco control advocates in Pakistan.

TN has designed and developed contents of a comprehensive database on tobacco control. This database is being designed for medical and public health researchers and tobacco control advocates in Pakistan and international level. This database will be first ever tobacco control resource in Pakistan.



5. New Energy Contract between Consumer and State/Regulator

The Network's Energy project funded by United States Agency for International Development (USAID) aiming at enhancing consumer voice and strengthening redressal mechanism in energy sector. The project is actively pursuing consumer protection in Peshawar (Khyber Pakhtunkhwa), Islamabad Capital Territory (ICT) and Rawalpindi.

The project is mobilizing consumer bodies, business chambers and market committees to proactively participate in the policy making and promotion of informed public dialogue around the policies and challenges being faced in reforming and improving the performance of energy sector with the active involvement of consumers and launch campaigns for energy conservation and specific energy sector reforms on the basis of demands articulated through a broad-based consultative process involving various stakeholders.

And to activate consumer redress mechanisms within the framework of existing consumer redress manual of NEPRA and OGRA. The consumers groups will be mobilized and educated by using forums such as Consumer Protection Council under provincial consumer protection laws. Accountability and oversight of electricity and gas supplying and transmission companies by active involvement of consumer groups in open public hearings conducted by NEPRA and OGRA for issuing license or tariff determination.



Activation of District Consumer Protection Council Peshawar

TheNetwork actively engaged with Ministry of Industries and Commerce KPK and build pressure for activation of District Consumer Protection Council Peshawar. It is a great accomplishment that Secretary Industries & Commerce KPK issued notification for activation and formulation of district consumer council in capital of KPK, Peshawar.



Raising Consumer Voice in Public Hearings of NEPRA & OGRA

TheNetwork raised domestic consumer voice in public hearings of National Electric Power Regulatory Authority (NEPRA) & Oil & Gas Regulatory Authority (OGRA). It was a milestone that TheNetwork submitted consumer concerns on determination of pricing and tariff matters as well as the issue of low voltage by participating in Public Hearings.



Building Capacity of Lawyers

Another milestone achieved through this project is building capacity of lawyers to facilitate consumers in redressal process. Total 180 lawyers were trained in three districts Peshawar, Islamabad and Rawalpindi through training workshops. 60 lawyers in each city were trained by the trainers and experts of TheNetwork on Consumers Protection and Consumer Redressal Mechanism. These lawyers are facilitating to lodge and handle consumer cases in courts.



Strengthening Consumer Redressal Mechanism

Strengthening consumer redressal mechanism was a main objective of the project which was successfully achieved by launching a consumer complaint helpline at TheNetwork's premises. This helpline is not only processing and handling consumer complaints but also educating consumers on their rights and responsibilities. The helpline is being widely projected and advertised.

6. Taxation for Development

Taxation has close nexus with development. Development can be viewed as social, economic and legal. Economic development may be measured by the growth of business activity within a country. This can be achieved, in tax terms, by a tax system that is neutral. A neutral tax system is one that does not distort business activity. Therefore, irrespective of the tax rate, producers and consumers will continue to operate as though the tax was not imposed at all. Legal development is the establishment of a tax legal regime that encourages both economic and social development. Social development is the redistribution of wealth within a society.

Here, our project intervention knocks the logic 'pay income tax for development of nation'. Which advocate and trying to change of consumer's knowledge, attitude and practices about tax system. Tax unit team is committed to embodying excellence taking on board many stake holders, friends, colleagues at other institutions and community of experts, researchers and professional alumni to evolve CAM strategy to implement during November 2012 to October 2013. Indeed, we are supported in these efforts by vast reserves of intellectual capital that enrich and inform our commitment to stewardships of consumers.

Our strategic objective is to strengthened citizen voice by increasing the number of income tax returns in targeted districts by 2013. Furthermore, this project is a generous contribution in terms of finances by United States Agency for International Development (USAID), which aims at bridging the gap between the Tax payer and the Authorities to end disparities in the system. Indeed, it will also facilitate to enhance the propensity of the citizen group, civil society and private sector which lead to tax compliance culture in the region. This project is being implemented in Rawalpindi Regional Tax Office – the territorial extent includes cities Rawalpindi, Attock, Chakwal, and Jehlum.



7. Way Forward

Consumer Justice & Protection

It is now more than 50 years since President John F Kennedy gave voice the concept of consumer protection and consumer rights in his historic message to the US congress. Although many developed and developing countries have introduced consumers protection policies however in many countries the goal of realizing these rights is still a long way off.

In Pakistan, model consumer courts and councils are actively redressing consumers' complaints in eleven districts of Punjab. After rigorous advocacy of TheNetwork, Khyber Pakhtunkhwa provincial government has activated the provincial consumer protection council in Peshawar. However, the provincial government Sindh where the consumer protection ordinance was lapsed in 2007 is still struggling to re-enactment of Sindh Consumer Protection Law. Similarly, the Islamabad & Balochistan consumer protection acts are also waiting to be implemented. TheNetwork believes that the time is ripe for a more concerted, intensive and aggressive effort to put new consumer protection measures in place and make this goal a reality.

Facilitating consumers to redress their grievances has been a forte of TheNetwork. Till 2007 TheNetwork facilitated more than 3000 consumer complaints regarding products and services. Strengthening consumer redressal mechanism is our top priority by collaborating different institutions as consumer councils and competition commission of Pakistan. Also TheNetwork is interested to work with regulatory bodies including National Electricity and Power Regulatory Authority (NEPRA), Oil & Gas Regulatory Authority (OGRA), Food Regulatory Authority, Drug Regulatory Authority etc. Public interest litigation can also be used as a tool.

Social Accountability & Transparency

According to World Bank (2004) Social Accountability is an approach towards building accountability that relies on civic engagement in which it is ordinary citizens or civil society organisations who participate directly or indirectly in exacting accountability. TheNetwork anticipates that social accountability can be used as a mean of enhancing democratic governance and improving service delivery. TheNetwork aspires meaningful intervention of consumer bodies at district level through social accountability and transparency. Further, Budgetary Watch can be used as a tool to ensure development and public expenditure tracking.

Food safety

Safe and nutritious food for consumers has become crucial in today's world. Health risks associated with unsafe food and unstable food prices all threaten basic consumer needs. Access to safe and affordable food is also a priority agenda of TheNetwork's advocacy campaign. Monitoring food prices and risks of changing diets and advocating for consumers right to choose healthy food will be the key component of campaign for food safety.

Access to Knowledge (A2K)

Access to Knowledge (A2K) is a movement designed by Consumers International to strengthen consumers in today's digital age depending on communications networks such as internet. A2K campaign will be playing an important role in ensuring that such networks and the work exchanged across them are accessible, affordable, reliable and safe. TheNetwork aims to raise consumer rights awareness through Media Capacity Building initiatives and social media tools for promotion of consumer activism.

Right to Information (RTI)

Right to be informed is a prominent consumers right. TheNetwork initiated campaign for Right to Information a decade ago in Pakistan and successfully advocated for first legislation on RTI r "Freedom of Information Ordinance 2002" along with other non-government organisation partners. Currently, TheNetwork believes there is need to expand the scope of RTI in perspective of socio-politic paradigm shift in Pakistan. TheNetwork aims to advocate for bringing regulatory bodies, financial institutions and corporate services providers in the ambit of RTI as a basic consumer right. Also the RTI must ideally make sure the efficacy and efficiency of services being provided to consumers.

Right to Health

For last twenty years, TheNetwork has been advocating people's Right to Health as a fundamental right. Tobacco Control and Mother, Neonatal & Child Health (MNCH) has been primal component of our advocacy campaigns for more than a decade.

- Tobacco use has been known as the leading risk factor for four main Non-communicable Diseases (NCDs) which is now causing 1 in 6 of all NCDs deaths. TheNetwork considers it a great potential area to advocate for. Pakistan is rapidly threatened by growing rate of NCDs in South Asia. Tobacco Control and NCDs will be a priority agenda of TheNetwork.
- TheNetwork has contributed a meaningful policy intervention in MNCH program by successfully advocating the promulgation of "Protection of Breastfeeding & Young Child Nutrition Ordinance 2002" and notification of Rules in 2009. TheNetwork aims at playing its key role in achieving Millennium Development Goals (MDGs 2015) 4 &5 through its MNCH program.
- According to UNICEF, almost fifty percent of the developing world's population – 2.5 billion people – lack improved sanitation facilities and over 884 million people still use unsafe drinking water sources. TheNetwork has vision to play key role in advocacy for accessibility, affordability and quality of safe drinking water for consumers with a perspective of water for people and health.

Right to Healthy Environment

One of the eight basic consumer rights is Right to Healthy Environment. Enhance quality of life and protection against environmental dangers is a must component of TheNetwork's strategy.



TheNetwork for Consumer Protection

Plot 3-4, I&T Center, 1st Floor, G-8/4,
Islamabad, Pakistan. P.O Box: 2563

Ph: +92 51 2261085

Fax: +92 51 2262495

Helpline: +92 111 829 829

Email: main@thenetwork.org.pk

Website: thenetwork.org.pk