



**CONSUMER AFFAIRS AUTHORITY**



**MINISTRY OF INDUSTRY & COMMERCE**

# **CORPORATE PLAN**

**2015 - 2017**

## TABLE OF CONTENTS

<b>Table of Contents</b>	<b>Page No</b>
Annexes	3
Corporate Planning Team	4
<b>CHAPTER 1</b>	
Our Vision, Mission, Corporate Goals and Corporate Values	5-8
<b>CHAPTER 2</b>	
Objects and Functions of the Consumer Affairs Authority	9
<b>CHAPTER 3</b>	
The Organization Structure of the Consumer Affairs Authority and Consumer Affairs Council	10
<b>CHAPTER 4</b>	
Services provided by the Consumer Affairs Authority	11-15
<b>CHAPTER 5</b>	
Review of the Operating Results	16-24
<b>CHAPTER 6</b>	
SWOT Analysis	25
<b>CHAPTER 7</b>	
Corporate Strategies	26-27
<b>CHAPTER 8</b>	
Action Plan - 2015-2017	28-44
<b>CHAPTER 9</b>	
Implementation and Progress Reviews	45-46

## **ANNEXES**

Annex I - Budget 2015

Annex II - Organization Structure of the Consumer Affairs Authority

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## CHAPTER 1

### Our Vision, Mission, Corporate Goals and Corporate Values

#### Our Vision

A Well  
Protected  
Consumer  
within a  
Disciplined  
Business  
Culture

## Our Mission

To safeguard  
consumer rights  
& interests  
through  
consumer  
empowerment,  
regulation of  
trade &  
promotion of  
healthy  
competition

## **Our Corporate Goals**

- A delighted consumer through regulation of trade
- Provide redress to Consumers affected by unfair trade practices
- Consumer empowerment through education and awareness
- Protection of traders and manufacturers against anti competitive trade Practices and promotion of healthy competition
- Organizational Development through capacity enhancement

# Our Corporate Values

 Trust

Maintaining consistency of performance and ensuring dependability

 Honesty and Integrity

Being sincere and be fair and righteousness in all activities

 Accountability

Maintaining transparency and be accountable and responsible in whatever task that is performed

 Team Spirit

All employees working together to achieve common goals improving mutual understanding, respecting and trusting each other with proper communication and flexibility

 Recognition

Admire and appreciate outstanding performance of employees

 Commitment

Dedication towards accomplishment of given tasks

 Responsiveness

Willingness and readiness to provide services

 Creativity and Innovativeness

Generating new ideas for continuous improvement in all aspects

## **CHAPTER 2**

### **Objects and Functions of the Consumer Affairs Authority**

The Consumer Affairs Authority has been established by the Consumer Affairs Authority Act No 9 of 2003 by repealing the Consumer Protection Act No 1 of 1979, the Fair Trading Commission Act No 1 of 1987 and the Control of Prices Act of 1950.

The overall objective of the Consumer Affairs Authority is to provide for the better protection of consumers through the regulation of trade and the prices of goods and services and to protect traders and manufactures against unfair trade practices and restrictive trade practices. Moreover, it is expected to promote competitive pricing wherever possible and ensure healthy competition among traders and manufacturers of goods and services.

The Objects of the Authority are to

- (a). To protect consumers against the marketing of goods or the provision of the services which are hazardous to life and property of consumers
- (b). To protect consumer against unfair trade practices and guarantee that consumers interest shall be given due consideration.
- (c). To ensure that wherever possible, consumers have adequate access to goods and services at competitive prices
- (d). To seek redress against unfair trade practices, restrictive trade practices or any other form of exploitation of consumers by traders.

The functions of the Consumer Affairs Authority and Consumer Affairs Council are derived from the above core objects and described in detail in the section 8 of the Consumer Affairs Authority Act.

## **CHAPTER 3**

### **The Organization Structure of the Consumer Affairs Authority and Consumer Affairs Council**

#### **Consumer Affairs Authority**

The Consumer Affairs Authority consists of a Chairman and a minimum of 10 other members who possess recognized qualifications and wide experience in the fields of Industry, Law, Economics, Commerce, Administration, Accountancy, Science, or Health. The Chairman and three members appointed as full time members of the Authority. Policy decisions required in order to achieve the objects of the Authority are taken by the Chairman and the Board members. These policy decisions are executed through the relevant operational divisions of the Authority by the Director General who is the chief executive officer of the Authority.

#### **Consumer Affairs Council**

Establishment and constitution of the Consumer Affairs Council is described in part IV of the Act. Consumer Affairs Council consists of 3 members who have a wide experience in the fields of Commercial Law, Management of Business Enterprises and Trade Practices and Consumer Affairs. The function of the Council is to hear and determine all applications and references made to it under the Act. Council consist a secretary who is responsible for maintaining records of all proceedings of the council and sending out any notices required to be sent by the Council.

As per the section 37 of the Act, the Authority upon the conclusion of an investigation under section 34 (Investigations in to Anti- Competitive practices), may make an application to the Council for the purpose of determination.

Under the provisions of section 19, Director General in consultation with the Authority can refer matters on excessive pricing, market manipulation or other market imperfections to the council for investigation. In referring such mattes it is necessary to consider whether the sale of such goods or the provision of such services is of general economic importance or any category of consumers are significantly affected by such excessive price.

Moreover, any member of the public or any association of persons or any organization can request the Director General to refer the matters on excessive pricing to the Council for investigation as per the provisions in section 22.

#### **Current Organization Structure of the Authority**

As per the current organization structure, the Authority consists of 6 divisions operating under 6 directors. These divisions are designated as Consumer Affairs and Information division, Compliance and Enforcement division, Pricing & Management division, Competition Promotion division, Finance division and Human Resources and Administration division. These divisions have been introduced to the Authority at its inception in 2003.

## CHAPTER 4

### **Services Provided by the Consumer Affairs Authority**

#### **Protect Consumers against hazardous and substandard Goods and Services**

The Authority can issue directions for the protection of consumer as per the provisions given in section 10 of the Act. Authority can issue general directions to manufacturers or traders in respect of labeling, price marking, packeting, sale or manufacture of any goods and moreover, Authority can issue special directions to any class of manufacturers or traders specifying the times during which and the places at which such goods may be sold, and any other conditions as to the manufacturing, Importing, marketing, storing, selling and stocking of any goods.

Consumer Affairs Authority makes use of this provision in order to protect the consumers against hazardous and substandard goods. In introducing new directions, the Consumer Affairs Authority grants a reasonable grace period during which the manufacturers and traders can introduce necessary improvements required in order to comply with the new requirements. After publishing the gazette, The Consumer Affairs Authority publishes a notice in at least one Sinhala, one Tamil and one English newspaper in order to make aware the business community and the consumers about the details and how to comply with the new requirements.

For the purpose of protecting the consumer and ensuring the quality of goods, the Authority can determine the standards and specifications prescribed by the Sri Lanka Standards Institute relating to the production, manufacture, supply, storage, transportation and sale of any goods and to the supply of any services. This provision is granted by the section 12 of the Consumer Affairs Authority Act. Once the items are gazetted under section 12, complying with the Sri Lanka Standards becomes mandatory.

The manufacturers/traders that violate the directions/orders are prosecuted at the respective magistrate courts with the view to correct them and direct them to conduct business activities complying with the law and thereby assuring consumers rights.

Furthermore the Consumer Affairs Authority promotes and assists in the development of standards and specifications for identified goods & services by representing Technical Advisory Committees appointed by the Sri Lanka Standards Institute.

## **Protect Consumers against deceptive conduct and unfair trade Practices**

The Consumer Affairs Authority Act has identified a set of common malpractices done by the traders as offences. Some of the malpractices identified in the Act are violating the labeling instructions, selling above the marked price, refusal to sell goods, deny the possession of goods, hoarding of goods, increase of retail or wholesale price of certain goods without prior written approval of the Authority, non displaying of the price list, non issuing of receipts to purchasers, misleading or deceptive conduct and false representations done by the manufacturers/traders.

If any person has contravened any of the provisions of the Act or any directions, in the case of first contravention, the Authority has power to send warning in writing.

The Authority conducts regular market surveillance and conduct raids on the violations of the Act. The erroneous traders are prosecuted in the respective magistrate courts and fines imposed based on the provisions granted in section 60 of the Act.

To encourage the good business practices and lawful business, the Consumer Affairs Authority has introduced “Model Shop” concept and has developed a set of criteria which a business should fulfill in order to become a model shop. The Authority conducts awareness programs for the trader associations, chamber of commerce and companies on the current consumer law and Model shop concept in order to promote good business practices and safeguard consumer rights. The “Model Shop” concept is first introduced to the Cooperative enterprises and it is planned to extend this to the private sector as well.

## **Provide redress to Consumers affected by unfair trade practices**

- **Handling of Consumer Complaints**

Consumer Affairs Authority intervenes in to consumer complaints based on the provisions granted in sections 13 and 32 of the Act. The Authority can inquire in to complaints regarding sale of goods and to the supply of services which does not confirm to the standards and specifications determined under section 12 and sale of any goods which do not confirm to the warranty or guarantee given by implication or otherwise, by the manufacturer or trader.

A complaint has to be made to the Authority in writing within three months of the sale of such goods or the provision of such service. Moreover, a consumer can forward a complaint if the product falls within the warranty/guarantee period declared by the manufacturer or trader. After an inquiry in to a complaint, the Authority can order the manufacturer or trader to pay compensation to the aggrieved party or to replace such goods or to refund the amount paid for such goods or the provision of such service. An order has to be made in writing and be

communicated to such manufacturer or trader by registered post. If any manufacturer or trader fails or refuses to comply with an order such manufacturer or trader shall be guilty of an offence. The Authority can make an application to the relevant Magistrate Courts and recover this as a fine.

## **Consumer empowerment through education and awareness**

As per the section 8 of the Act, consumer education has been identified as one of the main functions of the Authority. Promote consumer education with regard to good health, safety and security of consumers, promote, assist and encourage the establishment of consumer organizations, keep consumers informed about the goods and services made available for purchase, has been identified as key activities.

The Consumer Affairs Authority uses electronic and print media, seminars and workshops, exhibitions, consumer rights day programs to educate the public on their consumer rights and responsibilities, current consumer law, good consumer values and good business practices etc.

## **Protection of traders and manufacturers against anti competitive**

### **trade Practices and promotion of healthy competition**

- **Investigation in to anti-competitive Practices**

As per the provisions of the sections 34,35,36,37, 38, 41 and 42 in the Act, the Authority and the Council deals with the prevalence of any anti-competitive practice. Anti-competitive practice is defined in the Act as, where a person in the course of business, pursues a course of conduct which itself or when taken together with persons associated with him, has or is intended to have or is likely to have the effect of restricting, distorting, or preventing competition with the production, supply or acquisition of goods in Sri Lanka or the supply or securing of services in Sri Lanka.

Upon the conclusion of an investigation, the Authority may make an application to the Consumer Affairs Council for purpose of determining on such matter. When an application is made to the Council, Council can order authorising anti-competitive practice, if the council is satisfied that it does not operate against public interest.

If an anti-competitive practice operates against public interest, the Council can order the termination of such anti-competitive practice and such other action necessary for the purpose of remedying or preventing the adverse effects of the anticompetitive practice.

The functions identified in the section 8(a), are control or eliminate restrictive trade agreements, arrangements amongst enterprises with regard to prices, abuse of dominant position, or any restraint of competition adversely affecting domestic or international trade or economic development.

The stakeholders have identified the requirement of strengthening the existing law in performing the above functions effectively. Accordingly, the required amendments to the Consumer Affairs Authority Act have been proposed with the view of strengthening the area of competition policy.

## **Ensure reasonable pricing**

- **Management of retail or wholesale price of certain goods and certain services**

As per the provisions in section 18 of the Act, where the Minister is of the opinion that any goods, or any service is essential to the life of the community, the Minister in consultation with the Authority may prescribe the identified goods or service as specified goods by order published in the Gazette.

Once the items are gazetted, no manufacturer or trader shall increase the retail or wholesale price of gazetted items, except with the prior written approval of the Authority. A manufacturer or trader, who seeks to obtain the approval of the Authority, has to make an application to the Authority. After holding an inquiry, the Authority will take a decision on the pricing application and communicate that to the applicant within thirty days of the receipt of such application.

The Authority has the power to make an interim order preventing the said manufacturer or trader from increasing the price, until the Authority makes its decision on the application, when the manufacturer or trader to give any assistance required by the Authority in carrying out its inquiry and they were failed to submit the requested information in time.

- **Enter in to agreements with Manufacturers and Traders**

As per the provisions in section 14 of the Act, the Authority can, enter in to written agreements with manufacturer or trader or with association of manufacturers or traders on maximum price, standards and specifications or on any other conditions of manufacture, import, supply, storage, distribution, transportation, marketing, labeling or sale of any goods.

- **Fixing the Maximum Price for Identified Goods**

As per the provisions in section 19 & 20 of the Act, where it appears that any goods are being sold or any services are being provided by a manufacturer or trader at an excessive price and such goods/service is of economic importance or any category of consumers are significantly affected by such excessive price, the Director General may, in consultation with the Authority refer such matters to the Consumer Affairs Council for investigation and report.

Moreover, where goods are being sold or services are being provided at an excessive price and any member of the public or any association of persons or any organization wishes the Council to investigate in to the matter, such member of the public, association or organization can request the Director General to refer the matter to the Council for investigation.

Where the council concludes that the goods are being sold at an excessive price, it has to recommend the Authority the maximum price for the commodity. Based on the recommendations of the Consumer Affairs Council, the Authority fixes the maximum price above which the goods shall not be sold or the services shall not be provided.

### **Internal Audit Unit**

Internal Audit Unit has established under the Chairman as an independent unit of the Consumer Affairs Authority . It helps an organizational to accomplish its objective by bring a systematic, disciplined approach to evaluate and improve the effectiveness of the risk management, control and government processes.

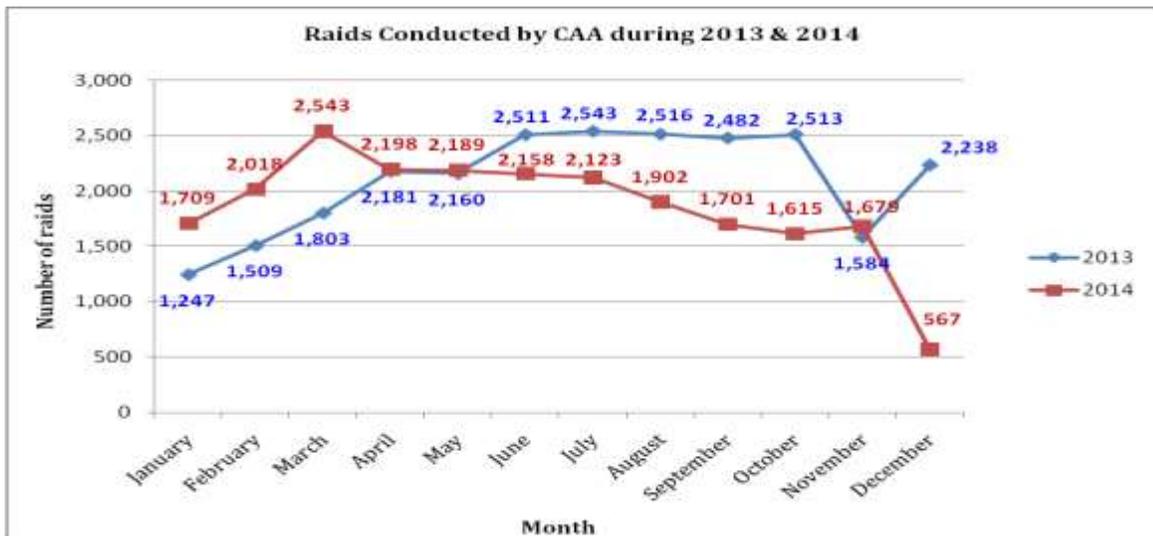
Internal Audit division prepares and implement the Internal Audit Programe for the Consumer Affairs Authority

## CHAPTER 5 Review of the Operating Results

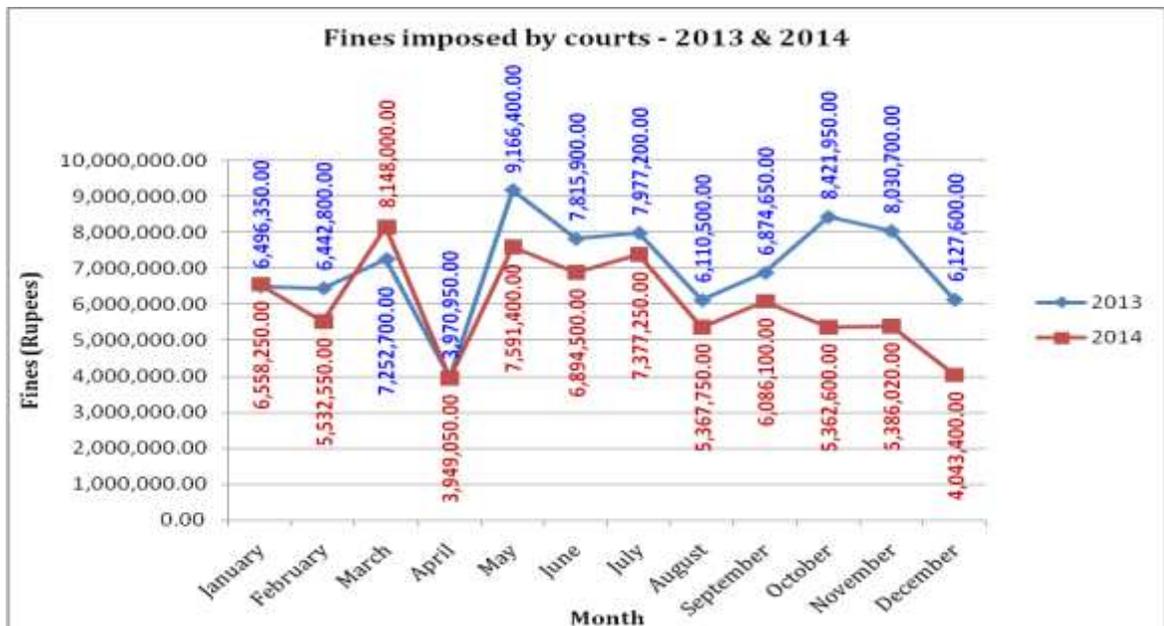
This chapter briefly reviews the past performance of the Consumer Affairs Authority during the period of 2014. The performance achieved during the said period with regard to the key functions/services of the Consumer Affairs Authority is presented in tables and graphs for easy reference.

### 1. Protect Consumers Against Deceptive Conduct and Unfair Trade Practices

**Table 1 - Market Investigations and Raids**



**Table 2 – Fines imposed by courts**



## **Special Raids and Investigations conducted by the consumer Affairs Authority**

1. Raid conducted when dhal unfit for consumption is prepared for sale after adding colouring
2. Raided when fake joss-sticks were prepared for sale
3. Examining whether artificial colouring is available in chillie powder
4. Raids on fruit unfit for consumption
5. Raids on local fairness cream fraudulently having labeled as Indian products
6. cumin seeds mixed with "Sathakuppa" raided when kept for sale

## **2. Provide Redress to Consumers Affected by Unfair Trade Practices Handling consumer complaints**

**Table 3** : Progress of handling consumer complaints, inquiries and others- 2014

	<b>Total</b>
Total complaints received	1425
(a) By post	1149
(b) By phone calls	276
Raids (Head office / District offices)	275
Referred to other institutions	114
For formal inquiries and legal action	152
By referring to district units (for personal relief)	42
Complaints finalized	677
Complaints rejected	10
Discussions held	510

**Table 4 - Inquiries conducted in terms of public complaints**

Number of inquiries	230
Continuation of inquiries from previous year/month	88
New Inquiries	142
Inquiries settled	28
Orders issued	42
Orders enforced	18

## Court Cases

Table 5 – Court Cases

Category	2014
Cases filed	20,227
Appearing in courts	523
Fines (Rs.mn)	73.1
Total cases examined	124

## Regulation of Trade and other Activities

### Issuing & Rescinding of Orders & Directions

- **Order No 10** - All drugs registered under the Cosmetics Devices and Drugs Regulatory Authority (CDDA) have been defined on 04.03.2014 as specified goods under section 18 (1)
- **Order No.26** - Maximum retail price for rice has been fixed with effect from 09.04.2014 under Section 20(5) of the Act and order 15 on the price of rice issued under Order No.1683/29 dated 09.12.2010 has been repealed.
- **Order No.27** – Maximum retail price for boiler chicken with skin deep-freezed or freezed have been fixed under Section 20(5). Order No 24 dated 30.05.2013 No. 1812/24 issued in respect of boiler chicken has been repealed.
- **Order No.28** - Fixing of maximum retail price for full-cream milk powder has been repealed by Order No.20 issued on 04.05.2012. Accordingly maximum retail price for full-cream milk powder has not been fixed under Section 20(5)

- **Order No.29** - Maximum retail price for rice has been fixed with effect from 01.08.2014 under Section 20(5) of the Act whereby repealing Order No.26 by Order No.1857/11 dated 09.04.2014 has repealed this
- **Order No.49** – It has been made compulsory for placing a security sticker obtained from the Authority as per specified procedure in respect soft drinks, bottled water, oil used for preparing branded food items, toothpaste, all types of soap, shampoo, paints, electric switch and Kevni Circuit breakers. Pending court decision.
- **Order No.50** - As per this Order it has been made compulsory to print clearly information such as batch number, date of production and expiry, volume, maximum retail price in respect of paints, varnish, liquefied products and related paints packed in bottles and containers used in the building industry. It has been further ordered to print clearly in mg/kg the total lead content in the packing or containers by paint producers or traders engaged in this industry. The Consumer Affairs Authority has hereby deleted the term “paints, varnish, and liquid used in building industry” included in the order Nos.2 and 4 published on 28.08.2003 under No.1303/1 and 26.08.2005 under No.1407/23 respectively.
- **Order No.51** – Under this order it has been prohibited to collect, store, keep in a warehouse or any other place all goods that have been expired or identified as unfit for sale. Accordingly collection, preserving or storing for destroying or re-exporting the same are prohibited unless a register is maintained which include the type, brand name, weight/volume and number of units of all those goods.
- **Order No.52** – Under this order it is prohibited to collect or store goods identified as expired or unfit/unsuitable for sale or human consumption or keep among in any way with other goods to be exhibited or offered for sale.

### 3. Consumer Empowerment through Education and Awareness

#### Conducting awareness programs

Those programs were conducted during the year under review aimed at educating consumers on their rights and obligations through which any one could gain the knowledge on how services from the institution could be obtained and how to arrive at correct decisions. Accordingly training programs were conducted to educate general public, trading community and school children.

**Table 6 - Awareness programs -2014**

Programme	Total
Trading Community	407
General Public	475
School Children	229
Media Personnel	32

#### Establishment of Consumer Organizations and School Consumer Circles

Establishing, promotion, assisting and encouraging the setting up of consumer organizations and school consumer circles are carried out under Section 8 (j) of the Consumer Affairs Authority Act No. 9 of 2003. The objective of setting up of those organizations is to encourage consumers to protect their rights through establishment and promotion of Consumer Organization. Individuals over 18 years of age are eligible for membership of Consumer Organizations and the Committee with office bearers Chairman, Secretary, Assistant Secretary, Vice Chairman and Treasurer and should not consist of even number.

**Table 7 - Details of Consumer Organizations established**

Details	Number
Consumer Organizations	49
School Consumer Circles	30

## **Protecting consumers from unfair trading practices**

Regulations on maximum retail prices of 05 imported goods were enforced with the objective of protecting local entrepreneurs under which 313 applications on maximum retail prices have been received from respective importers and their registration completed.

Following discussions by the Consumer Affairs Authority and the National Drugs Authority on drug price regulating, prices made available by Importers were incorporated in terms of the Authority Act in deciding maximum retail prices under Price Regulatory System.

## **4. Protection of Traders and Manufacturers against Anti Competitive Trade Practices and Promotion of Healthy Competition**

Market surveys and research work were carried out to identify anticompetitive behaviours commonly adhered to by Producers / Industrialists. During the period under review 24 complaints were received on anticompetitive behaviours and investigation on 17 of which have already been completed. Under the Research Program on ascertaining the market behavior and irregularities, a study is now underway on paddy and rice in addition to an on-going study to identify market share on detergent materials.

In addition steps have been taken to calculate market share whereby providing the report on the market share for the first 06 months of the year 2014 and to obtain information for the last 06 months of the same year. A report is being prepared by analyzing the information received.

## **Study on prevailing market prices**

Table 8 - Having conducted price surveys, the following reports have been prepared

Details	Number of Reports
Cement, L.P. Gas, rice, wheat flour	12
Retail price of essential commodities based on district level data	13
Daily reports on prices of vegetables at Dedicated Economic Centers	14
Daily reports on prices of fish	152
Reconciliation Reports on retail prices of vegetables	172

## 5. Ensure reasonable pricing

Table 9 - Evaluation and Recommendations of price revision Applications

The following are the evaluations and recommendations given under this during the period under review.

Item	Number
Number of Applications Submitted	
Drugs	175
Full cream Milk powder	02
Cement	01
L.P. Gas	05
Wheat flour	02
Infant Milk Powder	02
Recommendations on prices	
Drugs	109
Full cream powder	06
L P Gas	02

### Activities of the Consumer Affairs Council

This Council has been established consisting of three specialists with wide experience in the field of Commercial Law, business enterprise management, trade practices and consumer affairs. It should attend and determine all requests referred to it by the Consumer Affairs Authority. In addition, it is responsible for investigating and deciding complaints relating to anti-competitive behaviors under section 38, fixing of maximum retail price under Section 19 and charging undue prices under sections 19 and 20 of the Act.

**Table 10 - Progress of functions of the Consumer Affairs Council**

Functions	Number of complaints received	Number decided/settled or reported (including previous year)
Investigation of complaints on anti-competitive behavior	05	06
Fixing of maximum retail price	02	03
Complaints on undue charging	-	01

### **1977 Consumer Watch – SMS Service**

Prices of vegetables, Fish, fruits and essential commodities were collected daily from 06 locations in Colombo ,upload in to the system & authorization

### **Organization Development**

#### **Amending Consumer Affairs Authority Act**

Revisions to the Consumer Affairs Authority Act No 09 of 2003 are nearing completion and the Authority has received Draft of the amended Act on 11.08.2014 from the Legal Draftsman’s Department. Following comparison of the amendment with the Original Act, further round of discussions were made and it is necessary to prepare schedules regarding on the spot fines to receive the final draft.

## Human Resources

No.	Programme & Project	Activity	Target
01	Capacity encashment of the organization	Appointment Promotions Transfers Purchase of fixed assets Maintenance of the vehicle fleet and providing transport facilities	66 01 45 Rs. 9,042,029.59 Rs. 15,592,619.54
02	Performance evaluation of staff	Performance evaluation	222
03	Evaluation of training needs and introduce staff training	Staff training	18

## Chapter 6

### SWOT Analysis

The results of the SWOT analysis conducted by the Senior Management Team of the Consumer Affairs Authority in the process of preparing the Corporate Plan are presented below.

#### Strengths and Weaknesses

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>• State Institution established by an Act of parliament</li> <li>• Having treasury funds as source of funding</li> <li>• Availability of provisions in the Act to generate own income</li> <li>• Access to the well established District Administrative Setup of the Government</li> <li>• Powers of “Peace Officers “ entrusted to officials of the Authority</li> <li>• Offences in the Act are recognized as “cognizable offences”</li> <li>• Existence of the Consumer Council with investigative and adjudicative powers</li> <li>• Ability to serve the entire population of the country</li> <li>• Utilization of latest Information Technology</li> </ul>	<ul style="list-style-type: none"> <li>• Having to follow bureaucratic procedures</li> <li>• Draw backs in the present Act</li> <li>• Non utilization of certain provisions of the Act</li> <li>• Non availability of our own office premises and other infrastructure facilities</li> </ul>

#### Opportunities and Threats

Opportunities	Threats
<ul style="list-style-type: none"> <li>• Ability to obtain assistance and support from other institutions</li> <li>• Exposure to the international modalities</li> </ul>	<ul style="list-style-type: none"> <li>• Resistance by traders, manufactures, industries and various Chambers in implementation of the provisions of the Act</li> <li>• Non existence of consumer pressure groups</li> <li>• Non consultation of the CAA by decision making bodies where decisions have an impact on functions of the Authority</li> </ul>

**CHAPTER 7**  
**Corporate Strategies**

<b>Goal</b>	<b>Strategy</b>	<b>Responsibility</b>
<b>1 A delighted Consumer through regulation of the trade</b>	<b>1.1</b> Make use of provisions of the Act to deal with hazardous & substandard goods & services with the assistance of other regulatory bodies.	CA/CE/CP/PM
	<b>1.2</b> Enforcement of the Provisions of the Act to regulate trade through prosecution	CA/CE
	<b>1.3</b> Post market intervention on quality of food items	CA
	<b>1.4</b> Intervention for the facilitation of trade	CP/CA/CE/CL/PM
	<b>1.5</b> Regulation of prices of specified goods and services	PM/CA/CE/CP
	<b>1.6</b> Intervention on excessive Pricing	CL/ PM
	<b>1.7</b> Strengthen the market intelligence network	CP/ PM
<b>2. Provide Redress to Consumers affected by unfair trade practices</b>	<b>2.1.</b> Enforcement of the Provisions of the Act in order to grant redress to aggrieved Consumers	CE
<b>3. Consumer Empowerment through education and awareness</b>	<b>3.1</b> Promote Consumer education on consumer rights & responsibilities, good consumer values, and on improving quality of life	CA
	<b>3.2</b> Ensure access to information on Consumer affairs and promote the exchange of information with other institutions	CA
	<b>3.3.</b> Dissemination of information	CP/ CL/CA/PM

<b>4. Protection of traders and manufacturers against anti-competitive trade practices &amp; promotion of healthy competition</b>	<b>4.1</b> Intervention on anti competitive practices which operate against public interest	CP/ CL
	<b>4.2</b> Protecting local producers by discouraging cheap imports.	CP
	<b>4.3</b> Identification of deficiencies and abuse of dominant position in the market	CP
	<b>4.4</b> Identification of market structure	CP
<b>5 Organizational Development through capacity enhancement</b>	<b>5.1</b> Strengthen the powers of the Authority	CE
	<b>5.2</b> Implementation of the approved organization Structure	CA/CP/ CE/FN/ HR/ PM /CL
	<b>5.3</b> Decentralization of the services of the CAA	CA/HR
	<b>5.4.</b> Enhancement of the competencies of the employees	CA/CP/ CE/FN/ HR/ PM /CL
	<b>5.5.</b> Promote additional avenues to improve the financial status	FN/CP
	<b>5.6</b> Preparation of a manual of Procedures	CA/CP/ CE/FN/ HR/ PM /CL

**Abbreviations:**

Pricing & Management	<b>PM</b>	Human Resources & Admin	<b>HR</b>
Compliance & Enforcement	<b>CE</b>	Consumer Affairs & Information	<b>CA</b>
Competition Promotion	<b>CP</b>	Consumer Affairs Council	<b>CL</b>
Finance	<b>FN</b>		

## CHAPTER 8

### ACTION PLAN - 2015-2017

Goal	Strategy	Action	Implementation Period			Responsibility
			2015	2016	2017	
<b>1 A delighted Consumer through regulation of the trade</b>	1.1 Make use of provisions of the Act to deal with hazardous & substandard goods & Services with the assistance of other regulatory bodies.	1.1.a. Identify new products/services to be gazette under section 10 & 12	08	9	10	CA/CE/CP/PM
		1.1.b. Issuing Special and General directions under section 10 & 12	06	06	07	CE
		1.1.c. Carryout periodical reviews and revise Directions	←————→			CA/CE/CP/PM
	1.2 Enforcement of the Provisions of the Act to regulate trade through prosecution	1.2.a. Conduct market investigations & raids	26,000	26,250	26,500	CA
		1.2.b. Prosecute errant traders who violate the provisions of the Act.	95%	95%	95%	CA/CE
		1.2.c Publishing of names and addresses of convicted traders for the information of the consumers	Will be published in CAA Web site			CA
	1.3 Post market intervention on quality of food items	1.3. a. Identify quality related issues of food items	←————→			CA
		1.3.b Direct the manufacturers/importers to rectify the quality issues within a given period	←————→			CA

Goal	Strategy	Action	Implementation Period			Responsibility
			2015	2016	2017	
	1.4 Intervention for the facilitation of trade	1.4.a. Identify priority areas for trader agreements	←————→			PM
		1.4.b. Preparation and execution of agreement	←————→			CE
		1.4.c. Periodical review of the agreements	←————→			CE/PM
		1.4.d. Carryout advocacy programs for traders	←————→			CP/CA/ CE/ CL/PM
	1.5 Regulation of prices of specified goods and services	1.5.a. Evaluation/ recommendation of prices on price revision applications	120	130	140	PM
		1.5.b. Carryout market investigations on prices	←————→			CA/CP
		1.5.c. Prosecute traders for non-compliance	←————→			CE
		1.5.d. Defending the Authority in the event of challenging any price fixing or revision in a Court of Law	←————→			CE/PM

Goal	Strategy	Action	Implementation Period			Responsibility
			2015	2016	2017	
		1.5.e. Periodically review and revise the items specified under section 18	←————→			PM/CE
		1.5.f. Carry out market surveillance	12	13	14	CP
	1.6 Intervention on excessive Pricing	1.6.a. Conduct investigations in to matters on excessive pricing and recommend price ceiling for goods and services	←————→			CL/PM
		1.6.b. Create and update data bases on world market sources, world market prices, etc	←————→			PM
	1.7 Strengthen the market intelligence network	1.7.a. Collect market intelligence information and updating	04	05	06	CP
		1.7.b. Conduct efficiency studies in private and public sector	←————→			PM

Goal	Strategy	Action	Implementation Period			Responsibility
			2015	2016	2017	
<b>2. Provide Redress to Consumers affected by unfair trade practices</b>	<b>2.1.</b> Enforcement of the Provisions of the Act in order to grant redress to aggrieved Consumers	<b>2.1.a</b> Handling of consumer complaint	1600	1750	1900	CE
		<b>2.1.b.</b> Settlement of consumer complaints through mediation	←————→			CE
		<b>2.1.c.</b> Conduct inquiries on consumer complaints and grant redress to aggrieved parties	75% of inquiries fixed			CE
		<b>2.1.d.</b> Enforcement of orders through the judiciary in the event of non-compliance	←————→			CE
		<b>2.1.e.</b> Defending the Authority in the event orders issued by the Authority are challenged in a Court of Law.	←————→			CE

Goal	Strategy	Action	Implementation Period			Responsibility
			2015	2016	2017	
3. Consumer Empowerment through education and awareness	3.1 Promote Consumer education on consumer rights & responsibilities, good consumer values, and on improving quality of life					
		<b>3.1.a.</b> Conduct awareness programs for identified target groups. <ul style="list-style-type: none"> <li>• General Public</li> <li>• Awareness of women at district level</li> <li>• Awareness of School children</li> <li>• Civil Society Organizations</li> </ul>	400 04 100 12	400 05 90 13	400 06 100 14	CA
		<b>3.1.b.</b> Promoting of consumer societies and school consumer circles <ul style="list-style-type: none"> <li>• Consumer Societies</li> <li>• School Consumer Circles</li> </ul>	80 40	90 50	100 60	CA
	3.2 Ensure access to information on Consumer affairs and promote the exchange of information with other institutions	<b>3.2.a</b> Constant updating of the Authority Web site	←————→			CA
		<b>3.2.b.</b> Instant updating of the public on consumer Affairs	←————→			CA
		<b>3.2.c.</b> Dissemination of information through CAA face book	←————→			CA

Goal	Strategy	Action	Implementation Period			Responsibility
			2015	2016	2017	
	<b>3.3.</b> Dissemination of information	<b>3.3.a.</b> Dissemination of information through utilization of advanced information technology	←————→			CA/ CL/PM
		<b>3.3.b.</b> Uploading of information through Social Media, IVR, Short Code and SMS	←————→			CL/CP/ CA/PM
<b>4.</b> Protection of traders and manufacturers against anti-competitive trade practices & promotion of healthy competition	<b>4.1</b> Intervention on anti-competitive practices which operate against public interest	<b>4.1.a</b> Carryout investigations and intervene in to complaints on anti-competitive practices	←————→			CP/CL
		<b>4.1.b.</b> Issue orders against anticompetitive practices which operate against public interest	←————→			CL
	<b>4.2</b> Protecting local producers by discouraging cheap imports	<b>4.2.a.</b> Intervening to have level playing field and promoting local industries.	←————→			CP
	<b>4.3</b> Identification of deficiencies and abuse of dominant position in the market	<b>4.3.a.</b> Plan, design and conduct market research to identify abuse of market dominance	03	04	05	CP
	<b>4.4</b> Identification of market structure	<b>4.4.a.</b> Examination of market share on identified products & industries	40	40	40	CP

Goal	Strategy	Action	Implementation Period			Responsibility	
			2015	2016	2017		
<b>5 Organizational Development through capacity enhancement</b>	<b>5.1</b> Strengthen the powers of the Authority	<b>5.1.a.</b> Finalized amendments proposed to the Act	←→			CE	
	<b>5.2</b> Implementation of the approved organization Structure	<b>5.2.b.</b> Review and make for further improvements as required.	←→			CA/ CE/FN/ HR/ PM /CL /CP	
	<b>5.3</b> Decentralization of the services of the CAA	<b>5.3.b.</b> Review the District setup and effect the necessary changes	←→			CA/HR	
	<b>5.4.</b> Enhancement of the competencies of the employees	<b>5.4.a.</b> Identification of training needs through performance evaluation and planning		←→			CA/CP/ CE/FN/ HR/ PM /CL
		<b>5.4.b.</b> Prepare training plan		←→			FN/HR
		<b>5.4.c.</b> Provide training for staff		←→			FN/HR
		<b>5.4.d.</b> Training Evaluation and feedback analysis		←→			CA/CP/ CE/FN/ HR/ PM /CL

Goal	Strategy	Action	Implementation Period			Responsibility
			2015	2016	2017	
	5.5. Promote additional avenues to improve the financial status	5.5.a. Data collection and maintain a database of traders required for the registration of traders project	40,000			CP
	5.6 Preparation of a manual of Procedures	5.6.a. Preparation of a Manual of Procedures for the function of divisions	←————→			CA/CP/ CE/FN/ HR/ PM /CL
		5.6.b. Review and updating of Administrative and Financial manual of procedure	←————→			FN/HR
		5.6.c. Implementation of the Manual of Procedures after obtaining necessary approvals	←————→			CA/CP/ CE/FN/ HR/ PM /CL

**Abbreviations:**

Pricing & Management	<b>PM</b>	Human Resources & Admin	<b>HR</b>
Compliance & Enforcement	<b>CE</b>	Consumer Affairs & Information	<b>CA</b>
Competition Promotion	<b>CP</b>	Consumer Affairs Council	<b>CL</b>
Finance	<b>FN</b>		

## ACTION PLAN - 2015

Goal	Strategy	Action	2014	Implementation Period - 2015				Total	Responsibility
				Q 1	Q 2	Q 3	Q 4		
<b>1 A delighted Consumer through regulation of the trade</b>	1.1 Make use of provisions of the Act to deal with hazardous & substandard goods & services with the assistance of other regulatory bodies.	1.1.a. Identify new products/services to be gazette under section 10 & 12	02	02	02	02	02	08	CA/CE/CP/PM
		1.1.b. Issuing Special and General directions under section 10 & 12	06	02	01	02	01	06	CE
		1.1.c. Carryout periodical reviews and revise Directions					↔		CA/CE CP/PM
	1.2 Enforcement of the Provisions of the Act to regulate trade through prosecution	1.2.a. Conduct market investigations & raids	22402	6500	6500	6500	6500	26000	CA
		1.2.b. Prosecute errant traders who violate the provisions of the Act.	95%	95%	95%	95%	95%		CA/CE
		1.2.c. Publishing of names and addresses of convicted traders for the information of the consumers		Will be published in CAA Web site					CA
		1.3 Post market intervention on quality of food items	1.3. a. Identify quality related issues of food items		↔				

Goal	Strategy	Action	2014	Implementation Period - 2015				Total	Responsibility
				Q 1	Q 2	Q 3	Q 4		
1 A delighted Consumer through regulation of the trade									
		<b>1.3.b</b> Direct the manufacturers/importers to rectify the quality issues within a given period		←————→					CA
	1.4 Intervention for the facilitation of trade	<b>1.4.a.</b> Identify priority areas for trader agreements		←————→					PM
		<b>1.4.b.</b> Preparation and execution of agreement		←————→					CE
		<b>1.4.c.</b> Periodical review of the agreements		←————→					CE/PM
		<b>1.4.d.</b> Carryout advocacy programs for traders	01	←————→					CP CA/CE/ CL/PM
1.5 Regulation of prices of specified goods and services	<b>1.5.a.</b> Evaluation/ recommendation of prices on price revision applications	117	30	30	30	30	120	PM	

Goal	Strategy	Action	2014	Implementation Period - 2015				Total	Responsibility
				Q 1	Q 2	Q 3	Q 4		
1 A delighted Consumer through regulation of the trade									
		1.5.b. Carryout market investigations on prices	-	←————→					CA/CP
			319	←————→					CP
		1.5.c. Prosecute traders for non-compliance	06	←————→					CE
		1.5.d. Defending the Authority in the event of challenging any price fixing or revision in a Court of Law	-	←————→					CE
			01	←————→					PM
		1.5.e. Periodically review and revise the items specified under section 18	02	←————→					PM/CE
		1.5.f. Carry out market surveillance	12	03	03	03	03	12	CP

Goal	Strategy	Action	2014	Implementation Period - 2015				Total	Responsibility
				Q 1	Q 2	Q 3	Q 4		
	1.6 Intervention on excessive Pricing	1.6.a. Conduct investigations in to matters on excessive pricing and recommend price ceiling for goods and services	04	←————→					CL
				←————→					PM
		1.6.b. Create and update data bases on world market sources, world market prices, etc		←————→					PM
	1.7 Strengthen the market intelligence network	1.7.a. Collect market intelligence information and updating	-	01	01	01	01	04	CP
		1.7.b. Conduct efficiency studies in private and public sector		←————→					PM
2. Provide Redress to Consumers affected by unfair trade practices	2.1. Enforcement of the Provisions of the Act in order to grant redress to aggrieved Consumers	2.1.a Handling of consumer complaints	1425	160	320	560	560	1600	CE
		2.1.b. Settlement of consumer complaints through mediation	677	←————→					CE

Goal	Strategy	Action	2014	Implementation Period - 2015				Total	Responsibility
				Q 1	Q 2	Q 3	Q 4		
		<b>2.1.c.</b> Conduct inquiries on consumer complaints and grant redress to aggrieved parties	230	75% of inquiries fixed					CE
		<b>2.1.d.</b> Enforcement of orders through the judiciary in the event of non compliance	18	←————→					CE
		<b>2.1.e.</b> Defending the Authority in the event orders issued by the Authority are challenged in a Court of Law.		←————→					CE
<b>3. Consumer Empowerment through education and awareness</b>	<b>3.1</b> Promote Consumer education on consumer rights & responsibilities, good consumer values, and on improving quality of life	<b>3.1.a.</b> Conduct awareness programs for identified target groups.  <ul style="list-style-type: none"> <li>• General Public</li> <li>• Awareness of women at district level</li> <li>• Awareness of School children</li> <li>• Civil society organizations</li> </ul>	475 04 229 60	100 01 25 03	100 01 25 03	100 01 25 03	100 01 25 03	400 04 100 12	CA

Goal	Strategy	Action	2014	Implementation Period - 2015				Total	Responsibility
				Q 1	Q 2	Q 3	Q 4		
		<b>3.1.b.</b> Promoting of consumer societies and school consumer circles <ul style="list-style-type: none"> <li>• Consumer Societies</li> <li>• School Consumer Circles</li> </ul>	49 30	20 10	20 10	20 10	80 40	CA	
	<b>3.2</b> Ensure access to information on Consumer affairs and promote the exchange of information with other institutions	<b>3.2.a</b> Constant updating of the Authority Web site		←————→					CA
		<b>3.2.b.</b> Instant updating of the public on consumer Affairs		←————→					CA
		<b>3.2.c.</b> Dissemination of information through CAA face book		←————→					CA
	<b>3.3.</b> Dissemination of information	<b>3.3.a.</b> Dissemination of information through utilization of advanced information technology		←————→					CA/ CL/PM
		<b>3.3.b.</b> Uploading of information through Social Media, IVR, Short Code and SMS		←————→					CL/CP/ CA/PM

Goal	Strategy	Action	2014	Implementation Period - 2015				Total	Responsibility
				Q 1	Q 2	Q 3	Q 4		
4. Protection of traders and manufacturers against anti-competitive trade practices & promotion of healthy competition	4.1 Intervention on anti-competitive practices which operate against public interest	4.1.a Carryout investigations and intervene in to complaints on anti-competitive practices	24	←————→					CP
			06	←————→					CL
	4.1.b. Issue orders against anticompetitive practices which operate against public interest	06						CL	
	4.2 Protecting local producers by discouraging cheap imports	4.2.a. Intervening to have level playing field and promoting local industries.	313	←————→					CP
	4.3 Identification of deficiencies and abuse of dominant position in the market	4.3.a. Plan, design and conduct market research to identify abuse of market dominance	02	01	01	01	-	03	CP
	4.4 Identification of market structure	4.4.a. Examination of market share on identified products & industries	36	←————→				40	CP

Goal	Strategy	Action	2014	Implementation Period - 2015				Total	Responsibility
				Q 1	Q 2	Q 3	Q 4		
<b>5 Organizational Development through capacity enhancement</b>	<b>5.1</b> Strengthen the powers of the Authority	<b>5.1.a.</b> Finalized amendments proposed to the Act		←————→					CE
	<b>5.2</b> Implementation of the approved organization Structure	<b>5.2.b.</b> Review and make for further improvements as required.		←————→					CA/ CE/FN/ HR/ PM /CL CP
	<b>5.3</b> Decentralization of the services of the CAA	<b>5.3.b.</b> Review the District setup and effect the necessary changes		←————→					CA/HR
	<b>5.4.</b> Enhancement of the competencies of the employees	<b>5.4.a.</b> Identification of training needs through performance evaluation and planning		←————→					CA/CP/ CE/FN/ HR/ PM /CL
		<b>5.4.b.</b> Prepare training plan		←————→					FN/HR

Goal	Strategy	Action	2014	Implementation Period - 2015				Total	Responsibility
				Q 1	Q 2	Q 3			
		5.4.c. Provide training for staff		←————→					FN/HR
		5.4.d. Training Evaluation and feedback analysis		←————→					CA/CP/ CE/FN/ HR/ PM /CL
	5.5. Promote additional avenues to improve the financial status	5.5.a. Data collection and maintain a database of traders required for the registration of traders project	30,500	5,000	10,000	10,000	15,000	40,000	CP
	5.6 Preparation of a manual of Procedures	5.6.a. Preparation of a Manual of Procedures for the function of divisions		←————→					CA/CP/ CE/FN/ HR/ PM /CL
		5.6.b. Review and updating of Administrative and Financial manual of procedure		←————→					FN/HR
		5.6.c. Implementation of the Manual of Procedures after obtaining necessary approvals		←————→					CA/CP/ CE/FN/ HR/ PM /CL

**Abbreviations:** Pricing & Management **PM** Human Resources & Admin **HR**  
Compliance & Enforcement **CE** Consumer Affairs & Information **CA**  
Competition Promotion **CP** Consumer Affairs Council **CL**  
Finance **FN**

## CHAPTER 9

### Implementation and Progress Review

The respective Heads of Divisions are responsible for the implementation of the action plan on monthly and quarterly basis. At the end of each month, all heads of divisions submit monthly progress reports and these progress reports are to be reviewed at the Management Committee Meeting consist of Chairman, Director General, Full Time Board Members and all Heads of Divisions. Management Committee reviews the monthly performance of each division and identifies bottlenecks if any and proposes corrective measures required for the next month. Accordingly the changes will be incorporated in the implementation of the next month's action plan. Moreover, monthly progress reports are submitted to the Board meeting for the information and comments of the Members of the Board.

At the end of each quarter, the quarterly progress reports are prepared by respective heads of divisions and submitted to the Board meeting as well to the line Ministry for their review, comments and proposals.

At the end of each year Annual Progress Reports of the divisions will be prepared by the Heads of the divisions and Annual Progress Report of the Consumer Affairs Authority is prepared. Annual Progress Report is circulated to all the required institutions to fulfill the statutory requirement.

At the end of each year, Management Committee of the Consumer Affairs Authority reviews the annual progress and identifies the new changes to be incorporated for the next year's action plan. This new action plan will be added to the Corporate Plan of the Consumer Affairs Authority and the Corporate Plan will be continued as a rolling plan with incorporating new changes based on new challenges identified and changing requirements of the stakeholders.

### **Key Priority Areas which needs the Intervention and support of other State Institutions**

Being a government institution, Consumer Affairs Authority has to depend on the support and assistance of other policy making government Institutions in implementation of some of its projects.

### **Implementation of the proposed Organization Structure with the regional network**

Consumer Affairs Authority has identified the strengthening of its regional network as a top priority in order to deliver its services to the grass root level consumers more effectively. Moreover some new proposals have been proposed to the existing organizational structure with the intention of molding it as a more customer oriented service provider. Consumer Affairs Authority is in the process of negotiating and persuading the relevant policy making institutions; Department of Management Services, Salaries and Cadre Commission etc to get the approval for the implementation.

### **Incorporating Amendments to the existing Act**

Currently the Consumer Affairs Authority is functioning under the provisions granted in the Consumer Affairs Authority Act No 9 of 2003. While delivering our services, the staff of the Authority specially the senior Management team have identified that our services can be further improved by incorporating certain new additions to the existing Act. Accordingly, after several brainstorming sessions, Compliance and Enforcement division has drafted a set of amendments, discussed and finalized with the Legal Draftsman's Department.