

Public Newsense

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Citizen consumer and civic Action Group (CAG)

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Editorspeak

Companies spend much time telling you about the various awards they have won. Well, here is one set of awards that you are not going to hear them talk about! The World's Worst Products 2007 was awarded by Consumers International (CI), the international federation of consumer organisations during the recently concluded 18th International Congress in Sydney, Australia. The theme of the meeting was 'Holding Corporations to Account' and the awards were given to companies who had excelled in corporate abuse, hypocrisy and irresponsibility.

CI received several nominations from its 250-odd members around the world, and categorised the nominees into four product categories – Bad Food, Bad Drink, Bad Toy and Bad Medicine, based on the impact to consumers.

At the end of a closely fought competition, the winners were announced at a glittering event attended by over 500 consumer activists from around the world. The award for Bad Toys went to Mattel, which recalled over 21 million toys from around the world over a five-week period in 2007, due to design faults and the use of poisonous levels of lead paint. The recall included one toy that contained over 200 times the amount of lead permitted by US law. Mattel was awarded the Bad Toy Award for 2007 for 'compromising consumer safety, blame dodging and finger pointing.'

The award for Bad Drink went to Coca Cola, one of the most successful brands on the planet, for their international bottled water – Dasani. In 2004, Coca-Cola was forced to take Dasani, off the UK shelves after a public outcry because it contained nothing more than tap water. As a result it has never made it to German or French shops, though it is sold in the US and several Latin American countries. [Interestingly, in August 2007, Coca-Cola's rival and fellow soft drink manufacturer Pepsi made a similar admission that it was bottling tap water. See "Pepsi admits it's bottling tap water" inside]

The Bad Food Award for 2007 was given to Kellogg's – the world's best known breakfast cereal producer for marketing unhealthy and junk food to children. CI's award is in recognition of Kellogg's ability to make money by selling products high in fat, sugar and/or salt. Examples from around the world of Kellogg's contribution to our children's diets include products with high percentage (35% - 45%) of sugar, when food containing 20% sugar is deemed as 'high' in sugar content by many leading nutritionists.

The winner of the Bad Medicine Award was a Japanese drug manufacturer Takeda Pharmaceuticals for advertising a sleeping drug 'Rozerem' for children. The advertisement was released at the beginning of school year and used images of children, chalk boards, school books, etc. and suggested that parents seek out the sleeping drug for their children – to help them get through the stress of school starting. The advertisement ran without noting the very serious side effects that this drug can have, including increased thoughts of suicide in already depressed patients. Takeda Pharmaceuticals also failed to mention the precautions on its packaging about children using this drug. According to the product label, "Safety and effectiveness of Rozerem in pediatric patients have not been established." Pursuant to lobbying by consumer groups in the US, the Food and Drug Administrator (FDA) banned the advertisement.

The announcement of these awards underscore an important role that consumers need to play today – demanding that businesses become more socially and ethically responsible. Just as companies operate at an international level, consumers and governments need to take a global view and put pressure on individual companies where the market doesn't deliver results. Its time to hold corporations to account!

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Public Interest Litigation (PIL) and CAG

Since its inception, CAG has petitioned the judiciary by filing PILs to uphold the rights of the people in the country. PILs filed by CAG are often regarded as precedents and ensure that CAG does not allow the rule of law to be abused at any point of time.

Below are details of some of the current advocacy efforts by CAG

CAG files complaint against Neel Metal Fanalca

CAG has filed a complaint before the Tamil Nadu State Consumer Disputes Redressal Commission against the Corporation of Chennai and M/s Neel Metal Fanalca Pvt. Ltd (NMF) alleging gross deficiency in service, for failing to remove municipal solid wastes in the four zones of Chennai namely, Ice House, Adyar, Pulianthope and Kodambakkam (Zone numbers 6, 10, 3 and 8). In this complaint, CAG has contended that the contract between the Corporation of Chennai and NMF has been entered into by the Corporation on behalf of the public. The payments for the contract to NMF is made from tax amounts collected from the public and the people residing in these four zones of the Corporation of Chennai are the real beneficiaries of the contract.

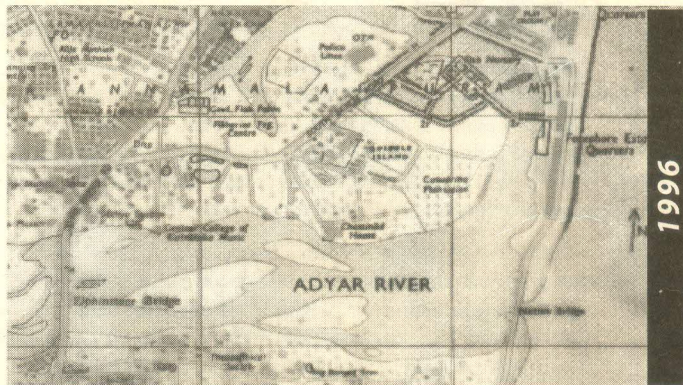


CAG's complaint asks NMF to pay Rs.25 lakhs as damages to the Tamil Nadu State Consumer Welfare Fund for the deficiency in the services and to perform their functions without any default in future. During the hearing of the complaint, the State Commission appointed two Advocate Commissioners to look into this issue and file a report about the garbage clearance works in the four zones of the Corporation of Chennai. The Advocate Commissioners investigated the ground realities of garbage collection in the said areas and filed their reports confirming the default of the Corporation of Chennai as well as NMF. In addition to this, CAG has asked the State Consumer Commission to direct Tamil Nadu Pollution Control Board to inspect the zones and confirm if the provisions of the Municipal Solid Waste (Management and Handling) Rules, 2000 are being complied with for the collection and segregation of municipal solid waste in the Corporation of Chennai. This petition as well as the main complaint is currently being heard by the State Commission at this time.

Adyar creek - Wetland or Park?

Many of you may have wondered what is happening in the narrow stretch of water body, that begins near Foreshore Estate adjacent to the Quibble Island cemetery, and goes around several buildings and reaches the Kuchipudi Dance Academy and the Dr. Ambedkar Memorial. Two years ago, this area was cordoned off from public view with the construction of a boundary wall. Later, some stone paintings were positioned in the gaps of the boundary wall, completely cutting off public view of the activities taking place inside the area. More recently, a large white circus tent-like structure is visible from over the wall - and if you have ventured inside you may have seen that this tent hosts an exhibition of some sort.

Those of you who have been following CAG's advocacy campaigns to protect the Adyar Creek will know that CAG had challenged the proposed construction of an auditorium, along with a marriage hall and related infrastructure, on this wetland - the Adyar Creek. In 1993, CAG, Exnora and the Environment Society of Madras had filed PILs before the Madras High Court arguing for protection of this critical ecosystem, and opposing construction inside this area. Agreeing with CAG and other petitioner, the Madras High Court ordered the restoration of this wetland. A memorial was allowed on a small portion of the Creek, but the rest of the wetland was to be restored. The State government appealed against this decision, but Division Bench of the High Court refused to interfere with the earlier order and directed the government to implement the order immediately.



After a hiatus of several years, the government set up the 'Adyar Poonga Trust' in 2006 – a 7-member high-powered government agency with the Chief Secretary of Tamil Nadu. The Adyar Poonga Trust hired the Tamil Nadu Road Development Corporation (TNRDC) to develop an 'eco-park' in the Adyar Creek area. The TNRDC, in turn, sought assistance of the Auroville-based Pitchandikulam Forest Consultants (PFC) in this effort. The TNRDC was subsequently replaced by the Tamil Nadu Urban Development Fund (TNUDF) – and in early 2007, the TNUDF invited bids from consultants to prepare a master plan for development of an 'eco-park' in the 58-acre area.

Even while many NGOs and experts interested in the restoration of the wetland are assisting the PFC, the over-arching apprehension is whether the government is looking at the PFC effort as the creation of a 'park' and not a 'wetland restoration' project. Initial plans developed by PFC suggested that the 'eco-park' would include freshwater ponds, an amphitheatre and several exotic ecological features like hillocks, organic vegetable farms and concrete pathways.

CAG has objected to the introduction of the above exotic species and construction activities in the wetland and has demanded that the government focus on the challenge at hand – to restore a wetland that has been ignored and abused for several years. The Madras High Court, hearing an application filed by the government asking for a modification of the Division Bench order, has posted the case to the first week of January 2008. CAG has identified several shortcomings in the plan developed by PFC and has shared them with the consultants; and a process of analyzing the revised proposals of PFC and providing constructive alterations to the plan is taking place.

Eventually, it is CAG's desire to ensure that the Adyar river system is cleaned up, and the Adyar Creek wetland is restored to a state where it can perform its ecological functions.

Illegal multi-storied buildings receive another period of State protection!

CAG's 19-year battle against illegal buildings in Chennai took a curious turn in December 2007, when the Supreme Court ordered the State government to ensure 'status quo' was maintained – and effectively stopped the demolition of illegal multi-storied buildings in Chennai. It is common knowledge that CAG had challenged the exemption from building laws given to 72 buildings in Chennai by the State government in 1988, and a PIL was filed in the Supreme Court asking for the cancellation of these orders. This PIL was tagged with a later CAG PIL challenging the first Regularisation Scheme of the state government in 1998. In a landmark decision, the Supreme Court had allowed the Regularisation Scheme as "a one time measure". The subsequent Regularisation schemes of the state government were challenged by CAG as violating the Supreme Court order and all these schemes and orders issued under them were eventually struck down by the Madras High Court in August 2006.

The Madras High Court appointed a 12-member Monitoring Committee to oversee the implementation of their order which included the demolition of commercial multi-storied buildings that had violated FSI, fire safety or parking norms, such that the buildings conform to the law. The State government filed appeals to the Supreme Court challenging this order, but did not succeed. A subsequent PIL ensured that the Monitoring Committee was finally constituted and provided with infrastructure and staff by the State government to implement the High Court, direction. However, when not a single commercial multi-storied building was demolished after 12 months from the High Court order, the High Court asked the Monitoring Committee to submit an 'Action Taken Report' including a statement on enforcement difficulties they were facing.

Instead of taking steps to implement the Court order, the State Government promulgated an Ordinance on July 27, 2007 bringing in a one-year amnesty scheme for all illegal constructions in Chennai and prohibiting enforcement agencies from taking any action against such illegal buildings, "notwithstanding any judgement of any Court". CAG challenged this Ordinance as making a mockery of judicial directions and arguing that this was nothing but a blatant attempt to usurp the powers of the judiciary. CAG also argued that the Ordinance had prioritized vested commercial interest over the public interest and asked that the Ordinance be quashed.

The Madras High Court on November 13, 2007 agreed with CAG and struck down the Ordinance as being bad in law. Significantly, even while the PIL was pending before the Madras High Court, the Tamil Nadu Legislative Assembly passed an Act replacing the Ordinance, but this Act was not notified. On November 14, 2007 – i.e., on the day after the High Court struck down the Ordinance, the State government chose to notify the Act passed by the Assembly, thus again restoring the balance in favour of the illegal buildings. CAG filed a fresh PIL challenging the Act and this too was struck down by the Madras High Court in November 2007.

Steadfast in their stand, the CMDA and Tamil Nadu State government filed appeals before the Supreme Court. On 14 December 2007, a team of senior advocates representing the State government and CMDA argued that since the State government was contemplating changes to the building laws, and several of today's illegalities may become legal under the new law, demolishing them today will cause unnecessary hardship to their owners and occupiers. The Supreme Court has posted the matter to February 2008 and asked the State government to maintain 'status quo' until then.

CAG research projects

Strengthening environmental protection in electricity sector

Rapid urbanization and the "power for all" mandate have necessitated an increase in energy generation. It is to meet this burgeoning demand that the Working Group on Power for the Eleventh Plan recommends an addition of 68,869 MW in generation capacity in the 2007-2012 period. Though this capacity addition is to be shared by utilities, captive plants and non-conventional energy sources, the majority of it (around 67%) is expected to be contributed by Thermal Power Plants, fuelled by coal. Policymakers and regulators are therefore faced with the challenge of providing access to reliable and affordable electricity, and addressing major environmental challenges including climate change. Though environmental issues find mention in policy documents on power, the importance of understanding the impacts of power projects such as land requirement, the consequent displacement of people and deforestation, the impact on livelihood, etc finds no mention. Instead, these policies lay emphasis on the need for 'speeding up' clearance of environmental 'obstacles' and granting single window clearances.

CAG is currently carrying out a study to research the comprehensiveness of environmental clearance procedures and legal frame works, with an emphasis on clarity of roles and responsibilities and public participation. This study, supported by the Electricity Governance Initiative (EGI) of the World Resources Institute, Washington D.C., is being carried on as a follow up to an earlier study that was conducted to examine the current state of governance in the power sector looking specifically at policy making in the power sector, the electricity regulatory processes and also the importance given to environmental and social aspects in the power sector.

Strengthening protection to the Gulf of Mannar Biosphere Reserve

CAG is conducting an assessment of the effectiveness of legislations governing the natural resources of the Gulf of Mannar Biosphere Reserve (Tamil Nadu, India) and identification of strategies to enhance legislative provisions and agency roles towards better conservation for the Gulf of Mannar Biosphere Reserve Trust. The project aims to compare the implementation experience of environmental laws applicable to this region to understand the implementation of biodiversity protection in the Gulf of Mannar Biosphere Reserve.

Pepsi admits its bottling tap water

August 03, 2007

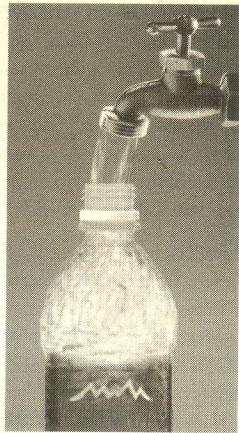
Source: Democracy Now! (<http://www.alternet.org/story/58604/>)

The soft drink giant Pepsi has been forced to make an embarrassing admission: Its bestselling Aquafina bottled water is nothing more than tap water. Pepsi

agreed to change the labels of Aquafina to indicate the water comes from a public water source. Pepsi agreed to change its label under pressure from the advocacy group Corporate Accountability International, which has been leading an increasingly successful campaign against bottled water.

Some facts on bottled water

- Each day in US an estimated 60 million plastic water bottles are thrown away. Most are not recycled.
- The Pacific Institute has estimated 20 million barrels of oil are used each year to make the plastic for water bottles.
- People switch over from tap water to bottled water because they think it is not contaminated. The CSE laboratory test shows otherwise. Bottled water should not be considered a sustainable alternative to tap water. Source monitoring, reduction in use of pesticide and effective treatment seems to be the best choice for keeping a check on pesticide concentration in water. (CSE Report on pesticide residues in bottled water (Delhi region))



- An average litre of bottled water costs Rs 13. From the tap, you can get over 5 kilo litres for Rs 12.50. That makes the bottled water about 5,200 times more expensive.
- The bottled water corporations have spent tens of millions of dollars on ads that make people think that bottled water is somehow better, cleaner, and safer than our public water systems.
- The process of taking the tap water and purifying it called ozonation. Ozonation can in some cases have a byproduct, bromate, a suspected carcinogen. And the largest case of contamination was in the UK in 2004, when people started getting sick after allegedly consuming Coca-Cola's Dasani.
- In the United States, there are several communities that have had private bottling plants take their groundwater. In Michigan it is reported that communities could actually see the water level of one of their streams declining because of the massive amount that Nestle was taking from their water.
- A similar situation exists in India and several communities have complained of this. The water scarcity situation in India exacerbates this problem.

ABOUT CAG

Citizen consumer and civic Action Group (CAG) is a non-profit, non-political and professional organisation that works towards protecting citizens' rights in consumer and environmental issues and promoting good governance processes including transparency, accountability and participatory decision making. While our area of physical operation is the city of Chennai, our area of concern is global.

Recent interventions

- Campaigning for enhanced rights of consumers in the delivery of post-reform public utilities (telecom, cable TV and electricity).
- Building 'economic literacy' by demystifying issues relating to globalisation, trade and economics for the 'common person'.
- Seeking stronger consumer rights in emerging consumer issues of online purchasing and consumer credit.
- Advocating for greater transparency and accountability in several key areas of governance (including access to information and participatory decision making).
- Seeking the protection of open spaces and our natural environment (especially coastal environment, water bodies and wetlands).

A young team of professionals with different academic and work backgrounds execute CAG's activities. Apart from advanced research and advocacy, CAG also offers a 'Legal and Consumer Advice Clinic' to help citizens find answers to queries or complaints.

Underlying all CAG activities is the belief in the strength of the collective voice. We believe that every citizen has a right to a healthy, informed and equitable way of life and that even as an individual you can make a difference. All our efforts have been possible due to the constant support given to us by 'Friends of CAG'. We invite you to be a part of this network and contribute to help sustain our efforts. Please send your cheque in favour of Citizen consumer and civic Action Group at the address given below.

CAG is represented on

Local

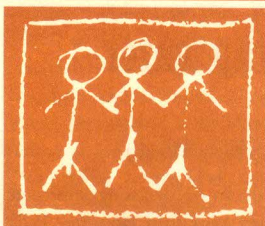
- Member, State Consumer Protection Council, Government of Tamil Nadu
- Member, State Advisory Committee, Tamil Nadu Electricity Regulatory Commission
- Member, Chennai District Consumer Protection Council
- Special Invitee, State Level Advisory Committee on Medical Waste Management, Government of Tamil Nadu

National

- Member, Central Consumer Protection Council, Government of India
- Member, Steering Committee on Eco Mark, Government of India
- Member, Pharmaceutical Advisory Forum, Ministry of Chemicals and Fertilizers, Government of India
- Member, Core Group on Consumer Advocacy, Telecom Regulatory Authority of India (TRAI)

International

- Member, Headline Campaign Working Group on Pharma, Consumers International



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