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## **Note of Understanding**

**Between**

**Office of Consumer Protection (OCP),**

**And**

**Bhutan Standards Bureau (BSB)**

**On**

**Competition and Consumer Protection through product and  
service standardization, certification and legal metrological &  
laboratory services**

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**Note of Understanding  
Between  
Office of Consumer Protection (OCP), Ministry of Economic Affairs  
And  
Bhutan Standards Bureau (BSB)  
On  
Competition and Consumer Protection through product and service  
standardization, certification and legal metrological & laboratory services**

The Bhutan Standard Bureau (BSB) and Office of Consumer Protection (OCP), Ministry of Economic Affairs hereinafter referred to as "Contracting Agencies",

**Respecting** the letter and spirit of Consumer Protection Act of Bhutan 2012 and Rules and Regulations thereof and Bhutan Standards Act 2010;

**Considering** the legal requirements to protect consumer rights and their economic interests, protect them from unfair trade practices and redress aggrieved consumer;

**Acknowledging** the role of BSB in consumer protection through promotion/provision of quality infrastructure services including standardization, testing, calibration, certification of products and services and legal metrology;

**Admitting** the need for market standardization, in terms of used of calibrated weights and measures, and promotion of fair trade and ethical business practices to safeguard consumer in marketplaces;

**Considering** the legal mandate of OCP to develop safety standards in collaboration with BSB;

**Acknowledging** certain overlapping responsibilities between the two agencies;

**Recognizing** the need for collaboration and coordination between the two agencies to protect consumer rights and interests in the marketplaces;

**Desiring** to have working relationship between the two agencies for consumer protection;

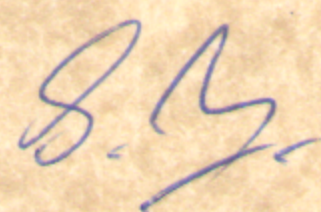
Have reached the following Note of understanding:

### **Purpose/Objective**

1. To promote competition and consumer protection affairs through provision of efficient quality infrastructure services such as the testing, calibration, certification of products and services and legal metrology.

### **Areas of Cooperation and Collaboration**

2. The areas of cooperation and collaboration under this NoU are as follows:
  - a) The Contracting Parties will coordinate and collaborate to promote consumer protection affairs and ensure consumers are treated fairly and equitably without any discrimination;
  - b) To promote fair trade practices and protect consumer rights and economic interests, OCP will mandate business entities to calibrate the weights and measures used for commercial purposes;
  - c) BSB will carry out calibration activities periodically in the market and certify the calibrated weights and measures of business entities in the marketplace with validity. In the event the weights and measures used by the business entities are defunct and cannot be used for commercial purpose, BSB will stamp on the equipment with 'prohibited' mark prohibiting its use for commercial purpose. For this purpose, BSB will design and develop certificate, calibration stickers and stamp;
  - d) OCP will regularly monitor the weights and measures used by the business entities in the marketplace and check their calibration status. In the event the measuring equipment is not calibrated, OCP shall take necessary actions as per its regulations and restrict its used for commercial purposes;
  - e) Where product testing is required for protecting consumer interests, ensuring consumer safety and providing appropriate remedies to aggrieved consumers, OCP will refer to BSB for testing, if available. BSB will extend the services at the fees agreed between the contracting parties;
  - f) Where the standardization activities are carried out to formulate and develop national standards on products and services, BSB shall in consultation with OCP include a technical regulation expert from OCP as a member to the relevant technical committee;



- g) Where there is a requirement for national standards for promoting competition, protecting consumer rights and interests and ensuring consumer safety, OCP will request BSB for developing appropriate standards;
- h) Mutually identify areas of cooperation from time to time and collaborate to promote competition and provide consumer protection services;
- i) Where required, the contracting parties may provide expert views & opinions and technical assistance to each other in relation to consumer protection and for addressing and redressing consumer issues;
- j) On requests, the Contracting Parties will provide or exchange information required for consumer protection;
- k) Where relevant, the Contracting Parties will participate in development and formulation of regulatory frameworks to represent consumers and protect their economic interests and legal rights.

#### **Validity**

- 3. This NoU will be valid unless amended and renewed by the Contracting Parties.

#### **Termination**

- 4. This NoU may be terminated by either party, at any time, by giving 3 month written notice if the arrangement becomes irrelevant.

#### **Amendment**

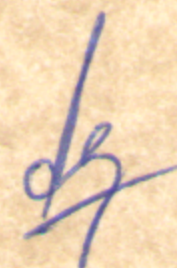
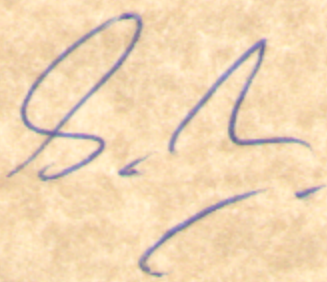
- 5. This NoU may be amended with the mutual written consent of both the Parties.

#### **Dispute Settlement**

- 6. Any dispute regarding the interpretation or application of this NoU will be resolved through mutual consultations between the Parties and based on the principles of mutual understanding and respect.

#### **Commencement**

- 7. This NoU shall come into effect on 21/05/2020

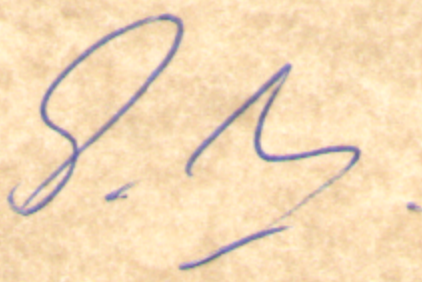


The foregoing represents the understanding reached between the Parties on the matter referred to in this NoU and does not create any legally binding obligations upon the parties.

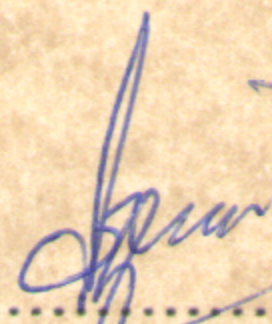
Signed at MoEA on 21/05/2020

For Bhutan Standard Bureau

For Office of Consumer Protection



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Director General



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Director