

## **Protection of Consumers' Rights NGO (PCR)**

### **Mission and goals**

“Protection of Consumers' Rights” NGO (PCR) is a consumer NGO operating in Armenia since January 1997. For already nine years PCR works in Armenia aiming at assuring of safe consumer commodities in the country and redress of consumer right infringements.

### **OUR MISSION**

Mission of PCR is to ensure provision of quality goods and services that are safe for lives, health, property and environment of consumers of Armenia.

### **OUR OBJECTIVES**

- To promote protection of consumers' rights and interests in Armenia
- To provide legal advice to consumers
- To carry out independent expertise of goods and services
- To popularize conscious consumption

To ensure impartial information for consumers on quality of services and products available in Armenian market

### **PCR activities**

In order to attain its mission PCR carries out the following activities:

- Advocacy, lobbying and campaigning
- Consumer awareness raising
- Consumer consulting and advice
- Action-oriented research
- Organization of trainings and seminars

### **Advocacy, campaigning and lobbying**

At the early stages of its activities PCR concentrated more efforts on legislative improvements, as by the time PCR was established Armenia did not even have a law on Protection of Consumers Rights. Since 1997 the legislative field saw serious improvements, Law on Protection of Consumers' Rights has been adopted in June 2001. Another consumer related important law such as the Law on Food Safety was adopted in August 1999. PCR has been actively involved in the process of development those laws, monitored their implementation and pushed for further improvements. As a result of PCR's pressure both above mentioned laws were amended. Law on Protection of Consumers' Rights was amended twice in November 2002 and December 2004, Law on Food Safety was amended in May 2005. Both incorporated almost all suggestions presented by PCR.

By the initiative of PCR on September 28, 2004 "Deputy Collaboration Supporting Consumers' Rights" (DCSCR) was created with seven MPs of the RA National Assembly (Hrayr Karapetyan, Vostanik Maroukhian, Levon Mkrtchian, Hermine Naghdalyan, Ruben Hovsepyan, Gagik Mkheyan, Mkrtich Minasyan). This was in fact the first official announced lobbyist cooperation group in the history of Armenia. Today deputies group consists of 14 deputies from 4 faction. DCSCR constantly keeps its eye on consumer affairs and based on information provided by PCR calls the Executive on taking corresponding actions. Among the recent actions taken by DCSCR is the announcement made by RA National Assembly Deputy Hrayr Karapetyan, Coordinator of DCSCR on October 4<sup>th</sup>, 2005 during the NA session on the Telecommunication services low quality in Armenia.

In July, 2005 PCR launched another advocacy project supported by the Civic Initiative Support Program/Counterpart International (USAID) called "Consumer Independent Monitoring Public Initiative". PCR's advocacy activities in the framework of this project deal with food safety issues. PCR is now in process of developing a Draft Government Decree on "The procedure of confiscation and utilization of expired and/or low quality foodstuff". The Draft will be presented to the Government of Republic of Armenia for approval in November 2006.

### **Consumer Awareness Raising**

In order to reach out to as many consumers as possible along with advocacy efforts PCR also disseminates information on consumers' rights in Armenia. Among recent publications of PCR are Useful Advice to Consumers and Comments and Explanation of RA Law on Consumer's Rights. Also PCR has initiated publications of similar leaflets on topics such as basic rights of consumers, food labeling, rights and responsibilities of public utility providers and consumers. PCR disseminates this information through a network of its constituents and partner non-governmental, governmental and international organizations.

Recently in the framework of its public awareness raising strategy PCR has shoot and broadcasted a Public Social Advertisement supported by Dutch ConsumerenBond Consumer Organization. The social ad draws attention of public on food safety issues and calls upon every consumer to be conscious and check the expiration of foodstuff that is purchased. The ad was broadcasted for two months on two Armenian TV channels (2<sup>nd</sup> Public Television and "AR" TV). It will be broadcasted repeatedly in the framework of other projects to be carried out by PCR.

From November 1<sup>st</sup>, 2005 PCR started a project funded by the Eurasia foundation called "Consumers' Rights Initiative in Public Utilities in Armenia". This project consists of two main components: monitoring of public utility services (electricity, gas, water, and telecommunication) provided in Armenia and based on the monitoring results carrying out a public awareness raising campaign.

### **Consumer Consulting and Advice**

PCR provides free consultations to concerned consumers through its hot-line and at its Resource Center. The hot-line has been operating for about 7 years. PCR has received about 700 calls annually from concerned consumers, who have received consultation and instructions for further actions from PCR's legal consultants. From October 2005 PCR also runs a Recourse Center furnished and equipped for receiving concerned consumers. PCR's legal consultants are also available at the Center for consumer consultations. The Resource Center also has a library, with materials and books related to various aspects of consumers' rights and the international practices of consumer rights protection. Books are also available for the general public.

### **Action oriented research**

All activities of PCR are based on in-depth research. PCR studies consumers' concerns and complaints, which serve basis for its projects. In order to provide consumers with impartial information on quality of services and products available in Armenian market, PCR carries out independent monitoring and laboratory expertise of food products. Monitoring and testing results, as well all research made by PCR are made available for general public. All the results and all information about PCR's activities can be found on newly reconstructed web-site of PCR: [www.consumer.am](http://www.consumer.am)

### **Organization of trainings and seminars**

PCR also organized trainings and seminars for raising awareness of consumers' rights protection issues among targeted group, such as journalists, NGO practitioners, etc. The most recent was the training on "Food Safety problems in Armenia" organized in October, 2005. The training was aimed to make participants familiar with food safety problems existing in Armenia, the legislation related to food safety, its shortcomings, and basic provision of law that every consumer should know. In this way PCR tried to equip journalist with necessary tools to cover food safety issues in a more informed and professional manner.

In May 2006 PCR launched a new training campaign for ordinary consumers, who are willing to learn more about their rights. Once a month one hour long seminars are to be carried out for four registered group of consumers.

## **1. General Provisions**

1.1 ‘Protection of Consumers’ Rights’ (PCR) Non-Governmental Organization (later Organization), is a nonprofit organization, which according to law brought together citizens based on common interest to satisfy their non religious, spiritual and non-material other needs, to protect their and others rights and interests, to provide society and its separate groups with material and non-material support, and to carry out other activities aimed at public good.

1.2 The Organization acts based on the RA legislation, RA International Treaties and this Statute based on the principals of legality, voluntarism, equality, self-government and publicity.

1.3 The Organization acts in the entire territory of Armenia and in foreign countries, according to the legislation of those countries.

1.4 Full name of the Organization in Armenian is “Sparoghneri Iravunqneri Pashtpanutyun” (Protection of Consumers’ Rights) NGO, the short name in Armenia is SIP (PCR).

1.5 The Organization has a Symbol, which is an oval circle divided in two sections, in the center there is a round circle, where an eye and a bell are portrayed, which symbolize the fact of seeing and responding to everything. The symbol of the Organization is portrayed on page 8 of this Statute.

1.6 The Organization is located in the Republic of Armenia, Yerervan, 40 Pushkin st., tel. (37410) 460824.

## **2. Subject and objectives of the activities of the Organization**

2.1 Based on the RA legislation subject and objectives of the activities of the Organization are:

- Promote protection of consumers’ rights and interests in Armenia.
- Carry out public opinion studies.
- Support the process of organizing independent testing of goods and services.
- Ensure providing consumers with objective information on variety and quality of produced and available foodstuffs and non- commodities.

- Provide legal, goods-expert, and inquiry-consulting help to consumers through lectures, seminars and consultation services.
- Use mass-media for propaganda of consumption culture and effective methods of handling household (family budget conducting), spreads knowledge on qualities of foodstuff, goods and services.
- Support scientific researches of problems connected with consumers' rights and interests.
- Supports organization of commodity exhibitions.
- Make suggestions in regard to improving quality of goods (work, services) dangerous for consumers' life, health, possessions and environment, or in regard to suspending those goods from production and circulation cycles.
- Present and protect rights and legal interests of members of the Organization.
- Collaborate with state and local self-government bodies of Armenia, as well as with local and international organization of the same profile.

2.2 The Organization can carry out other activities deriving from this Statue and not contradicting the RA legislation.

### **3. Procedure of becoming a member of the Organization and membership withdrawal.**

3.1 According to the procedures set by law any person who wants to participate in the activities of the Organization and accepts its Statue can become a member of the Organization.

3.2 The person who wants to become a member of the Organization should present a written application to the Administration of the Organization.

3.3 The Administration makes decision upon granting a membership.

3.4 Any member of the Organization is free to leave the Organization. Decision upon membership suspension is made by the Administration.

3.5 Those members of the Organization who during six consecutive months do not pay the membership fee if set by the Administration, are suspended from membership by the decision of the Administration. Those members again be granted membership according to general provisions.

#### **4. Rights and duties of the members of the Organization**

4.1 A member of the Organization has a right:

- to elect and to be elected in Supreme Body and other bodies of the Organization.
- to submit applications, suggestions and complaints to supervisory bodies of the Organization in order to improve activities of the Organization.
- to receive information about the activities of the Organization.
- to withdraw freely from membership of the Organization.
- to participate in events organized by the Organization.
- to appeal to the General Assembly or to Courts about the non-statutory activities of the President or Administration of the Organization in cases defined by law.

4.2 A member of organization has the following duties:

- to take care for the authority of the Organization.
- to act in accordance with the requirements of the Statue of the Organization and decisions of supervisory bodies.
- to pay entrance fee and monthly membership fee if set by the Administration (amount and payment order is set by the Administration).
- to carry out his/her duties.

4.3 Means of disciplinary punishments such as warnings or membership suspension may be applied by the General Assembly or the Administration of the Organization to those members who break the Statue or do not carry out their duties.

#### **5. Rights of the Organization**

5.1 The Organization is considered a juridical person since its registration.

5.2 The Organization owns personal property, independent balance, a seal (with its name in Armenian, Russian and English), bank account for local and foreign currency, can obtain personal and property rights and liabilities, bare responsibilities, to be present at courts as a prosecutor or a defendant.

5.3 The Organization decides its organizational structure, problems, objectives and activity types independently.

5.4 In order to achieve the objectives and aims stated in the Statue, in accordance with law the Organization has the rights:

- to spread information about its activities.
- to establish mass communication means.
- to organize peaceful and non-armed meetings and demonstrations.
- to present and defend rights and legal interests of its members in other organizations, courts, state government and local self-government bodies.
- to carry out entrepreneurial activities through enterprises established by itself.
- in accordance with law to obtain, lease and use real estate, vehicles, and other property not prohibited by the Law.
- to lease or to give away for free usage any kind of real estate and other property that belongs to the Organization.
- to sign treaties not prohibited by the Law.
- to organize and use independently its financial resources, including involving foreign resources, receiving loans and grants (also in foreign currency) in the Republic of Armenia and other states.
- to carry out independent external activities, including signing treaties with foreign noncommercial and non governmental organizations, becoming a member of international non governmental organizations, sending its members and other people abroad, inviting foreign citizens, creating subdivisions in foreign countries according to the legislation of those countries.

## **6. Responsibilities of the Organization**



## 6.1 The Organization must:

- to allow any person to get acquainted with the Statute of the Organization during seven days after the request has been made.
- to have bookkeeping and carry out administrative activities as defined by the Law.
- to present twice a year reports of its activities and property usage to the approval of the General Assembly of the Organization , and to ensure public availability of the published reports.
- to present copies of decisions made by its supervisory and other bodies, other documents related to the activities of the Organization to a state government body based on their request, and to allow representatives of those bodies to be present at the meetings of the Organization.
- to provide information and reports to state bodies in cases set by law.
- to make a request to state registration body during a month after making a decision to create or dissolve a separate subdivision or organization, in order to register those or take out of registration as set by law.
- to run its members` accounting.
- within 14 days to provide state registration body with passport data of a person who has the right to present the Organization without entitlement and (or) to inform the new address of the Organization in case of changing the previous address.

## **7. The Order of Governance of the Organization.**

7.1 The right of making a final decision concerning the activities and any governance issues of the Organization belongs to the supreme body of the Organization, which is the General Assembly.

7.2 The General Assembly is called once in two years. The Administration makes the call and defines order and timeline of conducting the Assembly. If number of members of Organization exceeds 100, only delegates elected in accordance with a procedure defined by the Administration can participate in the General Assembly.

7.3 The Administration of the Organization can call an extra assembly by the reasoned request of one third of overall members of the Organization, with the agenda presented by the requesting side not later than in 14 days after the request had been made.

7.4 The issues that are exclusively under the jurisdiction of the General Assembly are:

- adopting the Statute and making changes to it.
- electing supreme bodies of the Organization and stopping their authority
- making decisions on liquidation and reorganization of the Organization.
- approving reports on the activities and property usage of the Organization.
- exerting control over the activities of the Organization.
- making decisions about other issues as defined by law.

7.5 The General Assembly can discuss issues and make decisions if more than half of members of the Organization or the delegates are present. During the discussion of issues decisions are made by simple majority of assembly participants' vote.

7.6 The Administration is elected by the General Assembly for two years term. It carries out its activities through sessions, which are called by the President of the Organization not later than once six months. A session of an Administration can also be called upon the request of 20% of members of the Organization or two members of the Administration.

7.7 The Administration carries out the following:

- approves the reports of the President of the Organization, including the Report presented at the General Assembly.
- introduces motions to the General Assembly about the issues under its plenary powers.
- grants membership and suspends from membership of the Organization.
- applies spur and penalty means to its members.
- runs routine affairs of the Organization within the periods between General Assemblies.
- determines the amount and procedure of payment of the subscription fees.
- gives its consent upon acquiring, usage and checking out the real estate of the Organization.

- creates and liquidates offices, committees, structural subdivisions /such as branches, representations/ and economic companies of the Organization, as well as ratifies their statutes.
- approves the list of employees of the Organization, type and amount of their salaries.
- approves order and amount of payment of persons included in the supreme bodies of the Organization.
- approves accounting reports of the Organization.
- considers and solves any tasks except the ones under plenary powers of the General Assembly.

7.8 The Administration can consider issues and make decisions if more than two third of its members are present. The decisions are made by the simple majority vote. In case of equality in a vote the President's voice is conclusive.

7.9 The President of the Organization is elected by the General Assembly for 2 years term.

7.10 The President of the Organization carries out the following activities:

- heads the activities of the Administration and conducts the sessions,
- present the Organization without entitlement,
- issues order and gives entitlements,
- presents the list of employees to the approval of the Administration,
- heads the executive activities of the Organization,
- signs contracts, financial documents, opens bank accounts in order defined by law,
- obtains, uses and checks out the property of the Organization,
- carries out other functions subscribed to him/her by the General Assembly and Administration of the Organization.

7.11 Deputy President of the Organization is elected by the General Assembly in 2 years term.

7.12 Deputy President of the Organization keeps the minutes of the sessions, coordinates activities of committees, groups, separate subdivisions, offices and economic enterprises, replaces the President of the Organization when he/she is absent, as well as carries out other activities subscribed to him/her by the Administration and the President of the Organization.

## **8. The sources and utilization procedures of the Organization property.**

8.1 All the possession of the Organization is its property.

8.2 The Organization can own as a property real estate, vehicles, equipment, money, stocks and other property not prohibited by the Law. Member of the Organization does not have property rights to the property of the Organization.

8.3 Sources of property of the Organization can be:

- entering and annual subscription fees of members, money and material investments,
- bank loans,
- benevolent investments, contributions of citizens and organizations,
- revenues from enterprises founded by the Organization,
- other sources not prohibited by the RA legislation.

8.4 The property of the Organization is under the protection of the Republic of Armenia.

8.5 The property of the Organization can be confiscated only by the court in accordance to Law.

8.6 The means of the Organization can be used for fulfilling objectives and aims states in the Statute of the Organization.

## **9. Reorganization and liquidation of the Organization.**

9.1 The Organization can be liquidated by the decision of the General Assembly or the court.

9.2 The Organization can be liquidated in a court order in cases set by law and in accordance to law.

9.3 In case of liquidation by the decision of the General Assembly the Assembly creates a Liquidation Committee and in accordance with law sets the order and timeline for liquidation.

9.4 After liquidation the Liquidation Committee uses the remaining property after all compulsory payments are made according to the order set by the decision of the General Assembly to fulfill aims and objectives states in the Statute of the Organization. If that is not possible than all the remaining property is given to the State Budget.

9.5 The Organization can be reorganized by the Decision of the General Assembly or in cases set by law by court decision.