

Market Surveillance Report: Ensuring Compliance with Consumer Protection Regulations in Haa Dzongkhag

1. INTRODUCTION

The Competition and Consumer Affairs Authority (CCAA) conducted a five-day market surveillance in Haa Dzongkhag from February 10 to 14, 2025. This initiative aimed to assess the compliance of local businesses with regulatory standards, with a particular focus on the accuracy of weights in locally packaged items and adherence to operational requirements at Petroleum Retail Outlets (PROs). The surveillance provides valuable insights into the current state of business operations in this region, identifying areas of compliance and areas requiring improvement.

2. SCOPE OF SURVEILLANCE

The market surveillance covered 39 business entities across a variety of sectors, including grocery stores, hardware shops, garment outlets, and petroleum retail outlets, located in Haa town and Jengkana. A breakdown of the business sectors inspected is provided in the table below:

Table 1: Breakdown of Inspected Business Entities in Haa Dzongkhag

Business Activity	Number of Entities Inspected
Petroleum Retail Outlet (PRO)	1
Grocery Shops	30
Hardware Shops	3
Garment Shops	5
Total	39

3. FINDINGS AND OBSERVATIONS

3.1 Petroleum Retail Outlet (PRO)

(i) Density of Fuels:

The fuel densities for both Motor Spirit (MS) and High-Speed Diesel (HSD) were within the permissible tolerance limits of $\pm 3 \text{ kg/m}^3$. Specific results were:

- MS density: -0.7 kg/m^3
- HSD density: $+0.6 \text{ kg/m}^3$

(ii) Water Content:

The water content in the storage tanks was found to be within the permissible limit of 8 cm.

(iii) Dispensing Units:

The PRO operated four dispensing units with a total of eight nozzles (four for MS and four for HSD). However, two nozzles were found to be defective:

- One MS nozzle lacked a pipeline connection to the under-tank.
- One HSD nozzle was non-functional due to technical issues.

The remaining nozzles were fully functional and met the required $\pm 0.5\%$ deviation (25 ml) tolerance as per BSB standards.

(iv) LPG:

A random selection of 20 filled LPG cylinders was inspected. All cylinders met the required weight standards.

3.2 Grocery and Other Retail Shops

(i) Pre-printed Receipts:

38 out of 39 inspected business entities provided pre-printed receipts to consumers, in accordance with regulatory requirements. One entity was found in violation of this regulation.

(ii) Repackaged Items:

Six grocery shops were found to be dealing in repackaged items. A total of 169 samples, including red/white rice, sugar, pulses, and dried chili, were inspected, all of which complied with the required weight accuracy standards.

(iii) Labeling Requirements:

All 30 grocery shops inspected were compliant with labeling regulations, ensuring that products met minimum labeling requirements.

(iv) Weighing Machines:

A total of 22 weighing machines across 34 businesses (30 grocery shops, 3 hardware shops, and 1 PRO) were inspected. Three weighing machines were deemed unfit for commercial use and were noted for necessary repairs or replacements.

(v) Price Display:

97.4% of businesses complied with price display regulations, ensuring transparency and consistency in the prices of goods and services.

4. ACTIONS TAKEN AND RECOMMENDATIONS

Based on the findings of this market surveillance, the following actions were taken and recommendations made:

(i) Calibration of Measuring Devices:

The PRO was instructed to calibrate all measuring devices, including hydrometers, thermometers, and measuring cylinders, to ensure compliance with standards.

(ii) Weighing Machine Compliance:

The PRO was directed to procure and install a valid weighing machine for LPG measurements within 14 days from the inspection date.

(iii) Weighing Machine Calibration:

Businesses with non-compliant weighing machines were instructed to cease their use until proper repairs and recalibration by the Bureau of Standards and Bhutan (BSB) were completed.

(iv) Regulatory Education:

Business owners were educated on regulations regarding repackaging of products as CPRR 2015, to ensure continued compliance with consumer protection laws.

5. CONCLUSION

The market surveillance conducted in Haa Dzongkhag from February 10 to 14, 2025, reveals a generally high level of regulatory compliance among local businesses. However, a few areas for improvement were identified, particularly concerning the operation of defective dispensing units and non-compliant weighing machines. The actions taken, along with the ongoing education provided to business owners, will help enhance the compliance culture within the region, ensuring that consumer rights are upheld and businesses maintain their commitment to regulatory standards.

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