

Telecommunications Users and Consumers Advisory Committee (TUCAC)

Customer Complaint Settlement Scheme ("CCSS") for the Telecommunications Industry

15 November 2012

Agenda

- 1. Background**
- 2. Launch of CCSS**

1. Background

- The Communications Authority (“CA”) and the Office of the Communications Authority (“OFCA”) have no power to deal with contractual disputes between telecommunications service providers and their customers
- The parties concerned may have to resort to court for resolution of intractable contractual disputes
- Public Consultation on the CCSS in June 2010
 - to solicit views on salient issues for long term and sustainable implementation of an alternate dispute resolution scheme namely the Customer Complaint Settlement Scheme (“CCSS”) for the telecommunications industry

1. Background

- Conclusion of the public consultation by the former Telecommunications Authority in March 2012
 - support a **voluntary** CCSS implemented by the industry using mediation to help resolve disputes between service provider and customers
 - conduct a **two-year trial** for the voluntary CCSS
 - All parties concerned may fully assess the effectiveness of the CCSS and the public demand for it
 - Following the trial period, OFCA will assess the effectiveness of the CCSS in deciding the way forward for the long-term implementation of the scheme
 - focus on billing disputes which rank top among the categories of complaints received by OFCA

2. Launch of CCSS

- Starting from **1 November 2012**, mediation service will be provided by an independent **CCSS service centre** set up under the Communications Association of Hong Kong (“CAHK”), a non-profit making association for Hong Kong’s communications industries
- Customers who choose to use the mediation service under the CCSS may first contact OFCA for assessing the cases
 - OFCA will refer accepted cases to the CCSS service centre for follow-up actions

2. Launch of CCSS

- **Mediation Service**

- provided by independent and trained mediators
- via telephone communication or meeting, to assist the concerned parties to identify the issues in dispute, their respective positions and expectations; to facilitate the negotiation; to formulate a solution; and ultimately to reach a settlement agreement regarding the resolution of the whole, or part, of the dispute
- **Advantages of Mediation:**
 - Flexible
 - Confidential
 - Consensual
 - Cost-effective

2. Launch of CCSS

- **Scope of the mediation service**
 - Limited to **billing disputes of not less than \$300** between the customers and the participating telecommunications service providers (“Service Providers”)
 - Some examples of billing disputes :
 - a charge not subscribed to or accepted on delivery
 - a charge different from the charge specified under the contract
 - a charge entered on a date different from the service commencement or consumption date
 - a bill failing to show a payment, rebate, or other credit to the customer’s account

2. Launch of CCSS

- **Scope of the mediation service (Cont'd)**
 - Not all billing disputes fall under CCSS's purview. For example, a dispute arising from :
 - the quality of the service ; or
 - the level of charges explicitly stated in the contract

2. Launch of CCSS

- **Participating Service Providers**

- All major fixed and mobile network operators in Hong Kong participate in the CCSS, including:

- China Mobile Hong Kong Company Limited
 - CSL Limited
 - Hong Kong Broadband Network Limited
 - Hong Kong Telecommunications (HKT) Limited and PCCW Mobile HK Limited
 - Hutchison Telephone Company Limited and Hutchison Global Communications Limited
 - i-CABLE
 - New World Telecommunications Limited
 - SmarTone Mobile Communications Limited
 - Wharf T&T Limited

2. Launch of CCSS

- **The customer may submit the billing dispute for mediation service if the following conditions are met:**
 - the customer is using a telecommunications service from a Service Provider for personal and/or residential use;
 - the amount in dispute is not less than HK\$300;
 - the customer has lodged the complaint with the Service Provider via the designated channel(s) and a deadlock is reached. A deadlock means a situation either:
 - where the Service Provider has notified the customer that it could not settle the billing dispute with him/her, or
 - where more than 6 weeks have passed since the customer has first complained to the Service Provider and the customer considers that it is not possible to settle the dispute with the Service Provider;

2. Launch of CCSS

- the customer applies to CCSS for mediation service within 4 weeks from notification by the Service Provider to him/her in respect of the deadlock, or 3 months from his/her first lodging of the billing dispute with the Service Provider through the designated channel(s), whichever is applicable; and
- the dispute has occurred within 1 year at the time when the customer apply to CCSS for mediation service

2. Launch of CCSS

- **Handling fee of mediation service**
 - For accepted case, the applicant is required to pay a non-refundable fee of HK\$100 for the mediation service under the CCSS
- **Settlement agreement**
 - If settlement is reached after mediation : both parties to sign a binding settlement agreement
 - If no settlement is reached : either party may pursue own course including bringing the case before the court

2. Launch of CCSS

- **Further Information**

- Call OFCA at 2180 9521; or
- Visit CCSS website of CAHK at <http://ccss.cahk.hk>

~ Thank You~