

Proposed Revisions to the Code of Practice on Verification of the Addresses of Potential Customers for Mobile Telecommunications Services

Telecommunications Regulatory Affairs Advisory Committee

26 September 2018



Background

In January 2000

OFTA first promulgated the Code of Practice on Verification of the Addresses of Potential Customers for Mobile Telecommunications Services (“the CoP”)

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A **growing trend** to conduct business via the Internet or on-line means under which potential customers can make use of on-line platforms or smartphone apps provided by mobile service providers for signing up mobile service subscriptions



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OFCA considers it opportune to conduct a review of the CoP with a view to allowing more flexibility to cater for the evolving industry practices and to keep pace with the needs of the dynamic and fast growing telecommunications sector

Proposed Revisions to the CoP

The proposed revisions to the CoP primarily aim at:

- ❖ defining clearly its applicability on the type of licensees to reflect the latest regulatory regime
- ❖ the adoption of additional measures to keep pace with the latest industry practices



Relevant Licence Conditions

UCL



- ❖ Special Conditions 1.2(a) and 1.2(c) of the UCL

MVNO



- ❖ Special Conditions 13.1(a) and 13.1(c) of the SBO Licence

Class Licence



- ❖ Conditions 15.1(a) and 15.1(c) of the Class Licence under section 8(1)(aa) of the TO



To provide practical guidance to the licensees in respect of the provision of a satisfactory service and to ensure the protection and promotion of the interests of consumers of telecommunications goods and services

Purposes of the CoP

It is proposed to clearly set out the following purposes of promulgating the CoP -

- ❖ to ensure the integrity and validity of the address information of customers maintained by Mobile Service Providers
- ❖ to prevent the use of incorrect address information by Mobile Service Providers for purposes related to its provision of service including billing and debt collection
- ❖ to prevent the misuse of other parties' address information for subscription to mobile services

Applicability of CoP for Licensees

Existing CoP

- ❖ All mobile telecommunications services operators which have direct interface with members of the public are required to comply with this CoP



Licensees

Proposed Revisions:

- ✓ This CoP shall be observed and complied with by all providers of mobile telecommunications services including holders of
 - **Unified Carrier Licence (“UCL”)** for the provision of mobile services;
 - **Services-Based Operator (“SBO”) Licence** for the provision of mobile virtual network operator services; and
 - **Class Licence** offering in the course of business mobile services
- Collectively “Mobile Service Providers”

Updated Guiding Principles: Applicability on Type of Transactions

Existing CoP

- ❖ Mobile service operators should request all applicants for their services to provide proof of address



Applicability

Proposed Revisions:

- ✓ Mobile Service Providers shall request all applicants for their services, including individual and corporate customers, to provide proof of address **whenever customer's address is collected or retained** in the course of or in connection with the provision of their services

Updated Guiding Principles: Waivers

Existing Waiver

- ❖ When the mobile service operator has full knowledge of the address of the applicant



Proposed Waivers:

- ✓ Mobile Service Provider **has full knowledge** of the address of the applicant, for example, when an existing customer applies for value-added services under his account
- ✓ **NEW** Mobile Service Provider **does not collect or retain** the address information for the purpose of provision of service to the customer (such as pre-paid services)

Updated Guiding Principles: Accepting Copies

Existing CoP

- ❖ Original only (Photocopy not accepted)



Copies

Proposed Revisions:

- ✓ **NEW** In case the transaction for service subscriptions is conducted via online means or customer service hotlines, it is proposed that the **proof of address in printed copy, facsimile or digital copy** (such as sent via mobile phone or computer or other similar means) can be accepted if Mobile Service Providers have implemented proper and effective measure(s) to reasonably verify the address concerned

Way Forward

Views and Comments

OFCA will take into consideration all the views and comments received before finalising the draft revised CoP for approval by the CA



September

Consultation with TRAAC Members and Circular Letters to Relevant UCL holders, SBOs & Class Licensees



November / December

Approval by CA

Publication of CoP

Revised CoP will be adopted and published on the CA's website for information by the public



December / January

CoP in effect

The revised CoP will be brought into effect one month after the date of issue



Thank you

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