

Code of Practice on the Cessation Arrangements for Mobile Virtual Network Operator Services

Preamble

Under Special Condition (“SC”) 1.2(a) and 1.2(c) of the Unified Carrier Licence and SC 13.1(a) and 13.1(c) of the Services-Based Operator Licence, the Communications Authority¹ (“CA”) may issue a Code of Practice for the purpose of providing practical guidance to the licensee 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. This Code of Practice on the Cessation Arrangements for Mobile Virtual Network Operator Services (“CoP”) issued by the CA sets out the requirements, in the event of Service Cessation, which shall be observed and complied with by the mobile virtual network operators (“MVNOs”)² and their hosting mobile network operators (“Hosting MNOs”).³

2. For the purpose of this CoP, “Service Cessation” is defined as –

- (a) any suspension or termination by a Hosting MNO of the provision of its wholesale network capacity services to an MVNO for whatsoever reason, resulting in the MVNO being unable to continue the provision of mobile services to its customers; or
- (b) any suspension or termination of the provision of mobile services by an MVNO of its own volition to all or any specific group of its customers.

¹ In this CoP, any reference to the CA is to be construed as reference which should imply, connote or include OFCA as the case may require.

² MVNOs refer to the holders of a Services-Based Operator Licence for the provision of mobile virtual network operator services.

³ Hosting MNOs refer to the holders of a Unified Carrier Licence for the provision of public mobile radiocommunications services, which provide wholesale network capacity services to MVNOs.

For the avoidance of doubt, Service Cessation does NOT include any potential or threat of Service Cessation by the Hosting MNO; or any service suspension or termination caused by temporary network outage or equipment failure by either the MVNO or the Hosting MNO.

3. Notwithstanding any provision in and without prejudice to the rights and obligations under any agreements entered into between an MVNO and a Hosting MNO, and any agreements entered into between the MVNO and its customers, in the event of a Service Cessation, both the MVNO and the Hosting MNO shall be subject to the respective duties and obligations as stipulated in this CoP.

Duties and Obligations of the Hosting MNO

4. For any Service Cessation under the scenario in paragraph 2(a), the Hosting MNO shall take the following actions in a manner satisfactory to the CA –

- (a) to provide a minimum notice period of at least one calendar week in advance of the Service Cessation for local services and/or one calendar day in advance of the Service Cessation for international services to the MVNO. The Hosting MNO shall issue a formal notice in writing on the Service Cessation (hereinafter referred to as the “Service Cessation Notification” or “SCN”) to the MVNO with a copy to the CA at the same time at least one business day⁴ before the start of the minimum notice period. The CA may at its discretion make public the SCN by posting it on the official website of the CA/OFCOA right after the receipt of the notice;
- (b) to provide mobile number portability (“MNP”) services for at least three months after the date of the Service Cessation to assist any affected customers of the MVNO to port out their mobile numbers to other service providers, if the Hosting MNO has been providing MNP services to the MVNO and carrying out mobile number porting activities for the MVNO

⁴ Business day means 9:00 a.m. – 5.00 p.m. on any day (other than Saturday, Sunday, or any statutory or public holiday).

before the date of the Service Cessation pursuant to an agreement between the parties; and

- (c) to provide all relevant information in connection with the Service Cessation as may be required from time to time by the CA within the stipulated timeframe.

Duties and Obligations of the MVNO

5. For any Service Cessation under the scenarios in paragraphs 2(a) or 2(b), the MVNO shall take the following actions in a manner satisfactory to the CA –

- (a) to provide a minimum notice period of at least one calendar week in advance of the Service Cessation for local services and/or one calendar day in advance of the Service Cessation for international services to their customers and the public. The MVNO shall publish a public notice to announce, notify and alert all affected customers and the public in respect of the Service Cessation (hereinafter referred to as “Service Cessation Alert” or “SCA”) before the start of the minimum notice period. The MVNO shall provide an advance copy of the SCA to the CA on a business day before the start of the minimum notice period. The SCA shall be made public and served on affected customers by the MVNO through all reasonable means, including but not limited to (i) one or more of such means as use of short message services, making voice calls, writing letters, issuing emails for sending of SCA to the affected customers; and (ii) one or more of such means as publication of the SCA on the MVNO’s website, publication on social media, issuing press statements for making the SCA known to the public. The CA may at its discretion make public the SCA by posting it on the official website of the CA/OFCA right after the receipt of the notice;
- (b) to provide MNP services for at least three months after the date of Service Cessation to assist any affected customers to port out their mobile numbers to other service providers,

irrespective of whether the MVNO has its own MNP platform and carries out its own mobile number porting activities, or whether it has engaged a third party for the provision of the required MNP service;

- (c) to cease, immediately after the publication of the SCA, marketing, selling and offering for sale of mobile services by any means, or entering into any agreement for the provision of telecommunications services with any customers or potential customers through any of its sale channels, retail outlets, distributors, resellers, agents, telesales, over the internet or otherwise;
- (d) to maintain customer service hotlines for handling public enquiries and complaints for at least three months after the date of the Service Cessation;
- (e) to properly handle all enquiries and complaints from its customers, including in relation to contractual matters (including handling requests for refund); and
- (f) to provide all relevant information on the number of affected customers, the number of customers ported out to other service providers, and all other information as may be required from time to time by the CA within the stipulated timeframe.

Required Information in the SCN and SCA

6. The SCN issued by the Hosting MNO and the SCA published by the MVNO shall be printed on a company letter with the logo of the Hosting MNO or the MVNO as appropriate and shall contain the following information set out in a clear and explicit manner –

- (a) the name of the Hosting MNO or MVNO as appropriate;
- (b) the name and signature of the authorized person acting on behalf of the Hosting MNO or MVNO as appropriate;

- (c) the date of publication of such a notice;
- (d) the scheduled date and time of the Service Cessation;
- (e) the type(s) of services and customers that will be affected or are likely to be affected by the Service Cessation;
- (f) the customer service hotline number(s) and email address(es) of the MVNO (as appropriate) that affected customers may use to make enquiries or complaints relating to the Service Cessation and all other subsequent arrangements (applicable to the SCA only); and
- (g) details of the MNP arrangements for those of its customers who would like to port out their mobile numbers to other service providers (applicable to the SCA only).

7. While the CA may at its discretion make public the SCN and/or the SCA by posting them on the official website of the CA/OFCa, the CA/OFCa may also issue any public notifications including press statements and consumer alerts regarding the Service Cessation as it deems appropriate.

Application and Update of the CoP

8. This CoP does not serve to replace or substitute the requirement for termination under any agreements made between the Hosting MNO and the MVNO, or between the MVNO and its customers. The CoP seeks to enhance the transparency of information and to minimise inconvenience caused to customers of the MVNO in the event of Service Cessation.

9. For the avoidance of doubt, all MNOs and MVNOs are obliged to provide services in compliance with the Telecommunications Ordinance (Cap. 106), the conditions of their licences and any other applicable laws and statutes. Nothing in this CoP shall be taken to absolve the licensees from such duties and obligations.

10. From time to time, the CA may review and update this CoP in accordance with developments in telecommunications policy, market and technology, as appropriate. If the CA considers that relevant amendments are necessary, it will take into account the views of the industry and other interested parties before effecting the amendments.

Communications Authority
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