

14 November 2022

By email and web-posting

Circular letter to:

- **All Unified Carrier Licensees authorised to provide mobile services**
- **All Services-Based Operator Licensees authorised to provide mobile virtual network operator services**
- **All Class Licensees for Offer of Telecommunications Services under section 8(1)(aa) of the Telecommunications Ordinance (Cap. 106) registered for the offer of mobile services**

Dear Sir/Madam,

**Code of Practice on Verification of the Addresses of Potential Customers
for Mobile Telecommunications Services (Issue 3)**

Following an industry consultation conducted by the Office of the Communications Authority through a circular letter dated 1 September 2022 to the relevant licensees, and pursuant to Special Conditions (“SC”s) 1.2(a) and 1.2(c) of the Unified Carrier Licence (“UCL”), SCs 12.1(a) and 12.1(c) of the Services-Based Operator Licence (“SBO Licence”) and Conditions 15.1(a) and 15.1(c) of the Class Licence for Offer of Telecommunications Services (“CLOTS”) under section 8(1)(aa) of the Telecommunications Ordinance (Cap. 106), the Communications Authority (“CA”) today issues the Code of Practice on Verification of the Addresses of Potential Customers for Mobile Telecommunications Services (Issue 3) (“revised CoP”) (see **Annex A**) for the purpose of providing practical guidance to the providers of mobile telecommunications services operated under the above licences (“Mobile Service Providers”) in respect of the provision of satisfactory service and the protection and promotion of the interests of consumers of telecommunications goods and services.

Having considered the views and comments of the industry,

the CA has decided to maintain in the revised CoP (in red text) (see **Annex A**) the amendments proposed in the consultation. The major amendments are set out below –

- (a) apart from the original document of the proof of address, a printed copy or digital copy of such document may also be accepted (*paragraph 4(d) of the revised CoP*);
- (b) apart from documents of the proof of address issued by a reliable third party source as specified in paragraph 4(b) of the CoP, other form of proof of address from the applicant may also be accepted provided that Mobile Service Providers implement proper and effective measure(s) to reasonably verify the address concerned (*paragraph 4(e) of the revised CoP*); and
- (c) verification of the address of the applicant should be completed as soon as possible, and in any case no later than one month from the application date of mobile telecommunications services (*paragraph 4(f) of the revised CoP*).

Taking on board the comments received in the consultation, the CA has also made further amendments to paragraph 4(d) of the revised CoP, by specifying that the address proof document shall bear legible information for verification purpose (such as name and address of the applicant, and issuing date and name of the issuing party) (in green text) (see **Annex A**).

A summary of the views and comments received from the industry and the responses of the CA are set out in **Annex B**. The CA considers that the revised CoP is able to provide more flexibility to Mobile Service Providers and convenience to mobile customers on the practice of address verification, without compromising the purposes that

the CoP sets out to achieve¹.

The revised CoP, published on the CA's website at <https://www.coms-auth.hk/filemanager/statement/en/upload/608/cop202202.pdf>, takes effect today and shall be observed and complied with by all Mobile Service Providers.

Should you have any enquiries on the matter, please contact Regulatory Section 22 at 2961 6655 (for UCL) or Regulatory Section 21 at 2961 6598 (for SBO Licence and CLOTS).

Yours sincerely,


(Vera Chung)

for Communications Authority

Encl.

Annex A – Code of Practice on Verification of the Addresses of Potential Customers for Mobile Telecommunications Services (Issue 3)
(4 pages)

Annex B – Summary of the Views and Comments of the Industry on the Draft Revised CoP and the Responses of the Communications Authority (2 pages)

¹ Paragraph 2 of the revised CoP provides that the purposes of the CoP are (a) to ensure the integrity and validity of the address information of customers maintained by Mobile Service Providers; (b) to prevent the use of incorrect address information by Mobile Service Providers for purposes related to their provision and/or offer of services including billing and debt collection; and (c) to prevent the misuse of other parties' address information for subscription to mobile telecommunications services.

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

Preamble

Pursuant to Special Conditions (“SC”s) 1.2(a) and 1.2(c) of the Unified Carrier Licence (“UCL”), SCs ~~132.1(a)~~ and ~~132.1(c)~~ of the Services-Based Operator Licence (“SBO Licence”), and Conditions 15.1(a) and 15.1(c) of the Class Licence for Offer of Telecommunications Services (“Class Licence”) under section 8(1)(aa) of the Telecommunications Ordinance (Cap. 106) (“TO”), the Communications Authority (“CA”) may issue a Code of Practice for the purpose of providing 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.

2. This Code of Practice (“CoP”) issued by the CA shall be observed and complied with by all providers of mobile telecommunications services including holders of UCL for the provision of mobile telecommunications services, SBO Licence for the provision of mobile virtual network operator services and Class Licence offering in the course of business mobile telecommunications services (collectively referred to as “Mobile Service Providers” hereinafter). The purposes of this CoP are: –

- (a) to ensure the integrity and validity of the address information of customers maintained by Mobile Service Providers;
- (b) to prevent the use of incorrect address information by Mobile Service Providers for purposes related to ~~its~~ ~~their~~ provision ~~and/or offer~~ of services including billing and debt collection; and
- (c) to prevent the misuse of other parties’ address information for subscription to mobile telecommunications services.

3. For the avoidance of doubt, nothing in this CoP absolves any Mobile Service Providers from operating in accordance with the terms of ~~its~~ ~~their~~ licences and legislation, for example the TO and the Personal Data (Privacy) Ordinance (Cap. 486) (“PDPO”), currently in force in Hong Kong.

Basic Guiding Principles

4. The basic guiding principles for the verification of the addresses of customers are: –

- (a) 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 **and/or offer** of their services. This requirement can only be waived in circumstances (i) when the Mobile Service Provider has full knowledge of the address of the applicant **at the time of service application**, for example, when an existing customer applies for value-added services under his account, or (ii) when the Mobile Service Provider does not collect or retain the address information for the purpose of provision **and/or offer** of service to the customer, **for example, (such as pre-paid services)**.
- (b) Acceptable proof of address shall be in the form of any document, bill or correspondence issued by any reliable third-party source within the last three months from the application date. Correspondences from personal friends or relatives shall not be accepted.
- (c) The addressee of the proof of address shall be the same person as the applicant for the mobile telecommunications services, otherwise the addressee shall accompany with the applicant to apply for the mobile telecommunications services and confirm that the applicant can be contacted at the address shown in the document.
- (d) The document of the proof of address shall be the original **or a copy (such as printed copy or digital copy (including e-statement or e-bill))** of the document, **provided that the document bears legible information for verification purpose (such as name and address of the applicant, and issuing date and name of the issuing party)**.
- (e) In case **no document of the proof of address referred to in (b) above can be provided by an applicant for mobile telecommunications services, ~~the transaction for service subscription is conducted or completed via online means or~~**

~~customer service hotlines, the proof of address referred to in (b) above in printed copy, facsimile, or digital copy (such as sent via mobile phone or computer or other similar means) can be acceptable if~~ Mobile Service Providers may accept other form of proof of address from the applicant, provided that they have implemented proper and effective measure(s) to reasonably verify the address concerned¹.

- (f) Mobile Service Providers should complete verification of the address of the applicant for their services as soon as possible, and in any case no later than one month from the service application date, otherwise, their services to the applicant shall not be activated or shall be suspended, as the case may be, until address verification has been completed.
- (g) In handling the information obtained for the verification of the address of customer, Mobile Service Providers shall ensure that proper procedures have been taken at all times to comply with the requirements as stipulated in the ~~Personal Data (Privacy) Ordinance~~.

Acceptable Proof of Address

5. The following are common examples of documents which are considered to be acceptable proofs of address from applicants for mobile telecommunications services. The list below is by no means exhaustive.

- (a) Correspondence with Government Departments
Examples : Tax ~~R~~return
Student ~~L~~loan ~~S~~statement
Voter ~~R~~registration
Business Registration Certificate
- (b) Correspondence with banks or financial institutions
Examples : Bank statement
~~L~~oan ~~S~~tatement
Credit card account statement

¹ For example, Mobile Service Providers may send a letter by post to the address provided by the applicant for their services and request the applicant, upon receiving the letter, to (a) provide them with the original of the letter at retail shop; (b) upload a copy of the letter via online system / mobile app / email to them; or (c) input a unique passcode given in the letter via customer service hotline / online system / mobile app / email to them so as to demonstrate receipt of the letter.

- (c) Correspondence with Public Utilities
Examples : Electricity bill
Water bill
Gas bill
~~Business Registration Certificate~~
- (d) Correspondence with operators of Public Telecommunications Services
Examples : Mobile telecommunications service bill
Fixed telephone service bill
Internet access service bill
Pay TV service bill
- (e) Correspondence with public organisations
Examples : Letter from a university
Letter from the Hospital Authority

Application and Update of the CoP

6. The CA may review and update this CoP from time to time in respect of 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

~~29 November 2018~~ 14 November 2022

**Summary of the Views and Comments of the Industry
on the Draft Revised CoP
and the Responses of the Communications Authority**

The views and comments received in response to the circular letter issued by the Office of the Communications Authority on 1 September 2022 on the draft revised Code of Practice on Verification of the Addresses of Potential Customers for Mobile Telecommunications Services (“draft revised CoP”) together with the responses of the Communications Authority (“CA”) are summarised below. By close of the consultation on 15 September 2022, written submissions were received from the following two respondents listed in alphabetical order –

- (a) China Mobile Hong Kong Company Limited (“CMHK”); and
- (b) i-Cable Telecom Limited (“i-Cable”).

Views and Comments of the Respondents

2. CMHK considered that the proposed amendments to the draft revised CoP were sensible taking into account the industry practice. It suggested further amendments to paragraph 4(d) of the draft revised CoP¹ by specifying that the address proof document shall bear legible information for verification purpose (for example, name and address of the applicant, issuing date and name of the issuing party of the document).

3. i-Cable considered it not necessary to mandate all licensees to conduct address verification by sending letters to clients with verification code². Mandating such a measure would create burden on customers, incur extra costs and impose burden on the industry as a whole.

¹ The revised paragraph 4(d) originally proposed by the CA (with proposed texts underlined) is that –
“The document of the proof of address shall be the original or a copy (such as printed copy or digital copy (including e-statement or e-bill)) of the document.”

² Footnote 1 of the draft revised CoP proposed by the CA provides that –
“*Mobile Service Providers may send a letter by post to the address provided by the applicant for their services and request the applicant, upon receiving the letter, to (a) provide them with the original of the letter at retail shop; (b) upload a copy of the letter via online system / mobile app / email to them; or (c) input a unique passcode given in the letter via customer service hotline / online system / mobile app / email to them so as to demonstrate receipt of the letter.*”

Responses of the CA

4. Regarding CMHK's proposed further amendments to paragraph 4(d) of the draft revised CoP (see paragraph 2 above), the CA agrees that information required for address verification purpose such as name and address of the applicant, issuing date of the document and issuing party should be legible on the address proof document to enable Mobile Service Providers to conduct verification. As such, the CA has adopted the proposed amendments in the revised CoP.

5. As for i-Cable's comments (see paragraph 3 above), the CA would like to clarify that paragraph 4(e) of the draft revised CoP does not mandate licensees to adopt the address verification measures set out in footnote 1 of the draft revised CoP, such as by sending letters to clients with verification code. Rather, paragraph 4(e) provides flexibility to Mobile Service Providers to accept other form of proof of address (provided that proper and effective measures are implemented to reasonably verify the address concerned) if no address proof document as specified in paragraph 4(b) of the draft revised CoP³ can be provided by potential mobile customers. Measures set out in footnote 1 are just reference examples that Mobile Service Providers may adopt as other form of proof of address.

Communications Authority
14 November 2022

³ Paragraph 4(b) of the draft revised CoP provides that –
“Acceptable proof of address shall be in the form of any document, bill or correspondence issued by any reliable third-party source within the last three months from the application date. Correspondences from personal friends of relatives shall not be accepted.”