

Code of Practice in Relation to Billing Information and Payment Collection for Telecommunications Services

Introduction

Under the licence conditions of the unified carrier licence and the services-based operator (“SBO”) licence, licensees are required to comply with “*any code of practice or guideline which may be issued by the [Telecommunications] Authority from time to time for the purpose of providing practical guidance to the licensee in respect of ... the protection and promotion of the interests of consumers of telecommunications goods and services*”¹.

2. To help reduce billing disputes of telecommunications services as well as improve the transparency of the chargeable items in the bills issued, the Telecommunications Authority (“TA”) issues this voluntary Code of Practice (“CoP”), after an industry consultation conducted between May and June 2011², for the purpose of providing guidance to licensees on (a) the general requirements of billing information which shall be provided in the bills to their customers and (b) the general requirements of payment collection. The TA encourages service providers to comply with this CoP on a voluntary basis. Notwithstanding the voluntary nature of the CoP, if the circumstances warrant, the TA may subject to the due process direct specific service provider(s) to comply with the relevant requirements under this CoP. For the avoidance of doubt, the CoP applies to content services that are billed by the service providers, irrespective of whether the content services are provided by the service providers themselves or by third party content service providers.

¹ Although the licence condition set out in paragraph 1 has not been explicitly stated in the fixed carrier licence, fixed telecommunications network services licence or mobile carrier licence, these licensees are encouraged to observe this Code of Practice for good harmonised practice in the market.

² For details, please refer to http://www.ofta.gov.hk/en/consultations/circulardoc/bill_cop.html.

3. In this CoP, –

“TA” means the Telecommunications Authority;

“bill” means an invoice or a service statement issued by a telecommunications service provider demanding payment from a customer on or before a specified date;

“telecommunications service” or “service” includes the supply of telecommunications and ancillary services and customer equipment, as well as the supply of content services delivered through telecommunications and billed by the service providers;

“customer” means a party (other than a service provider) who acquires or intends to acquire a telecommunications service;

“service provider” means a telecommunications service provider which is authorised by the TA to provide telecommunications services under a carrier licence or an SBO licence; and

“Ordinance” means the Telecommunications Ordinance (Cap. 106).

Requirement on Billing Information

4. Service providers shall take all reasonable, necessary and practical steps to ensure that their billing information provided to customers are accurate and error-free in respect of all forms of bills and means of payment including but not limited to direct debit made to the bank accounts of customers.

Baseline Requirement

5. Service providers shall provide sufficient information in their bills to allow customers to verify the charges incurred for usage of the telecommunications services. The following information shall be

included in the regular bills presented to customers –

- billing name, address, account number of the customer;
- assigned phone number(s)³, where applicable;
- billing period and bill issue date;
- due date and method of bill payment;
- bill enquiry hotline; and
- type of service and charge for each service.

6. Where the charges of a service are based on the amount of usage e.g. call duration, volume of data, number of events etc., service providers shall provide in the bills the breakdown of the charges for each type of services including the amount of usage and the corresponding charge. The types of services which shall comply with such a requirement include but are not limited to –

- Local calls;
- International direct dialling (“IDD”) calls;
- Mobile roaming calls;
- Video calls;
- Short message service (“SMS”);
- Multimedia message service (“MMS”);
- Local/roaming mobile data service; and
- Other services which are charged based on duration/volume of data, number of events, or services subscribed or a combination of them.

Requirement on Itemisation

7. In order to enable a customer to inquire and scrutinise his/her detailed usage, the service provider shall make available to the customer the itemised details of the charges for the billing cycles with the end date falling within the last three months from the date that he/she makes such a request. To facilitate billing dispute resolution, the service provider shall also keep⁴ and make available at request of the complainant the

³ Prime or registered number(s) as selected by the customer, in case a range of numbers is assigned for the concerned services (e.g. direct dialling in (DDI) or integrated digital access (IDA) services).

⁴ The concerned information or raw data shall be kept for archive purpose until the relevant complaint case is closed or has been inactive for more than 12 months.

itemised information covering the period back to three months before the complainant first lodged his/her complaint in writing against the concerned service provider.

8. The itemised information shall include the attributes and details as listed below. Such information shall be provided in the bills or furnished to the requesting party within seven⁵ working days from the date of the request or otherwise as agreed by the parties.

(a) **Time-based⁶ (e.g. IDD, mobile roaming calls, video calls):**

- date, time and duration of call and charges incurred;
- unit rate of call⁷;
- roaming country and/or partner (where applicable);
- incoming call number (where applicable and subject to technical feasibility and excluding local numbers dialled with the prefix “133”);
- outgoing call number (where applicable); and
- other service-specific identifier as appropriate.

(b) **Volume-based⁶ (e.g. mobile data service):**

- date, time (optional) and volume of data transferred and charges incurred;
- unit rate per data volume (see footnote 7);
- roaming country and/or partner (where applicable); and
- websites or Internet-Protocol (“IP”) addresses⁸ accessed or connected (where applicable, see footnote 5).

⁵ A lead time of 14 working days will apply for requests for information on websites or IP addresses which are associated with disputes on the concerned usage. For requests not associated with such disputes, service providers may provide the information on a reasonable endeavour basis.

⁶ As local fixed voice calls or fixed broadband service are not charged based on call duration or volume of data (as the case may be), availability of itemised details for these services is subject to technical implementation of individual service provider.

⁷ The presentation of the unit rate may be arranged in an appropriate manner as decided by the service provider. As a minimum requirement, if the unit rate is not explicitly specified in the bill, it should be straightforward for an average customer to derive the information from the information that is already specified in the bill under concern.

⁸ In view of the amount of the information associated with the websites or IP addresses which may be recorded, service providers may provide a list of websites or IP addresses which contributes to the top 60% or more of either the traffic or the billed amount concerned.

(c) **Event-based⁹ (e.g. SMS, MMS, video clip¹⁰ or ringtone download):**

- date of the event¹¹ and charges incurred;
- event type;
- unit rate per event (see footnote 7);
- roaming country and/or partner (where applicable); and
- local addressing identifiers, such as customer number, websites or IP addresses accessed or connected (where applicable); and
- other service-specific identifiers as appropriate (e.g. information regarding the video clip downloaded).

(d) **Service-based⁹ (e.g. Wi-Fi service, voice mail service, content service):**

- date and time of the service subscribed and charges incurred;
- service type;
- validity period;
- unit rate per service (see footnote 7);
- addressing identifiers such as customer number, websites or IP addresses accessed or connected (where applicable); and
- other service-specific identifiers as appropriate (e.g. information regarding the content subscribed).

9. The concerned service provider may levy a reasonable charge for the provision of the itemised information as requested by the customer. In the event of a dispute between a customer and a service provider concerning the usage of telecommunications services, no charge for itemised information shall be levied on a customer should the discrepancy stem from inaccuracies or errors of the billing information or the billing system of the service provider.

⁹ Additional charges based on local/roaming airtime or data usage may be incurred for these types of services.

¹⁰ Some service providers may charge video clip service based on streaming airtime.

¹¹ The exact time when the event took place may also be provided at the discretion of the service provider.

Requirement on Payment Collection

10. Currently, service providers are offering various means of payment for customers' choice (e.g. by automatic or direct debit payment through a bank or credit card, or by manual payment via cash, cheque or other electronic means). Given the nature of automatic payment and the importance of correct collection of payment to both customers and service providers, service providers shall take all reasonable, necessary and practical steps to ensure that the information used for collection of payment from customers (particularly so with automatic payment arrangements) is secure, authentic and error-free.

Reporting Errors in Billing Information and Payment Collection

11. As mentioned in the preceding paragraphs, service providers shall provide correct bills with clear information and ensure accurate payment collection. They shall report to OFTA immediately after occurrence of any incident involving systematic errors in the billing information or payment collection, and provide timely progress update of the remedial action so that OFTA can take the necessary remedial action to minimise the impact of the incident on the community.

12. The concerned service provider shall report the incident to OFTA when there is a systematic error as described in the preceding paragraph, irrespective of the erroneous amount in question, which affects at least 2,000 or 5% customers, whichever is smaller. Separately, if there is such an error which causes an erroneous amount of at least HK\$ 100,000 in total, such an incident shall also be reported irrespective of the number of customers being affected. When an error which meets either of the triggering criteria specified above occurred, the concerned service provider shall report the case to OFTA in accordance with the following reporting timeframe given in paragraphs 13 and 14 below. OFTA will assess the significance of impact and determine whether a public announcement is warranted.

13. The concerned service provider is required to submit an initial situation report to OFTA within one working day after an incident described in the paragraphs 11 to 12 above is discovered. In the situation report of the incident, the concerned service provider shall provide OFTA with the following information as available:

- (a) Name of the service provider;
- (b) Description of the incident;
- (c) Date and time of onset of the incident;
- (d) Types and estimated number of customers/users affected and amount of erroneous charge involved;
- (e) Remedial actions taken / to be taken; and
- (f) Contact information (name, phone numbers and email address of the contact person).

14. The concerned service provider shall report to OFTA within one working day after the completion of the remedial action. The service provider should submit in writing a preliminary report to OFTA within three working days and a detailed incident report within 14 working days from the completion of the remedial action or any other deadline specified by OFTA. The detailed report shall give a full account of the incident including the updated information in paragraph 13 above, the possible causes of the incident, the actions which have been taken as well as measures which have been or will be adopted to prevent similar incidents from recurrence.

15. For reporting errors in billing information and payment collection as stated in the preceding paragraphs or enquiry regarding this CoP, please contact:

Office of the Telecommunications Authority
29/F., Wu Chung House,
213 Queen's Road East,
Wanchai, Hong Kong
(Attn.: Senior Telecommunications Engineer (Regulatory 11))

Telephone no.: 2961 6628
Fax no.: 2591 0316

E-mail: bill_info@ofta.gov.hk

Review of this Code of Practice

16. The TA may, from time to time, review or update this CoP in consultation with the industry and other interested parties taking into account the latest market situations.

Office of the Telecommunications Authority
11 October 2011