

**FINAL DECISION OF
THE COMMUNICATIONS AUTHORITY**

**UNAUTHORISED USE OF ACCESS CODE “1670”
BY P&R CONSULTANCY COMPANY LIMITED
FOR THE PROVISION OF ITS
EXTERNAL TELECOMMUNICATIONS SERVICES**

Telecommunications Licensee Investigated:	P&R Consultancy Company Limited (“P&R”) and New World Telecommunications Limited (“NWT”) (now renamed HKBN Enterprise Solutions Limited)
Issue:	Unauthorised use of the access code “1670” by P&R through NWT (holder of UCL No. 022) for the provision of external telecommunications services (“ETS”) since March 2014.
Relevant Instruments:	Special Condition (“SC”) 2.1 of P&R’s Services-based Operator (“SBO”) Licence No. 1670; SC 4.1 of NWT’s Unified Carrier Licence (“UCL”) No. 022.
Decision:	Breach by P&R of SC 2.1 of SBO Licence No. 1670; Breach by NWT of SC 4.1 of UCL No. 022.
Sanction	A warning to P&R and NWT respectively, for them to observe more closely SC 2.1 of SBO Licence No.1670 and SC 4.1 of UCL No. 022.
Case Reference:	LM T 9/16 in OFCA/R/T58C.

BACKGROUND

In April 2016, the Office of the Communications Authority (“OFCA”) discovered that access code “1670” was used by P&R, holder of SBO Licence No. 1670, without the prior approval of the Communications Authority (“CA”), for the provision of ETS. According to the Hong Kong Numbering Plan administered by the CA, the concerned access code was in

fact assigned to a SBO licensee named GTI HK Limited (“GTI”), the holder of SBO Licence No. 1254, which has yet to launch its commercial service by use of the said access code.¹

OFCA’S INVESTIGATION

Contravention of Licence Condition

2. SC 2.1 of P&R’s SBO Licence specifies that –

“2.1 The licensee shall conform to a numbering plan made or approved by the Authority and any directions given by the Authority in respect of the numbering plan.”

3. SC 4.1 of NWT’s UCL specifies that –

“4.1 The licensee shall comply with the numbering plan made or approved by the Authority and any directions given by the Authority in respect of the numbering plan.”

4. As P&R was found to have used the access code “1670” for the provision of ETS without the CA’s prior approval, there was prima facie evidence that P&R had not conformed to the Hong Kong Numbering Plan, as required under SC 2.1 of its SBO Licence. Accordingly, OFCA initiated an investigation into the matter. In addition, as NWT was the hosting network operator which set up the network routing arrangements for P&R to use the access code “1670” for the provision of ETS, OFCA’s investigation also covered the examination of whether NWT had in turn also contravened SC 4.1 of its UCL.

The Representations of P&R and NWT

5. In response to the invitation from OFCA during the course of the investigation, P&R and NWT submitted their representations to OFCA on 26 April 2016 and 3 May 2016 respectively on whether they had contravened the relevant conditions in their licences relating to Hong Kong Numbering Plan.

¹ After the incident was discovered, P&R submitted an application to OFCA for assignment of a new access code for the provision of its ETS and was subsequently assigned a new access code “1584” for the purpose. With the necessary migration arrangement in place, the access code “1670” was deactivated on 1 August 2016. As GTI had confirmed that it would not use the access code “1670”, the code was returned to OFCA and would be reserved for future allocation.

6. P&R submitted that it had started to provide ETS by using the access code “1670” since 1 March 2014. The ETS was called “IDD1670” and there were about 4 000 registered customers as at end March 2016.

7. P&R confirmed that NWT was the only fixed network operator providing hosting service to it for the operation of ETS. P&R admitted that the incident was a mistake because it had wrongly interpreted its SBO Licence No. “1670” as the access code assigned by the CA for its provision of ETS. It claimed that, in the course of arranging the introduction of the ETS, it only provided NWT with a copy of its SBO Licence as reference and verbally notified NWT that it was eligible to use the access code “1670”. NWT had not requested P&R to provide any document to prove the assignment of access code “1670” by the CA to P&R.

8. In its representations, NWT reported that it had started to provide P&R with hosting service for the provision of ETS with access code “1670” since 17 December 2013. NWT claimed that it had standard procedures to handle SBO licensees’ request for the use of access code for the provision of ETS, following which, upon request from a SBO licensee for hosting service, NWT should ask the SBO licensee to provide relevant authorisation document from OFCA as support. NWT’s account manager should instruct the technical support and switching team to carry out the service implementation after receiving the supporting OFCA document.

9. NWT claimed that P&R had gone through the above procedures but its staff had mistakenly treated “1670” as the access code assigned by the CA to P&R for the provision of ETS. As the mistake was undetected, NWT followed on to request other network operators by email on 30 October 2013 to enable the use of the access code “1670” in their networks.

OFCA’S ASSESSMENT

10. P&R already admitted in its representations that it had wrongly interpreted the SBO Licence No. “1670” as the access code assigned by the CA for its provision of ETS. It is beyond doubt that P&R did use the access code “1670” for the provision of ETS without the prior approval of the CA. P&R failed accordingly to conform to the Hong Kong Numbering Plan, and failed thereby also to comply with SC 2.1 of its SBO Licence.

11. Although NWT claimed in its representations that it had standard procedures in handling SBO licensees' request for the use of access code for the provision of ETS, the safeguarding measures implemented by NWT for ensuring compliance with the Hong Kong Numbering Plan were ineffective, with its staff mistakenly accepting "1670" as the access code assigned by the CA to P&R, and the mistake remained undetected until the discovery by OFCA. On the basis that NWT provided the necessary routing arrangement, and enabled P&R to use the access code "1670" not assigned by the CA for the provision of P&R's ETS, OFCA concludes that NWT failed to comply with SC 4.1 of its UCL.

THE CA'S CONSIDERATION AND DECISION

12. After examining the evidence of the case, the assessment of OFCA, the representations made by P&R and NWT on the CA's Provisional Decision, the CA concludes that P&R failed to comply with SC 2.1 of its SBO Licence and NWT failed to comply with SC 4.1 of its UCL, in regard to the requirement to conform to the Hong Kong Numbering Plan.

13. In considering the sanction that it should impose, the CA has had regard to all circumstances of the case and notes that –

- (a) the incident was an isolated event caused by the combined mistakes of the staff of P&R and NWT, in wrongly treating the SBO Licence No. "1670" as the access code assigned by the CA to P&R for the provision of ETS;
- (b) the incident did not cause any severe disruptions to the public in using public telecommunications services;
- (c) both P&R and NWT did not receive any significant commercial advantages or benefits from the unauthorised use of the access code;
- (d) both P&R and NWT were cooperative throughout the investigation process of OFCA; and
- (e) P&R and NWT promptly took remedial actions to rectify the situation. Following the assignment of the new access code "1584" by the CA to P&R on 27 April 2016, P&R, with the

assistance of NWT, completed the migration of its customers to use the new code for access to its ETS on 1 August 2016.

14. Taking into account the nature and seriousness of the incident, the factors mentioned in paragraph 13 above and the representations made by P&R and NWT, the CA decided that P&R and NWT should both be warned to observe more closely SC 2.1 of SBO Licence No.1670 and SC 4.1 of UCL No. 022 respectively.

**The Communications Authority
September 2016**