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31<sup>st</sup> January, 2014

**Mr. Charles S. Punaha**  
Chief Executive Officer  
National Information & Communication Technology Authority  
P.O Box 8444  
**BOROKO**  
N.C.D

Dear Mr. Punaha,

**RE: CONSULATATION PAPER - DRAFT CONSUMER PROTECTION RULE**

Telikom PNG Limited ("Telikom") refers to NICTA's request for views, comments and submission regarding the above matter and hereby submits its views and comments accordingly.

Telikom generally supports NICTA's view that better informed customers are in effect able to make better choices in their own interest about the products and services they consume. Telikom also acknowledges that there is a clear business value for service providers in providing telecommunications consumers with information as it provides for smoother commercial transactions between a customer and a service provider through transparent terms and conditions, especially those relating to product tariff and pricing.

Telikom understands the aim and purpose of NICTA's draft Consumer Protection Rule. We acknowledge also the need to provide our customers with adequate and transparent information in order for them to make more informed choices about our retail products and services.

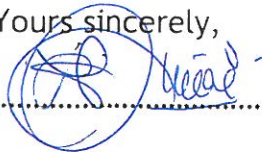
This in effect is clearly demonstrated through our products marketing and awareness campaigns, our front desk point of sales customer registration procedures and our post sale dedicated call centre service lines for customer service, faults reporting and escalation queries.

As per NICTA's consultation paper on Consumer Protection and the draft rule attached therein, Telikom would like to firmly state that as Papua New Guinea's long existing telecommunications service provider, we have over time developed and set in place procedures that are both informative and transparent for both our

existing and potential customers regarding our terms and conditions as well as tariff and pricing regimes for our retail products without much need of regulatory intervention.

We hereby submit our views.

Yours sincerely,

for  .....

Mr. Phillip Aeava  
Chief Legal Officer

## 1.) General Overview

Telikom PNG acknowledges the need and the importance of consumer protection. Industry trends in telecoms regulation in neighbouring countries indicate a general consensus towards the importance of consumer rights and protection. With the convergence of technology and the constant evolution of the ICT environment, telecommunications service providers have not only an incentive, but also an obligation to inform and educate consumers on the products and services they provide. Telikom recognizes the dual value in this for customers as well service providers. Provisioning of transparent product terms and conditions, pricing information, quality of service as well as other details such as help desk centres and protection of customer information by service providers all play a role in making it easy for consumers to do business with them. Conversely, such information also puts consumers in a better position to make more rational and informed choices about the products and services they use.

Since its establishment Telikom PNG has been committed to serving the ICT needs of Papua New Guineans and currently provides a wide range of retail telecommunication voice and data products to both household and commercial customers in PNG. And as mentioned already Telikom PNG has, over time, developed procedures and practices which are in existence that are more or less aligned with most sections of NICTA's Consumer Protection draft rule 2014.

Our Marketing & Business Development team ensures that consumers have access to information regarding our products and services through -

- i. The official Telikom Website
- ii. Telikom Brochures and Flyers (distributed to All our regional Business Offices nationwide)
- iii. Television/radio commercials
- iv. Products and Services Catalogue
- v. Contact Centre (Customer Care) - Customer Care/Service Assurance teams are kept in the loop of every new product or service roll out.
- vi. Social media (Facebook)

Our (front desk) customer service representatives and customer care agents (call centre) also undergo product training as well to ensure that they are equipped with all the necessary information they require to effectively answer customer queries at the point of sale (POS) as well as post sale. Telikom also has dedicated service numbers for our call centre to assist customers on general product queries, complaints, as well as faults reporting and disputes resolution.

This service/information is provided to our valued customers free of charge from Telikom PNG service lines or at Telikom Business offices.

## 2.) The Draft Consumer Protection Rule

In principle, Telikom agrees with NICTA's proposal of developing a consumer protection rule. We acknowledge that as a telecommunications service provider it is important that our customers/potential customers are provided with adequate and transparent product information on terms, conditions and pricing so that they are able to decide for themselves the type of products/services that best suits their household or business needs.

Telikom, however, notes that in practice we have already developed procedures, independent of regulatory intervention, that are in existence which are more or less aligned with most sections of NICTA's draft Consumer Protection Rule.

Telikom, however, raises questions in particular to subsection 6 of the Draft Consumer protection rule on the development of a Consumer Guide.

## 3.) Subsection 6 - The Consumer Guide - Questions/Implications

With particular regards to the above, Telikom PNG raises the following concerns for NICTA's consideration.

- 1.) Telikom, as with other operators, provides a wide variety of retail products over different platforms and already has processes in place for providing necessary information to consumers - Prior to product sale, at the Point of sale (POS) and post sale of retail products. By adapting a Consumer guide under the Consumer Protection Rule, will one guide and one rule be used to cater for all of the retail products services that Telikom currently provides? Further will it also cater for convergence in technologies for retail products? Or will Telikom be required to produce a Consumer guide for each and every one of our Retail Products?
- 2.) Part of the minimum requirements of the Consumer guide also indicate the provision of Service providers' policies and procedures in relation to credit policies and security deposits with our customers, suspension and disconnection of products/ services,...etc. Telikom's general view is that this should be information exchanged in a free and competitive market between a service provider and its clientele, without the need for a third party approval process. The Consumer guide bears too much of a regulatory restriction on Service provider's to freely rollout and market its retail products in a competitive environment.

The reasoning for this being that there could be unfavorable implications to service providers as follows-

- Delays in product Marketing and Sales process - under the draft rule, the proposed Consumer Guide stipulates in subsection 6 (4) that "NICTA will make a decision to either accept or reject a consumer guide, and notify the relevant Service Provider, within 90 days of the Service Provider submitting

the Consumer Guide for NICTA's consideration". This could have adverse effects on Services Providers product roll out deadlines and service delivery by creating unnecessary delays pending NICTA's decision.

- **Effect on Commercial Contracts** - Furthermore, Service providers may have contractual agreements with product manufacturers outside of country to supply and sell ICT products and equipment within given deadlines. A 90 day (3 months) waiting period for NICTA's pending decision could have other external ramifications on agreements between a Service provider and external equipment manufacturers resulting in penalties and further delays.

### **Concluding remarks**

Telikom feels that NICTA must consider that despite its well intentions for providing a more transparent and efficient information exchange between Service Providers and consumers, the proposed "Consumer Guide" may prove to be a regulatory obstacle to Service provider's product marketing and rollout procedures and a deterrent to effective competition.

In conclusion, while Telikom generally agrees with NICTA on the need for service providers to provide sufficient information to consumers so that they are able to make better informed decisions, Telikom also strongly urges that NICTA should give further consideration and review into **Subsection 6** of its **Consumer Protection Rule** with regard to the concerns raised herein.