



# **Draft Consumer Protection Rule (Amendment) 2025**

**2ND CONSUPTATION PAPER**

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## 1. Executive Summary

The National Information and Communications Technology Authority (NICTA) is undertaking a comprehensive review of the Consumer Protection Rule (CPR) 2014, which has provided the foundation for consumer safeguards in Papua New Guinea's ICT sector for more than a decade. Since its introduction, the ICT market has expanded rapidly, with widespread adoption of mobile voice, data, internet, and digital services. Alongside these developments, new challenges have emerged such as misleading advertising, bill-shock incidents, service quality issues, data protection risks, and the increasing role of artificial intelligence in customer service.

To address these concerns and ensure that consumer protections remain robust, proportionate, and effective, NICTA has developed the Draft Consumer Protection (Amendment) Rule 2025. The proposed amendments strengthen consumer rights, clarify licensee obligations, and introduce new safeguards to reflect technological and market developments.

A first round of public consultation was conducted between 16<sup>th</sup> May and 11<sup>th</sup> July 2025. During this period, NICTA released an annotated version of the CPR highlighting key consumer rights and principles for amendment. A total of five submissions were received, all from industry licensees. Notably, Digicel, Vodafone, and Telikom raised strong concerns and recommendations regarding definitions, billing obligations, Critical Information Summaries (CIS), data protection, artificial intelligence, and scam protections.

NICTA has carefully reviewed these submissions and amended the Draft Rule where appropriate, seeking to balance consumer protection priorities with the operational realities of industry operators. The updated Draft Rule, summarized in this paper, represents the finalized version of the proposed Rule prior to gazettal.

Given the significance of the reforms, and to ensure transparency and inclusiveness, NICTA has decided to conduct a second round of public consultation. This process provides stakeholders with a further opportunity to:

- review the updated draft,
- assess how their earlier submissions have been addressed; and
- provide any additional input before finalization.

This consultation paper therefore:

- sets out the legal and policy context for the Rule,
- provides a summary of the Draft Consumer Protection (Amendment) Rule 2025,
- highlights the key issues raised by stakeholders and NICTA's responses,
- poses a series of consultation questions; and
- outlines the next steps in finalizing the Rule.

Through this process, NICTA seeks to ensure that the final Rule delivers meaningful consumer protection outcomes while supporting a fair, competitive, and sustainable ICT sector in Papua New Guinea.

## **2. Background and Legal Context**

### **1. NICTA's Mandate**

The National Information and Communications Technology Authority (NICTA) is mandated under Section 218 of the National Information and Communications Technology Act 2009 (the NICT Act) to issue rules safeguarding consumer rights in the information and communications technology (ICT) sector.

### **2. Rule-Making Powers**

Under Section 218 of the NICT Act, NICTA has the authority to make rules, consistent with the Act, relating to:

- the protection of consumers of ICT services.
- the provision of information by licensees to consumers.
- the terms and conditions of ICT service provision; and
- mechanisms for handling consumer complaints and dispute resolution.

Once made, these rules have the effect of law and are binding on all licensees operating in Papua New Guinea.

### **3. Consumer Protection Obligations in the Act**

The NICT Act also contains explicit provisions requiring licensees to act fairly and transparently in their dealings with consumers. Specifically, it:

- s.2(d): prohibits misleading and deceptive conduct in the supply of ICT services.
- s.9(1): requires licensees to provide clear and accurate information about prices, terms, and conditions.
- s.9(f): establishes obligations to handle complaints efficiently and fairly; and
- s.9(k): empowers NICTA to intervene where consumer interests are adversely affected.

### **4. Public Consultation Requirement**

Before making or amending any rule, the NICT Act under Section 229 requires NICTA to engage in public consultation. This ensures that stakeholders, including licensees, consumer groups, government bodies, and the public, have an opportunity to provide input. This Public Consultation Paper forms part of that statutory process.

## **5. Enforcement**

Rules made under Section 229 are enforceable through NICTA’s regulatory powers. Non-compliance may result in corrective orders, penalties, or licence suspension or cancellation, as provided under the Act.

## **6. Historical Context**

The Consumer Protection Rule 2014 (CPR), issued under Section 229, has been in place since 2014 and established foundational protections for ICT consumers.

## **7. Emerging Challenges**

Since 2014, the ICT market in Papua New Guinea has expanded significantly, with increased penetration of mobile voice, data, internet, and digital services. Alongside this growth, new challenges have emerged, including:

- misleading advertising.
- “bill-shock” incidents.
- poor quality of service.
- data protection and privacy concerns; and
- the increasing use of artificial intelligence in customer service.

## **8. Rationale for Amendment**

In response, The National Information and Communications Technology Authority (NICTA) has developed the Draft Consumer Protection (Amendment) Rule 2025 to strengthen and modernize consumer safeguards. The proposed amendments are designed to ensure that protections remain robust, proportionate, and effective in addressing both current and emerging challenges in the ICT sector.

## **9. First Round of Consultation**

NICTA commenced a first round of public consultation on the 16<sup>th</sup> of May 2025, aimed at updating the Consumer Protection Rule (CPR). This consultation process concluded on 11<sup>th</sup> of

July 2025, after an eight-week period during which the deadline for submissions was extended twice in response to stakeholder requests.

At the close of the consultation period, five submissions had been registered, all of which were received from industry licensees. To support stakeholder engagement, NICTA released an annotated version of the CPR, which described and highlighted the key consumer rights and principles to be assured under NICTA's oversight. The annotated text addressed a broad range of consumer concerns and provided the foundation for their inclusion in the amended Consumer Protection Rule.

## **10. Present Public Consultation**

Following the initial public consultation process and review of submissions received from industry stakeholders—particularly Digicel, Vodafone, and Telikom—NICTA has carefully considered their comments and concerns. Where appropriate, the Draft Consumer Protection Rule has been amended to reflect these inputs while maintaining a balance between consumer protection and the legitimate operational interests of licensees.

While significant changes have been made in response to stakeholder input, NICTA recognizes the importance of transparency and inclusiveness in the rule-making process. Given the scope of the amendments and the centrality of consumer protection to the ICT sector, NICTA has decided to conduct a second round of public consultation. This will give stakeholders a further opportunity to:

- review the updated draft,
- assess how their earlier submissions have been addressed; and
- provide additional comments before the Rule is finalized.

This approach ensures that the final Rule reflects both consumer protection priorities and the practical realities faced by industry operators, while maintaining regulatory certainty and accountability.

The summary provided below, represents the finalized draft version of the Consumer Protection (Amendment) Rule 2025, which incorporates these revisions.

## **3. Summary of the Draft Consumer Protection (Amendment) Rule 2025**

The Draft Rule, updates and strengthens the existing Consumer Protection Rule 2014 to respond to market changes, new technologies, and persistent consumer concerns. For ease of reference, it is structured into key parts as follows herein:

### **Part 1 – Preliminary**

- Provides definitions and scope of application.

- Establishes guiding principles of fairness, transparency, accessibility, and accountability.

## **Part 2 – Consumer Rights and Licensee Obligations**

- Requires Critical Information Summaries (CIS) for all services.
- Mandates clear, accurate, and accessible information.
- Prohibits misleading advertising, bait-and-switch offers, and unauthorized service changes.

## **Part 3 – Fair Pricing and Billing**

- All tariffs must be filed with NICTA and published transparently.
- Full disclosure of charges, fees, and surcharges.
- Spend-management tools and usage alerts to prevent “bill shock.”
- Billing accuracy obligations, itemized statements, and timely refunds.
- Limits on security deposits and requirements for transparency in their use.

## **Part 4 – Contracts and Service Agreements**

- All services must be covered by written contracts with minimum content requirements.
- Prohibits unfair contract terms.
- Introduces a 7-day cooling-off period for online, phone, and door-to-door contracts.
- Sets rules for renewals, variations, and consumer termination rights.

## **Part 5 – Mobile Data and Roaming**

- Obligations for transparent data usage information and fair data management.
- Pre-notification of roaming charges and mandatory roaming caps.

## **Part 6 – Vulnerable Consumers**

- Special protections for persons with disabilities, the elderly, low-income households, and consumers in remote areas.

- Requires accessible communication and affordable service options.

### **Part 7 – Quality of Service**

- Minimum service standards for coverage, speed, availability, and reliability.
- Obligations for timely fault repair, disruption notifications, and compensation for service failures.

### **Part 8 – Data Protection and Privacy**

- Licensees must safeguard subscriber data against misuse or unauthorized access.
- Requires transparency in data use, consumer rights to access and correction, and breach notification.
- Prohibits selling subscriber data without consent.
- Introduces AI safeguards (transparency, fairness, opt-out rights, and protection against bias).

### **Part 9 – Scam and Abuse Protections**

- Obligations to detect, block, and prevent scams, fraud, and harassment.
- Codes of conduct for staff and agents to prevent coercive or abusive practices.
- Consumer awareness campaigns on scams.

### **Part 10 – Complaints and Dispute Resolution**

- Requires clear, free, and accessible complaints-handling policies.
- Set timeframes for acknowledgement and resolution.
- Escalation procedures to NICTA or independent arbitration.
- Remedies including refunds, credits, or compensation.
- Whistleblower protections for employees.

### **Part 11 – Compliance and Enforcement**

- Strengthened monitoring, reporting, and auditing powers for NICTA.

- Penalties for non-compliance including fines, licence suspension, or cancellation.
- Transitional provisions for phased implementation.

## **4. Consultation Questions**

### **Part 2 – Consumer Rights and Licensee Obligations**

1. Are the requirements for informational provision and Critical Information Summaries (CIS) practical and sufficient to ensure consumers are well informed?
2. Do the proposed restrictions on misleading advertising and unauthorized service changes provide adequate consumer protection without creating unnecessary compliance burdens?

### **Part 3 – Fair Pricing and Billing**

3. Will the proposed spend-management tools and usage alerts effectively reduce “bill shock”?
4. Is a phased implementation of itemized billing appropriate to balance consumer rights and operator costs?

### **Part 4 – Contracts and Service Agreements**

5. Are the 7-day cooling-off period and rules on contract renewal/termination fair and workable for both consumers and providers?
6. Do the restrictions on unfair contract terms align with best practice and industry realities?

### **Part 5 – Mobile Data and Roaming**

7. Are the requirements for roaming notifications and caps proportionate and feasible to implement?
8. Will the proposed obligations on data usage transparency sufficiently empower consumers?

### **Part 6 – Vulnerable Consumers**

9. Are the proposed provisions for persons with disabilities, elderly consumers, and rural/low-income groups sufficient to ensure equitable access?

10. What additional measures, if any, should be considered to protect vulnerable consumers?

### **Part 7 – Quality of Service**

11. Do the proposed minimum service standards reflect achievable and measurable benchmarks in PNG's ICT environment?
12. Is the proposed compensation framework for service failures fair and practical?

### **Part 8 – Data Protection and Privacy**

13. Are the obligations regarding data security, transparency, and breach notification adequate and enforceable?
14. Do the provisions on AI transparency and fairness strike the right balance between innovation and consumer protection?

### **Part 9 – Scam and Abuse Protections**

15. Will the proposed obligations on scam detection, blocking, and consumer awareness campaigns effectively reduce fraud and harassment?
16. Are the proposed codes of conduct for staff and agents sufficient to prevent coercive practices?

### **Part 10 – Complaints and Dispute Resolution**

17. Are the proposed timeframes for complaint handling reasonable and sufficient to ensure fairness?
18. Do the escalation pathways to NICTA or independent arbitration provide adequate remedies for consumers?

### **Part 11 – Compliance and Enforcement**

19. Are the proposed monitoring, reporting, and penalty mechanisms effective in ensuring compliance?
20. What transitional arrangements would best support the industry in implementing the new Rule?

## **5. Next Steps**

Submissions are invited from stakeholders, including licensees, consumer groups, government agencies, and the general public.

Written comments should be submitted to NICTA by 26<sup>th</sup> of November, 2025.

Submissions may be sent by email to [consultation@nicta.gov.pg](mailto:consultation@nicta.gov.pg) or delivered in hard copy to the NICTA Office at Hohola Frangipani Street, NCD.

Following the consultation period, NICTA will review submissions, finalize the Draft Rule, and gazette the final Consumer Protection (Amendment) Rule 2025.

## **Annex A: Draft Consumer Protection (Amendment) Rule 2025**

DRAFT CONSUMER PROTECTION (AMENDMENT) RULE 2025