



END-USER AFFAIRS: HALF YEARLY REPORT

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2. INTRODUCTION

One of the main objectives of the Malta Communications Authority (hereafter “MCA” / “Authority”) is to safeguard the interests of end-users in the electronic communications (“ECS”), postal and e-Commerce sectors.

The MCA monitors the sectors it regulates to identify areas of concern and undertakes the necessary regulatory action to address such issues. In so doing, the Authority ensures that service providers comply with their obligations at law and that end-users are provided with up to date information on their rights and obligations when using any communication services.

In addition to the above, the MCA also provides assistance to those end-users who encounter difficulties while using any of the services within its purview. In particular, if the end-user is not satisfied with the remedy provided by his service provider, the end-user may lodge his complaint with the MCA.

The extent of the action the MCA can take in relation to a complaint, depends on the particulars of the complaint and the MCA's relevant legal powers. In instances where the Authority cannot formally intervene, it tries to mediate between the complainant and the service provider. Failing that, it will suggest alternative courses of action by referring the complainant to the appropriate forum where he/she may lodge his/her complaint.

The Authority also receives a number of enquiries from end-users in relation to the services it regulates. The MCA makes every effort to provide end-users with the requested information in a timely manner. Alternatively, when such requests do not fall directly within MCA's remit, it assists end-users by directing them to the appropriate body.

More information on MCA's complaint and enquiry procedure is available from <http://www.mca.org.mt/consumer/complaints-enquiries>.

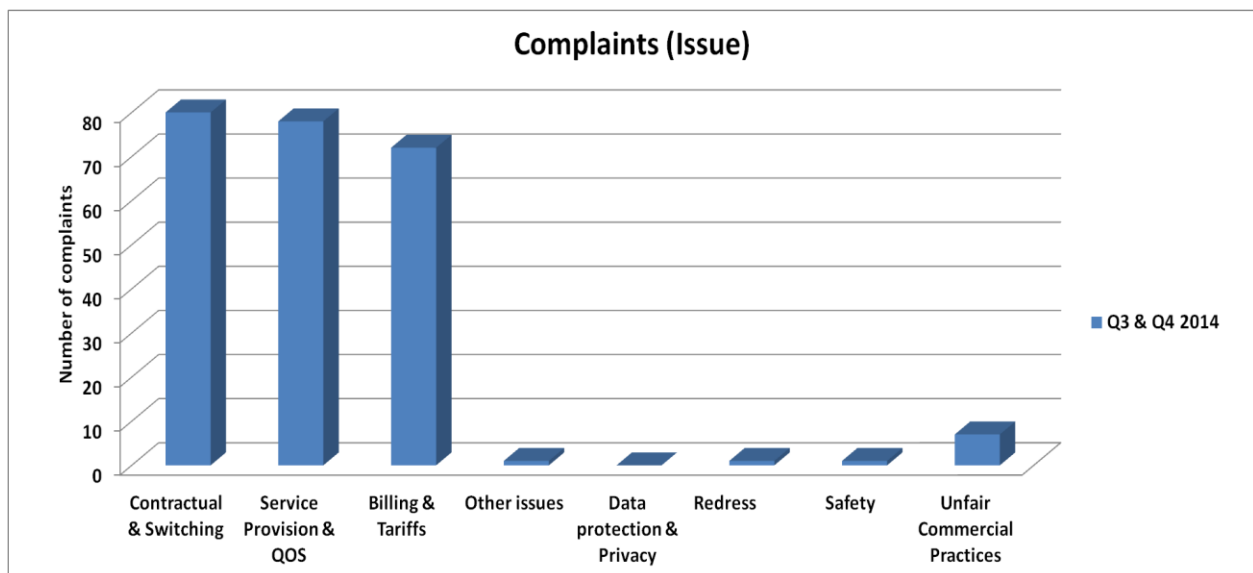
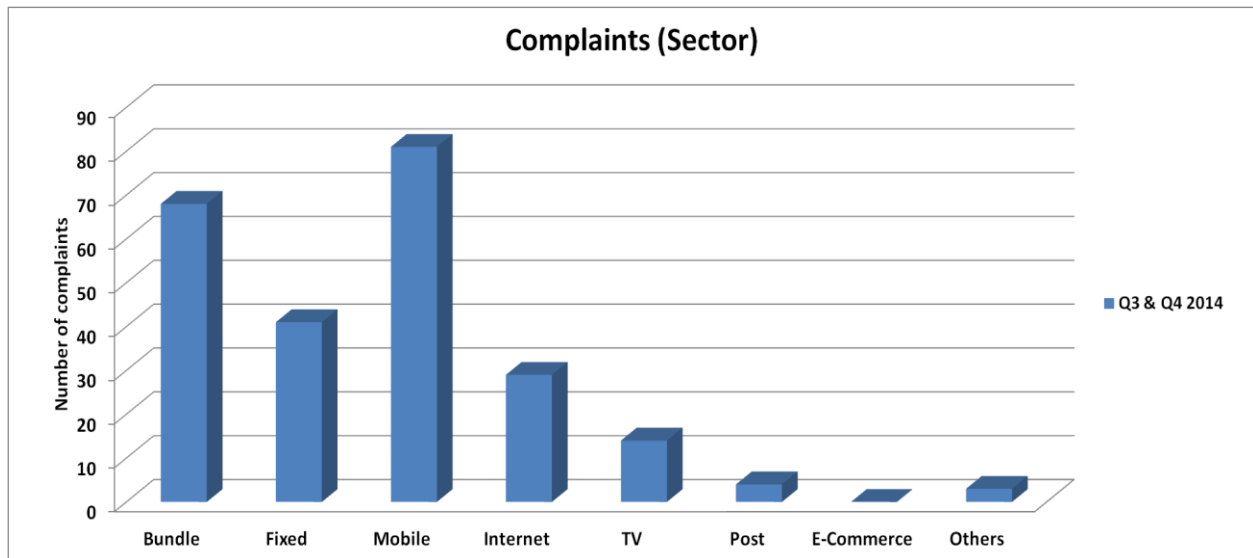
3. PURPOSE

This report provides an analysis of the complaints received by the Authority during the second half of 2014 and also provides information on enforcement actions and related monitoring activities undertaken by the MCA during this period.

The MCA considers that the publication of this information raises awareness on consumer tools and rights in the sectors regulated by the MCA while also highlighting those practices which may be creating difficulties for end-users, and which accordingly will be closely monitored by the MCA. The MCA also believes that this data may be of interest to intermediaries such as consumer groups and journalists who seek to advise and inform end-users about their rights.

4. STATISTICS

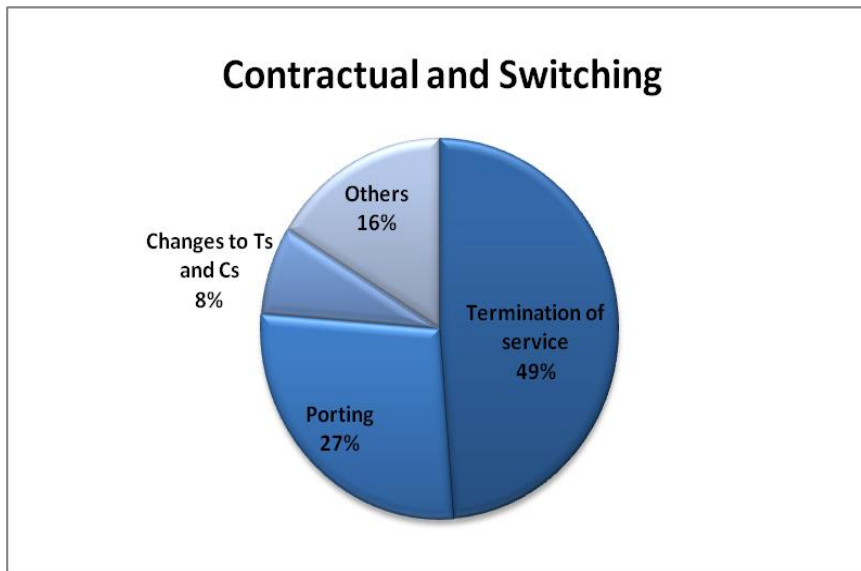
Between July and December of 2014, the MCA received a total of 240 complaints. The following tables provide statistical information on the complaints (segmented by sector and issue) received by the MCA in the second half of 2014. During this period, the MCA also received 243 enquiries and requests for information on matters related to the sectors it regulates.



5. ELECTRONIC COMMUNICATIONS SERVICES

The complaints lodged with the Authority between July and December of 2014, related predominantly to contractual issues and switching; followed closely by quality of service and billing issues.

5.1 Contractual Issues and Switching



The most common complaints of a contractual and switching nature received related to the termination of a service/s. Other complaints related to number portability, and to changes implemented by service providers to the terms and conditions of subscriber contracts.

Complaints gathered under the heading 'Others' include complaints related to provision of contract, devices, mis-selling, unfair contractual terms and compensation.

5.1.1 Termination of Service/s and Switching

Termination of service/s continues to remain one of the main sources of complaints being received by MCA. During the second half of 2014, the MCA noted an increase in the number complaints being reported to it on this matter.

When investigating such cases, the MCA verifies whether subscribers have followed the termination procedure which is required to be included in subscriber contracts in line with the legislation regulating electronic communications services.

In particular, when subscribing to a service/s, end-users should look out for the following conditions related to termination:

- The procedure for termination;
- Any costs or refunds applicable upon termination;
- Any notice required to be given to the service provider before termination; and
- Conditions for the return of rented equipment.

When contacted by subscribers, the MCA provides assistance by guiding subscribers on how to effectively terminate their service/s. Moreover, when investigating complaints, the MCA is also responsible to ensure that service providers adhere to their own procedure for termination of service/s. During the second half of 2014, the MCA imposed two (2) administrative fines against an operator after it received reports from some of its subscribers which indicated that it had failed to action the subscriber's request for termination of service/s in line with the obligations at law. In these cases, following MCA's intervention, the operator took the necessary action to rectify matters and address the requests made by these complainants. The MCA is closely monitoring the situation to ensure that the applicable procedures are being adhered to by all service providers.

The Authority also received a number of complaints regarding delays experienced by subscribers when porting their mobile and/or fixed telephony number/s¹. In investigating complaints reported to it, the Authority seeks feedback from the service providers concerned in order to establish and address the respective cause of delays to the individual porting process. All the cases reported to MCA during this period were dealt with successfully and the porting process was effectively completed.

5.1.2 Modifications to the Terms and Conditions of Subscriber Contracts

During the second half of 2014, various electronic communications service providers implemented a number of changes to different packages offered in the electronic communications sector. While some of these changes impacted the subscription fees and tariffs applied to packages, others improved the speeds of internet services and mobile data services. A number of subscribers lodged claims with the MCA regarding these changes.

Although such changes are not subject to approval by the MCA, in such instances, in line with the relevant legal provisions², service providers are required to notify impacted subscribers in writing at

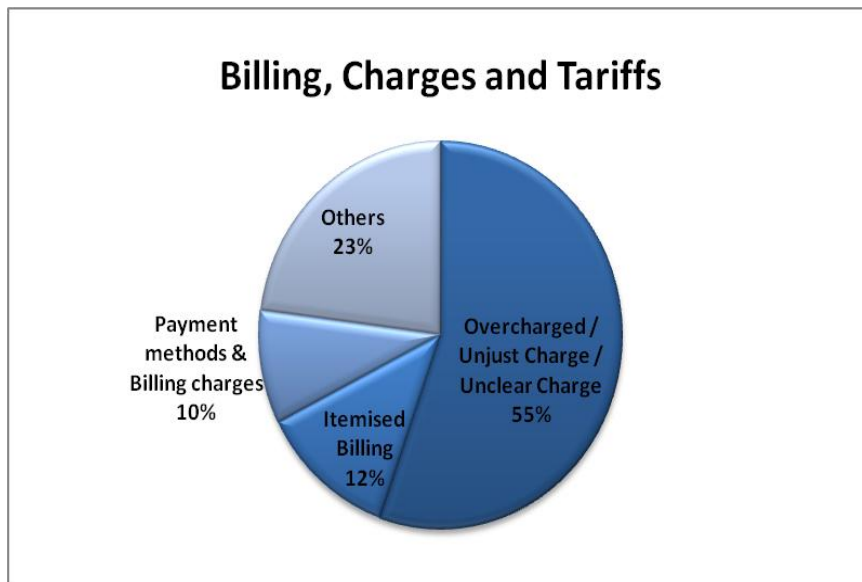
¹ Mobile and fixed telephony portability is the facility that enables you to switch from one telephony (mobile and fixed) service provider to another and maintain the same number.

² Article 20 (2) of Directive 2002/22/EC, of the European Parliament and of the Council of 7 March 2002 on universal service and users' rights relating to electronic communications networks and services (Universal Service Directive).

least thirty (30) days prior to the implementation of such changes. Furthermore, subscribers must be provided the option to exit the contract without incurring any penalty fees. The MCA notes that the notification process undertaken by service providers complied with the above-mentioned legal obligations.

More information on modifications to the terms and conditions of subscriber contracts is available in the [FAQ section](#)³ on MCA's website.

5.2 Billing, Charges and Tariffs



The most common type of billing complaints received by the Authority related to incorrect charges included in subscriber bills. The Authority also received complaints from subscribers who were encountering difficulties when trying to access their electronic itemised bills.

Complaints gathered under the heading 'Others' include complaints related to the 180 free phone service, non-payment of bills, pre-paid top-ups and transfer of mobile account credit.

5.2.1 Incorrect and Overcharging

During the second half of 2014, the MCA noted a sudden increase in the number of complaints received from subscribers of a particular service provider in relation to incorrect charges included in subscriber bills. The MCA took immediate action and brought this matter to the attention of the service provider concerned, urging it to take remedial action in order to ensure that any charges billed to subscribers are correct. The MCA will continue monitoring the situation until it ensures that this matter is addressed satisfactorily by the service provider.

³ <http://www.mca.org.mt/consumer/assistance/frequently-asked-questions>

In the meantime, with respect to complaints referred to MCA where it was clear that subscribers were incorrectly billed, the Authority intervened by ensuring that such charges were reversed by the service provider. The Authority also received a few claims regarding unclear billing. In these cases the MCA ensured that operators provided the necessary clarifications to their subscribers.

5.2.2 Itemised Billing and Other Billing Claims

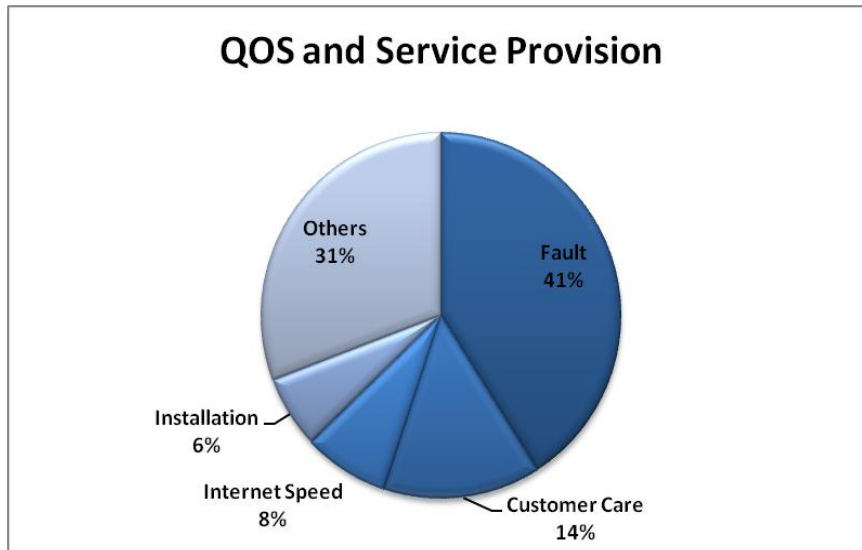
The MCA received a number of claims from post-paid fixed and mobile telephony customers who reported difficulties in accessing electronic copies of their itemised bills. When bringing this matter to the attention of the service provider concerned, measures were taken to ensure that these subscribers were provided, as an alternative temporary solution, with copies of their itemised bills in hard copy format free of charge.

In the meantime, the service provider has informed the Authority that it has taken the necessary measures to address this issue. The Authority gladly notes it has not received any further claims in relation to this issue.

On a separate matter, the MCA also received a small number of complaints regarding fees being charged by some service providers to subscribers who opt for certain payment method facilities, as well as to subscribers who opt for certain bill delivery methods.

The MCA will be closely looking into this matter and will also be liaising with other competent authorities to assess whether new measures are required in relation to such charges.

5.3 Service Provision and Quality of Service



Between July and December 2014, the MCA received a number of complaints regarding repairs of intermittent and temporary faults. Other claims received related to internet speeds.

Complaints gathered under the heading ‘Others’ include complaints related to, installation of services, mobile reception, MCA free Wi-Fi, interference, free to air TV services and access to radio stations.

5.3.1 Faults

In the second half of 2014, the MCA received a number of claims from subscribers regarding faults to their electronic communications services. Most notably, the majority of these faults related to the provision of fixed telephony and internet services. There are a range of factors that could lead to such faults, including damages to the service provider’s infrastructure, damages to the subscriber’s internal wiring or damages to the CPE⁴.

The damages could be caused by degradation, misuse, force majeure or third party disturbance. The timeframes for the full restoration of the service/s depend on the severity of the fault. Such faults are directly addressed by the service provider. The Authority deals with such cases by monitoring the actions undertaken by the service provider to ensure that faults are repaired at the earliest possible. In this respect, service providers are required to specify in their subscriber contracts the timeframes for the restoration of service following a fault. In those cases investigated by the MCA where it was evident that the fault was not caused by *force majeure*, subscribers were provided the applicable compensation, in line with the refund schemes committed by service providers in their subscriber contracts.

⁴ Customer Premises Equipment

5.3.2 Customer Care Support Services

Support services are of critical importance to consumers who are increasingly becoming more dependent on electronic communications services. A key element in this respect is the channel by which consumers can raise issues impacting their use of the service, and the nature and standard of the response they can expect from their service provider. Between July and October 2014, the MCA noticed an increase in the number of claims being filed by consumers with regard to the customer care support services being provided by some operators.

The service providers concerned acknowledged the difficulties that they were encountering and expressed their commitment to address them by taking specific measures aimed to tackle arising shortcomings in the shortest possible timeframes. While constantly monitoring the situation, the MCA assisted end-users experiencing difficulties by bringing their individual cases to the attention of their service provider for their immediate and expeditious action. The Authority gladly notes that towards the end of 2014 as well as at the beginning of 2015, it has not received any further claims from end-users in this respect.

5.3.3 Internet Speeds

The MCA also received claims from subscribers who complained that the internet speeds being received were not as those advertised by their Internet Service Provider (“ISP”).

This issue, amongst other matters, was being addressed by the Authority by means of a quality of service framework for broadband internet services published in 2014. Amongst others, this framework established a minimum set of QoS parameters suitable to define the service, with a view that ISPs would measure and eventually publish their performance indicators using methodology established in the framework. As a result of this decision, ISPs were required to publish more detailed information about the speed of the broadband products on offer, which the MCA has been monitoring.

Notwithstanding the above, it is important to point out that the quality of the internet service is dependent on a number of factors, some of which may be outside of the service provider’s control and may include by way of example:

- a) The connection between the ISPs modem and the computer/device accessing the internet;
- b) The capabilities of the computer/device and its state of maintenance – e.g. viruses etc;
- c) The number of users using the internet at the same time in a particular area;
- d) The capabilities of the server which the subscriber is accessing. This includes the type of connection which the same server uses to connect to the Internet; and

e) Given that data delivered over the Internet frequently requires the collaboration between a number of networks that belong to different parties, the more network providers that are involved in the delivery of the data, the higher are the chances that slower throughput speeds are reached.

The Authority notes that with regard to complaints lodged with MCA, when poor internet connection problems were directly attributable to the service provider's infrastructure, these were addressed satisfactorily.

The MCA, has recently published for consultation, a proposed decision which will require ISPs to publish, on a regular basis, quality of service indicators using a format which is easy to understand by the broadband subscriber. The objective is to provide the broadband subscriber with information which is relative to his broadband connection and thus empowering the subscriber to make informed decisions about his service.

6. POST

The MCA regulates the postal sector and ensures that postal services are available throughout the Maltese Islands. The Authority handles complaints related to postal services and seeks to provide redress when end-users encounter any difficulties. Complaints of a postal nature received by MCA continued to decrease during the second half of 2014 when compared to the same periods in 2013 and 2012. The main type of complaints received by the Authority in the second half of 2014 related to mis-delivery and late delivery of ordinary mail.

As opposed to registered mail, ordinary mail does not provide tracking services and therefore when such mailed items are delayed or mis-delivered they are very difficult to trace. Having said that, delay in the delivery of ordinary mail as well as mis-delivery of ordinary mail could entitle consumers to a form of compensation. It is important to note that any compensation awarded to customers does not cover the value of the contents in the postal article. When posting any articles, consumers may consider insuring the content of their postal article. More information on compensation provided by MaltaPost is available on [MaltaPost's website](#)⁵.

Notwithstanding the above, MaltaPost, being the designated Universal Postal operator, must deliver ordinary mail post in accordance with MCA's Decision on the Measurement of the Quality of Postal Services. This information may be accessed from [MCA's website](#)⁶.

⁵ <http://www.maltapost.com/committed-to-deliver>

⁶ <http://www.mca.org.mt/sites/default/files/attachments/decisions/2014/QoS%20Decision%20Notice%20-%20Final%20-%2022nd%20January%202014.pdf>

7. eCOMMERCE

The MCA is also the statutory body responsible for the regulation of eCommerce. It is responsible to ensure that local traders who sell goods and/or services online comply with the legal obligations set out in the eCommerce Act and Regulations. These mainly refer to the information that a trader has to make available on the website. In addition, the Authority also assists and provides information to local traders who intend to set up their own online business, about the steps to follow to facilitate such process. More information on this subject is available in the [“MCA’s e-Commerce Guides for Businesses”](#) published on MCA’s website.

In 2014 the MCA continued to receive very few complaints on e-Commerce services. The complaints received in the second half of 2014, related to foreign online sellers. In such cases, the MCA is not empowered to provide redress. As such, most of the times complainants are guided to refer their claim to other responsible entities, namely the [European Consumer Centre](#) (“ECC Malta”) which is the entity responsible to provide information and assistance to consumers when purchasing goods or services from another EU Member State. In the second half of 2014, the MCA received one complaint from a consumer who purchased a good over the internet from a foreign seller outside the European Union. The Authority guided the consumer and informed her on the steps that needed to be taken to seek redress from the seller and on further action that could be taken should the problem remain unresolved.

8. OTHER DEVELOPMENTS AND MCA INITIATIVES

8.1 Eurotariff Roaming Rates

As from the 1st of July 2014, in line with the EU Roaming Regulations, the Eurotariff cost for making a call while roaming in an EU country was reduced from 29c2 to 23c1 per minute (inc. taxes) whilst the Eurotariff cost for receiving a call while roaming in an EU country was reduced from €8c5 to €7c3 per minute (inc. taxes). When roaming in an EU country sending an SMS under the Eurotariff now costs €7c3 (inc. taxes) and data usage under the Eurotariff is charged at a maximum rate of 24c3 per megabyte.

Further information on subscriber rights and obligations while roaming in an EU country is available in the [FAQ section](#) on MCA's website.

8.2 World Postal Day

On the 9th of October 2014, different countries from across the globe marked World Postal Day. During the week leading to this day, the MCA took the opportunity to reach out to the general public through the use of social media to raise awareness about the use of postal services in the local market. During this campaign, the MCA published statistical information about changing trends in the postal market, as well as information regarding the users' rights when using different postal services. More information is available on [MCA's Facebook page](#).

8.3 Publication of Postal Surveys

During the second half of 2014, the MCA published a number of postal surveys in order to evaluate users' perception and satisfaction levels with respect to different postal services provided locally. These surveys can be accessed by following the below links:

- [Postal Services Household Survey Results](#)
- [MCA survey results on local postal services](#)
- [Postal Services - Large Bulk Mailers Survey Results](#)