



CONSUMER BI-ANNUAL REPORT

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Report

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1.0 INTRODUCTION

One of the main objectives of the Malta Communications Authority (“MCA”) is to ensure a high level of protection for end-users in the electronic communications (“ECS”), postal and e-Commerce sectors.

As part of its function to safeguard the interests of consumers, the MCA monitors the sectors it regulates to identify areas of end-user concern and undertakes the necessary regulatory action to address such issues.

The MCA is also responsible to ensure 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, we also provide assistance to those end-users who encounter difficulties while using any of the services regulated by MCA. 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 we cannot formally intervene, we try to mediate between the complainant and the service provider. Failing that, we will suggest alternative courses of action by referring the complainant to the appropriate forum where he may lodge his complaint.

We also receive a number of enquiries from end-users in relation to the services we regulate. We make 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, we assist end-users by directing them to the appropriate body.

More information on MCA's complaint and enquiry procedure is available [here](#).

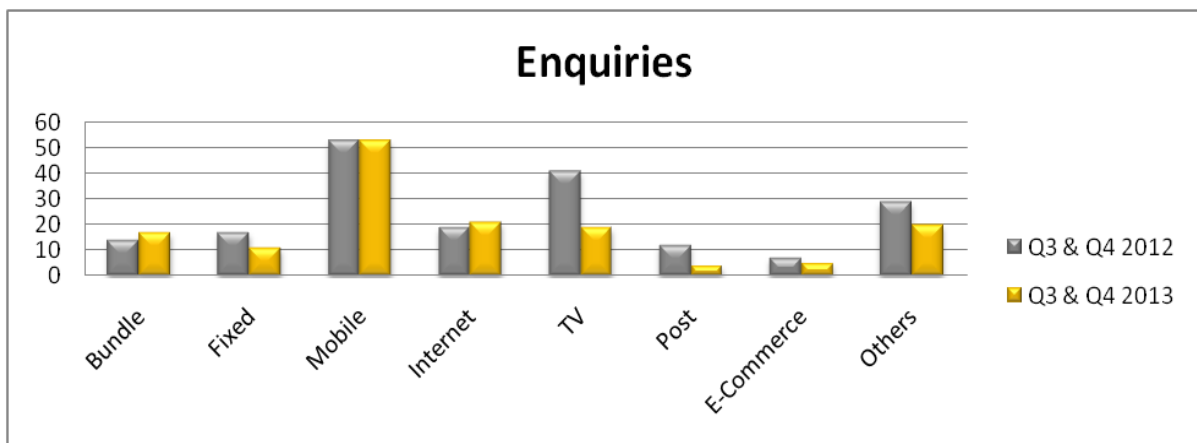
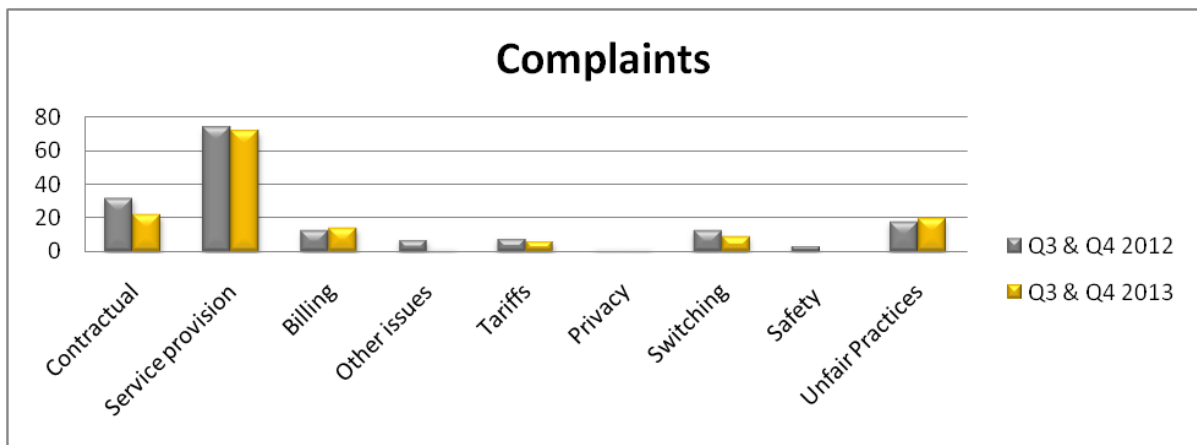
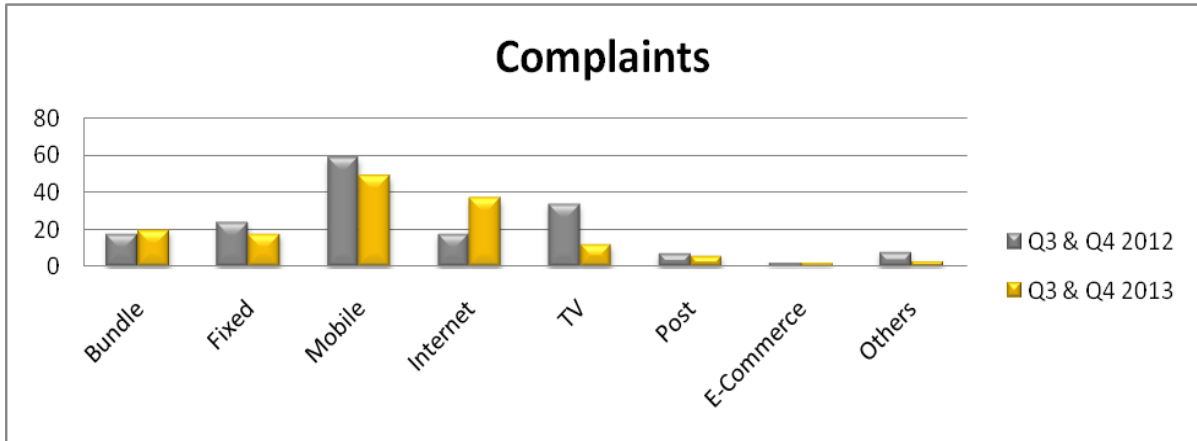
2.0 PURPOSE

In the second half of 2013, the MCA received a total of 147 complaints and 150 enquiries. This report provides an analysis of these complaints and enquires 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 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.

3.0 STATISTICS

The following tables provide statistical information on the complaints and enquiries (segmented by sector) received by the MCA in the second half of 2013 compared to the same period in 2012.



4.0 ELECTRONIC COMMUNICATIONS SERVICES

The claims¹ raised during the second half of 2013, relate predominantly to complaints regarding the provision of service and contractual issues.

4.1 PROVISION AND QUALITY OF SERVICE

During the second half of 2013, the MCA received a number of claims regarding repair of intermittent and temporary faults. The Authority also received a few enquiries regarding MCA's free Wi-Fi spots.

4.1.1 Faults

In the second half of 2013, the MCA received a number of claims regarding faults to fixed telephony, TV and internet services. There is a range of factors that could lead to such faults, including damages to the service provider's infrastructure, damages to the residence's internal wiring or damages to the CPE². The damages could be caused by degradation, misuse, force majeure or third party disturbance. The timeframes for the full restoration of the service/s depends 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 include the timeframes for the restoration of service following a fault in their subscriber contracts. 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/refunds.

4.1.2 MCA free Wi-Fi spots around Malta and Gozo

In collaboration with other entities, the MCA manages a number of Wi-Fi spots around Malta and Gozo which are set-up at locations most frequented by the general public. The project is intended to promote the usage of internet by means of portable devices such as laptops, netbooks, tablets and mobile phones, away from home or the place of work. The MCA received a number of enquiries regarding the use and accessibility of such Wi-Fi spots. The MCA provided the necessary feedback to end-users enquiring on this subject.

The MCA has recently launched "MCA Malta Free Wi-Fi", a free application which is aimed at making it simpler to locate the free Wi-Fi hotspots. The application also shows the closest hotspot in relation to the user current location. It can be downloaded for free from Google Play and it is currently available for devices running Android. More information on [MCA's free Wi-Fi spots](#) is available on [MCA's website](#).

¹ Claims received by the Authority include both complaints and enquiries received.

² Customer Premises Equipment

4.2 CONTRACTUAL

Similar to the complaints received in the first half of 2013, during the second period of 2013, the most common contractual complaints received by the Authority related to the termination of a service/s. A small number of complaints related to modifications to the terms and conditions of subscriber contracts.

4.2.1 Termination of services

With regard to the termination of services, in line with the requirements emanating from the legislation regulating electronic communications services, service providers' contracts must include the termination procedure that subscribers should follow to terminate a service/s. In particular, when subscribing to a service, end-users should look out for the following conditions related to termination:

- Procedure for termination;
- Early termination fees³;
- Advance notice; and
- Return of rented equipment.

In some of the cases reported to the MCA, subscribers who requested the termination of a service/s were not aware of some of the above conditions. In particular subscribers were not aware of the applicable early termination fees.

With reference to the above, it is important to note that subscribers can choose between packages that mandate a minimum contractual period (definite contracts which are therefore generally subject to an early termination fee) or packages which do not require a contractual tie-in period (indefinite contracts). In this respect, the Authority has noticed an increase in the number of packages being offered for an indefinite period. Subscribers are encouraged to enquire with their service providers about the different options available. For more assistance, end-users may visit www.telecosts.com, a portal launched by MCA to assist end-users in selecting the most suitable tariff plan for their electronic communications needs. The Authority also stresses that consumers should carefully read the terms and conditions before subscribing to a service.

In the second half of 2013, the MCA reviewed the disconnection conditions adopted by service providers to make sure that the procedures for terminating a service/s are reasonable and that they do not act as a disincentive for subscribers to switch from one service provider to another. In this respect, the MCA identified measures undertaken by service providers which could be improved and render the procedure for termination more transparent and efficient. The MCA received positive feedback to the proposals it made on the subject. The MCA is cognisant of the fact that the electronic communications sector is dynamic in nature and that end-users' needs and necessities change and vary accordingly. For this reason, the MCA will keep monitoring these procedures and will be liaising with other competent Authorities to ensure that these are reasonable and efficient.

³ Early termination charges are only applicable when a consumer subscribes to a definite package and decides to terminate the package prior to its expiry.

4.2.2 Modifications to the Terms and Conditions of Subscriber Contracts

In the second half of 2013, Melita plc proposed changes to some of its subscriber contracts'. This resulted in a number of claims lodged with the MCA. Although such changes are not subject to approval by the MCA, in such instances, in line with the relevant legal provisions⁴, service providers are required to notify impacted subscribers in writing at 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 Melita 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 on MCA's website.

4.3 OTHERS

During this period, the MCA also received a number of claims regarding practices which the MCA has no legal power to intervene. The majority of these cases related to unsolicited calls and unfair commercial practices. The Authority has referred such cases to the competent Authorities.

From time to time, the Authority receives complaints regarding unsolicited sales calls⁵ and abandoned calls⁶.

Although these practices may involve operators providing services in the sectors regulated by the MCA, the MCA does not have the legal power to address these issues. Notwithstanding, the MCA has guided end-users complaining on this matter on the courses of action available to them as follows:

- When receiving telesales calls from a particular company, end-users have a right to request that company to desist from contacting him/her again. If such calls persist, end-users are encouraged to file a claim with the Malta Competition and Consumer Affairs Authority (MCCAA) and/or the Information and Data Protection Commissioner.
- When receiving abandoned calls which cannot be traced to a particular company / individual end-users may file a report with the Police.

On a separate issue, during the second half of 2013, a service provider launched an SMS competition which entitled participants the possibility to win certain prizes. The Authority received claims alleging that this competition constituted an unfair commercial practice. The MCA referred these claims to the Malta Competition and Consumer Affairs Authority, which is the body responsible for enforcing general consumer protection law.

⁴ 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)

⁵ An unsolicited sale call is a telephone call that is made to an end-user who was not expecting to receive such a call where the caller is attempting to sell, promote or market goods or services on behalf of a commercial enterprise or organisation.

⁶ An abandoned call is one that is terminated when you pick up the receiver.

5.0 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.

During the second half of 2013, the Authority received reports that residents in St Julian's were being charged a fee of €2 to have their parcels transferred to the nearest alternative postal outlet for collection, in this case San Gwann, in the event that they would not be in a position to collect their packages from their local branch on Saturday morning. Following discussions with MaltaPost, the latter took remedial action and removed this charge.

Other claims received related to delivery of regular and registered mail. The MCA ensured that MaltaPost provided the necessary redress to end-users where appropriate.

More information on Postal services is available in [MCA's guidelines](#) for end-users on MCA's website.

6.0 REGULATORY DEVELOPMENTS AND OTHER EVENTS

6.1 ITEMISED BILLING

On the 3rd of January 2014, the Malta Communications Authority (MCA) published a decision on the provision of itemised bills in the fixed and mobile telephony sectors.

In addition to the standard bill, which is received by post-paid subscribers on a periodic basis, subscribers may also request access to an itemised bill in order to monitor and control their usage more effectively. Subscribers may choose between two types of itemised bills; the first is the basic itemised bill, which normally provides a summary of the different types of calls made (international calls, calls to same network, etc) and the total costs incurred for each category of calls.

The second is a detailed itemised bill, which provides information on each transaction made by the subscriber, such as each voice call, SMS, MMS and data used by the subscriber.

The MCA's decision specifies the content that both types of itemised bills must contain, as well as the formats in which these bills can be accessed by subscribers should they require such information. By means of this decision, all mobile and fixed telephony post-paid subscribers can request a basic itemised bill, in either hard copy or electronic format free of charge. Detailed itemised bill, provided in electronic format, must also be provided free-of-charge. Furthermore, subscribers aged 65 years or more can request a detailed itemised bill in hard copy format, at no cost. Disabled end-users are entitled to a detailed itemised bill, at no cost, should the service provider be unable to provide such information in the subscribers' preferred medium.

The full decision, which will come into force on the 1st of April 2014, can be accessed [here](#).

6.2 ROAMING

As from the 1st of July 2013, in line with the roaming regulations, the cost for making a call while roaming in an EU country was reduced from 35c3 to 29c2 (inc. taxes) whilst the cost for receiving a call while roaming in an EU country was reduced from €9c7 to €8c5 (inc. taxes). When roaming in an EU country sending an SMS now costs no more than €9c7 (inc. taxes) and data usage is charged at a maximum rate of 54c7 per megabyte.

Several transparency measures were also introduced to ensure that subscribers are adequately informed on roaming charges for calls, SMSs and the use of data services

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

6.1 WORLD CITIZENSHIP DAY

On the 23rd of November 2013, the MCA participated in an event organised by MEUSAC themed, 'Celebrating the European Year of Citizens 2013'. During this event, MCA distributed information material regarding the role and functions of the Authority. This event also provided MCA representatives an opportunity to interact with members of the public by addressing their enquiries and providing information on end-user rights in the electronic communications and postal sectors.