

IDRC Research programme on Consumers Rights in the ICT Sector

Consumer Rights – An African perspective

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*Consumers Rights Workshop
9th December 2010 - Mauritius*

Project Background: 1/4

This project is a follow-up to an ARICEA resolution (Association of Regulators in Central, East and Southern Africa) passed in Khartoum in March 2006 on consumer work by regulators.

The resolution called for: the establishment by individual regulators of “a consumer body”; the establishment of mechanisms to protect and safeguard consumer interests; and to educate consumers of their rights and obligations.

The resolution was based on the results of an IDRC-funded project on “Assessing Consumer Activity in the Telecoms and Internet Sector in Africa”.



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Project Background: 2/4

The IDRC-funded research made a number of specific recommendations with both policy and regulatory implications and concluded that there were three clear issues that affected consumers adversely:

- - price of service
- - quality of service
- - access to service

Project Background: 3/4

- The second stage of the research is more a piece of action-based research that would look at the effectiveness of the different approaches to helping consumers.
- The proposed project will cover African regulators in five countries (Ethiopia, Kenya, Mauritius, Rwanda and Zambia).
- Working with the research team and expert advisers, the selected five regulators and consumer organizations within each country will create action points to address the issues raised in the country report and during this workshop.

Project Background: 4/4

In each of the selected countries, research has been carried out to establish the following qualitatively:

What issues African consumers raise in terms of Internet and telecoms services.

- **How they rate or prioritise these issues.**
- **Their experiences of dealing with service providers in terms of consumer issues.**
- **How they rate the regulatory interventions devised by the regulator.**

This research data will enable regulators to review and prioritise consumer policies and guidelines and to take policy actions that will respond to the consumer priorities identified.

Best Practices – Consumers rights in the ICT sector – 1/11

Knowing what consumers care about – representation, consultations and surveys

There are a number of different ways of getting to know about consumers' concerns. These include:

- **consumers representation on the board of the regulator or one of its sub-committees,**
- **consultation meetings**
- **consumers surveys**

Each has advantages and disadvantages as with any approach to these issues.

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Knowing what consumers care about – representation, consultations and surveys: examples – 1/2

Benin: - LDCB / Ligue pour la Défense du Consommateur au Bénin ; member of the board of the Benin's regulator – Autorité Transitoire de Régulation des Postes et Télécommunications (ATRPT)

- 2008: survey of mobile services: call quality and billing
- 2008: supported the meeting of a dozen of consumers associations based in West Africa to discuss consumers rights issues and their respective countries. Creation a regional association of consumers rights in the ICT sector (RECATIC- Réseau des Consommateurs Africains des TIC – Declaration de Cotonou)

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Knowing what consumers care about – representation, consultations and surveys: examples – 2/2

➤ **Nigeria:** consumers' parliament. The Nigerian regulator NCC has formalised this process by creating what it calls a "consumers' parliament" on telecoms issues and its proceedings are widely attended with operators present to answer questions and respond to the debate. Furthermore its proceedings are shown on television giving it a wider impact beyond those who attended.

➤ **Liberia:** public meetings held this year in rural areas (to present the LTA's consumers' bureau and inform users about the complaints process)

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Setting a rules framework – Codes of Conduct, standard setting and enforcement

Once the concerns of the consumer have been established, the focus of attention for best practice moves to setting a rules framework that allows consumers to understand their rights and responsibilities.

But with or without consumer legislation, regulators have the power to create their own consumer frameworks by issuing regulations.

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Setting a rules framework – Codes of Conduct, standard setting and enforcement – Examples - 1/3

In July 2007, the Nigerian Communications Commission gazetted the Consumer Code of Practice Regulation, which has become the reference document for both consumers and the operators.

- each licensed operator is required to produce and submit a Code of Practice,
- the Code of Practice is reviewed and approved by the Commission.
- the Code of Practice stipulates Service Level Agreements, the responsibilities and rights of each party, and procedure for resolving disagreements whenever they arise between parties

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Setting a rules framework – Codes of Conduct, standard setting and enforcement – Examples` - 2/3

The Nigerian consumer code is divided in 7 parts requiring telecommunications licensees to ensure

- Provision of Information to Consumers
- Advertising and Representation of Services
- Consumer Billing, Charging, Collection and Credit practices
- Consumer Obligations
- Protection of Consumer Information
- Complaints Handling
- Code Compliance

However, a Code of Practice does not by itself lead to changes in actual practice unless both widely known about and enforced.

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Setting a rules framework – Codes of Conduct, standard setting and enforcement – Examples` - 3/3

➤ The Mauritanian regulator believed that financial penalties were the only tool that it could use with mobile operators to get them to tackle seriously quality of service issues.

➤ Nigeria: NCC asked mobile operators to reimburse customers because of bad service quality (May-June 2008)

➤ Senegal: the ARTP fined Sonatel (now branded Orange) for a major service disruption in 2007)

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Setting a rules framework – Codes of Conduct, standard setting and enforcement – Examples - 3/3

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Setting a rules framework – Codes of Conduct, standard setting and enforcement – Examples - 3/3

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Consumer Redress - Complaints processes and the regulator as referee of last resort

It is important to give consumers a clear space on the regulatory web site in particular with regards to complaints: Hong Kong's OFTA provides a separate Consumer Focus section on its website.

- Under The Smart Consumer's Corner it offers a combination of information on consumer programmes on television and radio and a selection of e-games including online quizzes.
- It also provides a full listing of operators' customer charters all on a single page.
- It carries a listing of complaints and the outcome from them. Publicising the outcome of complaints allows consumers to see what can result from making a complaint.

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As telecoms operators become more established, regulators need to shift their emphasis from the industry part of their mandate to addressing the consumer interest more directly under the following headings.

- Consumer access
- Consumer choice
- Consumer empowerment
- Consumer protection from unfair practices
- Consumer redress

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Session 4: Wrap up and the Way forward

➤ Audience divided in groups to draft recommendations/action plan

➤ Topics:

1. Consumers Rights and Responsibilities
2. Empowering ICT Regulators
3. Engaging Operators
4. The Media: Informed Coverage



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