



ATIS Response To

CONSULTATION PAPER ISSUED BY THE INFO-COMM MEDIA DEVELOPMENT AUTHORITY

ON THE TELECOMMUNICATION AND SUBSCRIPTION TV MEDIATION- ADJUDICATION SCHEME

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(a) Cover Page

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(c) Summary of Major Points

While ATIS welcomes the major concepts in the Scheme, we would like to suggest adjustments to some operating models.

Learning from the successful CCSS (Customer Complaint Settlement Scheme) model in Hong Kong, ATIS believes a similar model, with some adjustment for Singapore's needs, can work as well, and in fact, may be more acceptable to operators. ATIS is keen to explore a similar role as CAHK (Communications Association of Hong Kong), or contribute in any other way towards the ecosystem.



(d) Statement of Interest

Established in 1986, ATIS champions industry issues on behalf of the ICT / Telecommunications industry in Singapore. It seeks to provide a common platform for all members of the industry to interact, work together and position Singapore as a leading global InfoCommunications (ICT) hub, co-operating closely with partners in both local and regional ecosystems, including authorities such as IMDA.

ATIS members come from all areas of the ICT / Telecommunications industry including Service Providers and Operators, Equipment Manufacturers, Distributors and Dealers, Value-Added Resellers (VARs), System Integrators (SIs), Consultants and Training organisations.

ATIS is a member of ATIE (Asian Telecom & Information Exchange). Established in 1995, the objective of ATIE Forum is to exchange ideas and experiences of Telecom and IT field among the participating member associations in Asian region. Members comprise telecom/ infocom trade/industry associations from Japan, Korea, Hong Kong, Taiwan, Malaysia, India, etc. The forum also aims to promote further development of the Telecom and IT industry through mutual co-operation amongst others.

Through our interaction with CAHK (Communication Association of Hong Kong), a member of ATIE, we learn about Hong Kong's CCSS (Customer Complaint Settlement Scheme). CCSS has a similar function as Mediation- Adjudication Scheme proposed in this consultation paper. Launched since 2012, CCSS has seen encouraging outcome, proven demand and positive feedback from providers and consumers in resolving billing disputes. Supervised under CAHK, CCSS is supported by all major telecommunications service providers in Hong Kong.

The proposed Scheme in this paper aims to balance the bargaining parity between providers and consumers, tipping more towards the consumers, and with providers funding most of the operation. We believe a similar operating model as CCSS will be more receptive to the providers.

ATIS is pleased to explore if it can play a similar role as CAHK in this regards, or contribute in any other way for the framework to work.

The Scheme aims to cover not only billing but other disputes related to performance etc. We suggest the mediators should have domain knowhow or experience in the telecom/ infocomm industries to understand the technical issues at hand, so as to be able to facilitate understandings and mediate effectively. Towards this end, ATIS, as the trade association with connectivity to the telecom/ infocomm community, can facilitate the availability of such domain experts.

(e) Comments

Consultation Question 1: Do you have any comments or suggestions on IMDA's proposed two-step Mediation – Adjudication process, and whether this process will achieve the policy objectives of providing the Disputing Parties with a resolution in an effective manner?

We feel that the new value-add of the framework should be to promote mutual understanding between the claimant and respondent on the issues concerned, and less on the litigious perspectives.

During mediation, if the issues are non technical in nature such as billing, suggestions such as clearer billing format should be proposed.

If the issues are technical in nature such as performance, mediators with technical knowhow of telecom should be engaged. Such mediators can explain if certain performance demands are reasonable or not. For example, wireless coverage of wifi in some blind spots.

Existing framework in Singapore such as small claims tribunal may be sufficient to play the role of the adjudication stage proposed.

2-step process may reduce the urgency to settle during mediation stage. The additional adjudication step may confuse claimants when other choices such as small claim tribunal is available. Also, this adjudication step could prolong the process as the consumer could choose not to accept its decision and further pursue other channels, whereas it is binding on the provider when the consumer accepts it. This creates asymmetry of fairness.

Hong Kong CCSS uses a one step process- only the mediation stage.

Consultation Question 2: Do you think that it is necessary to serve a "notice of intention to mediate" so that it is demonstrated that the Disputing Parties have exhausted all available options before starting mediation proceedings? What are your views on the 14 calendar days required – is it too long, too short or sufficient?

Yes, such notice or application is necessary to reduce frivolous or vexatious claims. There should be some simple guidelines on what customers are expected to do in trying to settle directly with the providers, before raising the matter under this ADR scheme.

In the case of CCSS, OFCA takes the responsibility of receiving the application and initial assessment. In the case of Singapore, either IMDA or a 3rd party organisation like ATIS may perform this role.

We have no comment on the 14 days lead time as it depends on the readiness and capacities of the mediation communities in Singapore to support this.

Consultation Question 3: Do you agree that a documents-based adjudication is more efficient for the Disputing Parties, or do you have any suggestions to enhance the adjudication stage?



Yes, document-based adjudication is more efficient. Mediation step already provides the opportunities for both parties to present their case and there is no need for further face-to-face adjudication.

Consultation Question 4: What are your views on giving consumer the option to choose whether to accept an adjudicated decision for it to be binding on the Disputing Parties? Do you think that this would help to achieve faster resolution of disputes?

While we opine that mediation stage is sufficient, if the authority decides to include the adjudicated stage, below is our suggestion.

It depends on the amount of claims. For small amounts, we agree that adjudicated decision shall be binding as the scale of claims will not justify the resources for further actions. For large amounts, either claimants and providers can be given further channels to settle with the claims.

If the decision of adjudication is binding, it should apply to both claimant and provider.

Consultation Question 5: Do you think consumers should be given the option to go straight to adjudication, without requiring the Disputing Parties to go through mediation first?

No. Mediation step is necessary for both parties to understand each other's points of view with the help of a neutral 3rd party as mediator. The mediator, if equipped with domain knowhow of telecom, can further facilitate the understandings.

Consultation Question 6: Do you agree that apart from Individual Consumers, it is beneficial to include Small Business Customers as Eligible Customers under the Scheme? Why do you think so?

Yes. The scheme's purpose is to balance the bargaining parity between the claimants and respondents. Small Business Customers are on about the same scale of balance as Individuals, especially if the respondents are the larger service providers.

Consultation Question 7: Is the definition of Small Business Customer appropriate? If not, how should it be defined?

We would consider also this definition of those who employ 10 workers or less, OR annual revenue of \$1m or less. The key is whether the customer has potential service demand as a bargaining chip to the service providers. Some customers with revenue of \$1m or more may not have enough potential demand to balance the bargaining parity.

Consultation Question 8: Do you agree that IMDA should mandate participation of all telecommunication and subscription TV Service Providers that have direct billing relationship with Eligible Customers in the Scheme?

Yes. This provides a standardized, non-confusing framework that customers can start to understand. Also, participation of all service providers helps to provide critical mass of activities and economy of scale to make the scheme feasible and sustainable.

Consultation Question 9: Are there other Service Providers that should be required to participate in the Scheme? Why do you think so?

We propose a calibrated approach and start with the proposed licensees listed in para 4 of the Consultation Paper. After the scheme is implemented, we may extend it to other service providers like RSPs (Retail Service Providers).

Consultation Question 10: Do you have any comments on the proposed scope of Eligible Services, and what services should be included or excluded from the scope? Why do you think so?

We prefer that mediators have domain knowhow of telecom to effectively facilitate understanding and mediation. As such, we propose a calibrated approach and start with the proposed services listed in para 5 of the Consultation Paper. As pool of competent mediators with telecom domain knowhow is built up, we can expand into other services.

Consultation Question 11: Do you agree that Eligible Complaint Issues ought to be limited to issues that can be resolved through service recovery efforts, or compensated in kind or monetary terms? Why do you think so?

Yes. Issues should be limited to cases that the service provider can be held reasonably responsible for, and remedy is possible.

Consultation Question 12: What do you think are other complaint issues that should be included and / or excluded from the scope of issues that are eligible under the Scheme? Why do you think so?

Collateral damages or cases due to force majeure should not be included.

Consultation Question 13: Do you agree that IMDA should adopt a co-payment model so that the Scheme can be self-sustainable? Why do you think so?

Yes. Initial commitment in payment from both claimants and respondents is required. Service providers typically are not in favour of this scheme which tip the scale of bargaining parity against them. Therefore, we also feel that some public funding should be allocated for this framework, at least during the initial stage, to support its build up so that the scheme can roll out more smoothly.

Consultation Question 14: What are your views on the fee ratio of 10:90 in favour of the Eligible Customers to help balance the disparity in the respective bargaining power of the Disputing Parties?

It depends not so much on the ratio, but the absolute amount the customer has to pay. It should be high enough to deter frivolous claims, and yet low enough to facilitate genuine claims. These amounts may differ depending on the class of claimants (consumers, small businesses etc).



(f) Conclusion

ATIS supports the broad framework of the Scheme and proposes the CAHK-CCSS scheme as reference, and is keen to play a role in this ecosystem.