

# **Customer Complaint Settlement Scheme**

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**For the period  
from 1 May 2019 to 30 April 2020**

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## 1. Introduction

The voluntary Customer Complaint Settlement Scheme (“CCSS”) is a mediation scheme set up by the telecommunications industry to help resolve billing disputes in deadlock between telecommunications service providers and their residential/personal customers. A CCSS Mediation Centre (Telecom) (the “Centre”) was set up under the Communications Association of Hong Kong (“CAHK”) to manage and operate the scheme.

All major telecommunications service providers have participated in the scheme as CCSS Members. The list of the CCSS Members as at 30 April 2020 is shown as follows:

China Mobile Hong Kong Company Limited
China Unicom (Hong Kong) Operations Limited
China-Hong Kong Telecom Limited
CITIC Telecom International Limited
ComNet Telecom (HK) Limited
CSL Mobile Limited
HGC Global Communications Limited
HKBN Enterprise Solutions HK Limited (formerly known as "WTT HK Limited")
HKBN Enterprise Solutions Limited
Hong Kong Broadband Network Limited
Hong Kong Telecommunications (HKT) Limited
Hutchison Telephone Company Limited
i-CABLE
IMC Networks Limited
Multibyte Info Technology Limited
SmarTone Mobile Communications Limited
Sun Mobile Limited

Customers who have billing disputes for an amount not less than HK\$300 with the CCSS Members and a deadlock is reached (meaning that the CCSS Members have notified the customers that the billing disputes cannot be settled or the disputes remain unsettled for 6 weeks or more) may choose to use the mediation service provided by the CCSS. To make use of the

mediation service of the CCSS, customers should first contact OFCA, which would assess the merit of the cases and refer eligible cases to the Centre for further processing.

Apart from screening the applications, OFCA also sponsors the operation of the CCSS, through the Memorandum of Understanding (“MoU”) signed between OFCA and CAHK, by contributing the necessary funding, playing an active role in monitoring the performance and the governance of the scheme, and providing other administrative support.

## **2. Organisation Structure, Governance and Operation of the Centre**

During the year, the Centre comprised the Governing Committee and the Operating Team in accordance with Schedule 2 of the MoU. They were supported administratively by a secretariat.

### **2.1 Organisation Structure**

#### **GOVERNING COMMITTEE**

- Mr. Vincent WC Kwok – Chairman
- Mr. Alex KH Wong – Member
- Mr. Larry KH Tam – Member

#### **OPERATING TEAM**

- Ms. Kammy SC Cheng – Assistant Manager
- Mr. Gilbert KS Chan – Part-time Mediator
- Ms. Eunice SY Chen – Part-time Mediator
- Mr. Alex PF Wong – Part-time Mediator
- Mr. Jason WK Wong – Part-time Mediator

#### **SECRETARIAT**

- Ms. Agnes HC Lai – Administrative Officer

## 2.2 Governing Committee

During the year, the Governing Committee consisted of a Chairman and two members appointed by CAHK and they were all independent from any CCSS Members. Their roles and responsibilities were set out in Schedule 2 of the MoU.

CAHK, CCSS Members, OFCA and the Governing Committee had conducted meetings to review the management and operation of the CCSS. The chronology of the meetings and major events held for CCSS are tabulated below.

Date	Nature	Attendance
28 May 2019	EXCO Meeting 2018-2020	Operating Team; EXCO Members of CAHK
17 Jun 2019	Governing Committee Meeting	Operating Team; Governing Committee; OFCA
12 Jul 2019	EXCO Meeting 2018-2020	Operating Team; EXCO Members of CAHK
19 Sep 2019	EXCO Meeting 2018-2020	Operating Team; EXCO Members of CAHK
23 Sep 2019	Governing Committee Meeting	Operating Team; Governing Committee; OFCA
17 Dec 2019	EXCO Meeting 2018-2020	Operating Team; EXCO Members of CAHK
18 Dec 2019	Governing Committee Meeting	Operating Team; Governing Committee; OFCA

Date	Nature	Attendance
12 Feb 2020	EXCO Meeting 2018-2020	Operating Team; EXCO Members of CAHK
12 Mar 2020	EXCO Meeting 2018-2020	Operating Team; EXCO Members of CAHK
25 Mar 2020	Governing Committee Meeting	Operating Team; Governing Committee; OFCA
16 Apr 2020	EXCO Meeting 2018-2020	Operating Team; EXCO Members of CAHK

### 2.3 Operating Team

During the year, the Operating Team comprised administrative staff and a number of part-time mediators.

Members of the Operating Team were appointed in their individual capacity and they were independent from any CCSS Members. In addition, mediators in the Operating Team were equipped with adequate knowledge of the telecommunications industry and mediation skills for effective conduct of mediation.

The Assistant Manager of the Centre oversaw the day to day operation of CCSS and the assignment of cases to mediators for mediations.

To ensure effective operation of the CCSS that met the governance requirements as set out in Schedule 2 of the MoU, the Operating Team had continued to maintain a system for detecting, recording and dealing with governance breaches and complaints, including those cases received from OFCA and other regulatory authorities. Statistics are kept in the system and shared with OFCA for internal record on a monthly basis.

The Operating Team had continued to follow the procedure set out in Schedule 3 of the MoU in handling the complaints referred to the Centre. The process is set out as below:

Step 1	<ul style="list-style-type: none"> <li>- The Centre contacts the customer as referred by OFCA and sends an email to the customer within 4 working days to collect the consent form, application form, application fee and the other relevant documents</li> <li>- The customer is requested to submit all the necessary documents to the Centre within 10 working days. On the 8<sup>th</sup> working day, a reminder is sent to the customer in case the required documents are not received from the customer</li> </ul>
Step 2	<ul style="list-style-type: none"> <li>- Within 4 working days after the submission of all the necessary documents by the customer, the Centre will verify the documents to ensure all the documents are in order</li> </ul>
Step 3	<ul style="list-style-type: none"> <li>- The Centre forwards the customer application form and other documents to the related CCSS Member</li> </ul>
Step 4	<ul style="list-style-type: none"> <li>- The CCSS Member is required to submit the reply form to the Centre within 14 working days. On the 12<sup>th</sup> working day, the Centre sends a reminder to the CCSS Member in case the reply form is not received from the CCSS Member. There is a grace period of 5 working days following the 14 working days. If the CCSS Member fails to submit all the documents after the 5 working days grace period, the Administrative Officer will notify the Assistant Manager and the Governing Committee to liaise with the CCSS Member</li> <li>- If the case is settled between the customer and the CCSS Member before the mediation is conducted, the CCSS Member and the customer shall send the settlement confirmation to the Centre for record and the case is closed</li> </ul>

Step 5	- After all the required documents from the CCSS Member and the customer are received, the Centre arranges the mediation meeting for the two parties. Mediation is to be conducted and completed within 14 working days after the Centre receives the reply form from the CCSS Member
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The Operating Team monitored the progress of cases and sent reminders to scheme users before the submission deadlines.

The Operating Team complied with the Supplementary Guidelines on Fund Administration to ensure proper use of funds. All documents in relation to complaints were stored in locked cabinets for the sake of confidentiality.

The Operating Team conducted random checking on a monthly basis to ensure the information of the designated channels of the CCSS Members was updated on their websites for enquiry by customers. The Operating Team also called the designated channels to test the awareness of the frontline staff of the CCSS Members on the CCSS. The Operating Team also collaborated with CCSS Members in distributing CCSS leaflets at their respective channels.

The Operating Team discussed with the CCSS Members regularly on the result of the random checking for continued improvement of their frontline staffs' understanding towards the scheme and the way in handling complaints related to CCSS.

The Operating Team collected survey forms from the scheme users after completion of each mediation case in order to review their feedbacks, comments and suggestions on the scheme. All survey forms would be sent to OFCA for record once a month.

The Operating Team updated the CCSS website regularly to provide up-to-date information to the public. The CCSS's governance policies and practices, corporate and strategic plans and publications were posted on the CCSS website for public browsing.

### 3. Promotion and Publicity for the CCSS

To enhance the public awareness and usage of the scheme, OFCA launched a publicity campaign during the year to promote the CCSS through newspaper loose inserts, social media, website banner advertisements, Internet search engine, public seminars and roving exhibitions.

Social Media (Facebook Advertisements) –



Website Banner Advertisements –



The promotion and publicity campaigns and events conducted by OFCA and the Centre to promote the CCSS are highlighted as below:-

Date	Channels	Particulars
May 2019	Free Newspaper (AM730)	CCSS leaflet as loose insert distributed with the newspaper to private housing estates
May - Jun 2019	Facebook	Facebook advertisements
May - Jun 2019	Google	Google keyword search advertisements
Jun 2019	Various Websites	Website banner advertisements
Sep 2019 - Dec 2019	OFCA's Public Seminars	Introduction of CCSS to the public in public seminars
Oct 2019 and Jan 2020	OFCA's Roving Exhibitions at various shopping centres	Display of CCSS information at the roving exhibition panels

The Centre had also participated in the “Mediate First – Unlocking Potentials” Pledge event 2019 organized by the Department of Justice. In the event, Mr. Vincent Kwok, the Chairman of the CCSS Governing Committee, was invited to share the experiences gained from the CCSS for resolving disputes in the telecommunications sector.



#### 4. Statistics

A total of 69 eligible cases were received by OFCA during the fifth year of the long term implementation of the CCSS. Among them, 35 cases were satisfactorily settled before referral to the Centre and the remaining 34 cases were referred to the Centre for provision of mediation service.

	No. of eligible cases
Cases settled before referral to the Centre	35
Cases referred to the Centre	34
<b>Total number of eligible cases</b>	<b>69</b>

Among the 34 cases referred to the Centre, 33 cases were satisfactorily settled and 1 case was not settled.

	No. of cases referred to the Centre
Cases settled/closed before mediation	10
Cases settled after mediation	23
Case not settled after mediation	1
<b>Total number of referred cases</b>	<b>34</b>

## 5. Performance Assessment

### 5.1 Key performance indicators (“KPIs”)

KPIs were in place to keep track of the performance of the Centre. The overall achievement of the Centre during the year is shown as below:

KPIs	Target	Achievement
% of cases which customers were first contacted within 4 working days from the date of referral from OFCA	100%	100%
% of cases which reminders were issued to the CCSS Members to return the CCSS Members Reply Form within 14 working days	100%	100%
% of cases which mediation was conducted within 14 working days of receipt of CCSS Member Reply Form	75%	87.5%
% of cases which were processed within 2 months from date of referral from OFCA to completion of Mediation.	75%	95.8%
% of case which the Governing Committee completed the investigation of complaints against the Operating Team within 2 months from receiving the complaints	75%	N/A*
% of quarterly statistics submitted to OFCA within 10 working days after the end of each quarter	100%	100%
% of projected funding requirements submitted to OFCA no later than 15 working days from the beginning of each new quarter	100%	100%
% of management accounts submitted to OFCA within 15 working days after the end of the last quarter	100%	100%
% of cases resolved	80%	97%
Average score of the user satisfaction survey (5 as the highest)	4	4.6

\* No complaint was received during the period.

During the year, the Centre had achieved 100% of the targets in following the procedures and processes set out under Schedules 2 and 3 of the MoU.

## 5.2 Users' Feedbacks

The average scores of the feedback received from the completed mediation cases during the year are shown as below:

Average score (5 as the highest)		Customers	CCSS Members
1	The Centre staff have informed me of the procedures in relation to the CCSS process	4.8	4.3
2	The Centre staff have consulted me on a timing and method for conducting mediation that suited my needs	4.7	4.7
3	The Centre staff were responsive to my enquiries	4.8	4.6
4	The Centre staff were helpful and courteous to me	4.9	4.6
5	The mediator was able to facilitate the negotiation between me and the other party	4.6	4.5
6	The charge on using the CCSS service was reasonable	4.7	N/A
7	The time taken for resolving the dispute via the CCSS was reasonable	4.5	4.5
8	The CCSS was effective in resolving the billing disputes in deadlock	4.6	4.6
9	The overall arrangement of the CCSS was satisfactory	4.7	4.7
<b>Average total score:</b>		<b>4.7</b>	<b>4.6</b>

## 6. Case Study

The customer was using the mobile service from a mobile service provider ("Hong Kong SIM card"), which included free data roaming service in China and Macau up to certain GB. When he travelled overseas, he purchased a local SIM card ("Local SIM card") and inserted it into his dual SIM mobile phone but did not take out the Hong Kong SIM card from the other slot of his dual SIM mobile phone. Later, he found that he was charged by his mobile service provider with data roaming charges on the Hong Kong SIM card. He questioned why the charges was incurred as he thought he had used the Local SIM card instead of the Hong Kong SIM card to access the data service during his stay in overseas. The customer refused to pay the data

roaming charges and lodged a complaint with his mobile service provider. The dispute could not be settled after rounds of negotiation. Finally, the customer sought help from the CCSS.

During the mediation meeting, with the assistance of the mediator, the customer came to understand the cause of the unexpected roaming charges. As the customer assumed that the roaming services was available in China and Macau only, he had neither taken out his Hong Kong SIM card from his mobile phone, nor turned off the data roaming service during his stay in overseas. After he inserted the Local SIM card into his mobile phone and turned on his mobile phone again, the Hong Kong SIM card was detected instead and therefore roaming data usage was incurred.

Having understand the cause of the roaming charges, the customer agreed to reach a settlement agreement with his mobile service provider and the dispute was successfully settled.

## **7. Audited Financial Statement**

During the year, the Centre was granted sponsorship of HK\$984,219 from OFCA for the operation of CCSS.

The total income and expenditure for the year were HK\$988,381 and HK\$1,028,851 respectively. The total income included the above sponsorship, service fees for cases handled under the CCSS and bank interest. Under these circumstances, the deficit for the period was HK\$40,470.

Please refer to the audited report of CCSS which had been approved by the Governing Committee and submitted to OFCA together with this Annual Report.

- End of the Report -