

Customer Complaint Settlement Scheme

**For the Transitional Period
from 1 November 2014 to 30 April 2015**

and

**First Year Implementation
from 1 May 2015 to 30 April 2016**

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1. Introduction

The voluntary Customer Complaint Settlement Scheme (“CCSS”) was launched on 1 November 2012 for a trial period of two years to help resolve billing disputes in deadlock between the telecommunications service providers and their residential/personal customers by means of mediation. A CCSS Mediation Centre (Telecom)¹ (the “Centre”) was set up under the Communications Association of Hong Kong (“CAHK”) to manage and operate the scheme.

The two-year trial period came to an end on 31 October 2014 and a six-month review on the scheme effectiveness and public demand were undergone from 1 November 2014 to 30 April 2015.

During the transitional period, the Office of the Communications Authority (“OFCA”) and the telecommunications industry had completed the assessment on the effectiveness of the trial CCSS. Having regard to the encouraging outcome of the trial with almost 100% of the eligible cases successfully settled, the proven demand and positive feedback from customers and the participating service providers, OFCA showed continuous support for the long term implementation of the CCSS on the basis of the framework adopted in the trial scheme commencing from 1 May 2015. OFCA presented the findings of the review of the two-year trial scheme to the Legislative Council Panel on Information Technology and Broadcasting on 11 May 2015



The Centre was relocated to Suite 607, 6/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong on 2 October 2015 and the new office was open to all CCSS stakeholders as well as various mediation services providers in Hong Kong on 6 November 2015.



¹ The CCSS has adopted the Centre name “CCSS Mediation Centre (Telecom)” for the Business Registration after relocating to the new address on 2 October 2015.

Following the way forward to a long-term implementation of the CCSS, different measures were taken to increase the public awareness of the scheme to extend the benefit to the people in need. OFCA prepared a series of advertisements and advertorials for publication in different publications, the Centre co-ordinated with different mediation services providers to exchange visits and started to plan the joint promotion, the CCSS Governing Committee also initiated an opportunity for an academic presentation of the CCSS at the 21st Biennial Conference of the International Telecommunications Society to be held in Taipei in June 2016.



The telecommunications industry has shown great support to the CCSS. All major telecommunications service providers have participated in the scheme as CCSS Members as below:

China Mobile Hong Kong Company Limited	China Unicom (Hong Kong) Operations Limited
China-Hong Kong Telecom Limited	CITIC Telecom International Limited
CMMobile Global Communications Limited	CSL Mobile Limited
Hong Kong Broadband Network Limited	Hong Kong Telecommunications (HKT) Limited
Hutchison Global Communications Limited	Hutchison Telephone Company Limited
i-CABLE	IMC Networks Limited
New World Telecommunications Limited	SmarTone Mobile Communications Limited
Sun Mobile Limited	Wharf T&T 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 has continued to sponsor the operation of the CCSS, through a Memorandum of Understanding (“MoU”) signed between OFCA and CAHK, by contributing the necessary funding and 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

The Centre comprises the Governing Committee and the Operating Team in accordance with Schedule 2 of the MoU. They are supported administratively by a secretariat.

2.1 Organisation Structure

GOVERNING COMMITTEE

- Dr. Hubert Chan – Chairman (until November 2014)
- Mr. Alex Tam – Chairman (appointed on 14 November 2014)
- Mr. K T Wong – Member (until 22 March 2016)
- Mr. Xu Yan – Member (appointed on 14 November 2014)
- Mr. Vincent Kwok – Member (appointed on 31 March 2016)

OPERATING TEAM

- Ms. Kathlin Liao – Executive and full-time mediator
- Mr. Gilbert Chan – Part-time mediator
- Ms. Eunice Chen – Part-time mediator
- Mr. Alex Wong – Part-time mediator
- Mr. Jason Wong – Part-time mediator

SECRETARIAT

- Ms. Kammy Cheng – Administrative Officer

2.2 Governing Committee

The Governing Committee consists of a Chairman and two members appointed by CAHK and they are all independent from any CCSS Members. Their roles and responsibilities are set out in Schedule 2 of the MoU.

During the transitional period and the first year of the long term implementation, CAHK, CCSS Members, OFCA and the Governing Committee 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	Venue	Nature	Attendance
26 Nov 2014	The Centre	5th EXCO Meeting 2014-2016	CCSS; EXCO Members of CAHK
14 Jan 2015	Lincoln House	6th EXCO Meeting 2014-2016	CCSS; EXCO Members of CAHK
23 Jan 2015	The Centre	1st Governing Committee Meeting on CCSS (2014-2016)	CCSS; Governing Committee
12 Mar 2015	The Centre	Meeting with OFCA	CCSS; Chairman of Governing Committee; OFCA
13 Mar 2015	Lincoln House	7th EXCO Meeting 2014-2016	CCSS; EXCO Members of CAHK
21 Apr 2015	OFCA Office	CCSS Meeting	CCSS; Chairmen, OFCA
21 Apr 2015	OFCA Office	TRAAC Meeting	CCSS; CCSS Members; OFCA
7 May 2015	Lincoln House	8th EXCO Meeting 2014-2016	CCSS; EXCO Members of CAHK
9 Jun 2015	The Centre	2nd Governing Committee Meeting on CCSS (2014-2016)	CCSS; Governing Committee
7 Jul 2015	Lincoln House	9th EXCO Meeting 2014-2016	CCSS; EXCO Members of CAHK
18 Sep 2015	Lincoln House	10th EXCO Meeting 2014-2016	CCSS; EXCO Members of CAHK
8 Oct 2015	The Centre	3rd Governing Committee Meeting on CCSS (2014-2016)	CCSS; Governing Committee; OFCA
25 Nov 2015	Lincoln House	11th EXCO Meeting 2014-2016	CCSS; EXCO Members of CAHK
27 Jan 2016	Lincoln House	12th EXCO Meeting 2014-2016	CCSS; EXCO Members of CAHK
18 Feb 2016	The Centre	4th Governing Committee Meeting on CCSS (2014-2016)	CCSS; Governing Committee; OFCA
22 Mar 2016	Lincoln House	13th EXCO Meeting 2014-2016	CCSS; EXCO Members of CAHK

2.3 Operating Team

The Operating Team comprises an Executive (who is also a full-time mediator) and a number of part-time mediators.

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

The Executive of the Centre oversees the day to day operation of CCSS and provision of mediation service. The Executive would sit in the mediation meeting as a panel mediator whenever necessary.

To ensure effective operation of the CCSS that meets the governance requirements as set out in Schedule 2 of the MoU, the Operating Team has 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 has 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"> - 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 - The customer is requested to submit all the necessary documents to the Centre within 10 working days. On the 8th working day, a reminder is sent to the customer in case the required documents are not received from the customer
Step 2	<ul style="list-style-type: none"> - Within 4 working days after the submission of all the necessary documents by the consumer, the Centre will verify the documents to ensure all the documents are in order

Step 3	- The Centre forwards the customer application form and other documents to the related CCSS Member
Step 4	<ul style="list-style-type: none"> - The CCSS Member is required to submit the reply form to the Centre within 14 working days. On the 12th 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 Executive & the Governing Committee to liaise with the CCSS Member - If the case is settled between the customer and the CCSS Member before mediation is conducted, the CCSS Member and the customer shall send the settlement confirmation to the Centre for record and the case is closed
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

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 trading funds. All documents in relation to complaints are 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 has 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 Operation 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:

Publications http://ccss.cahk.hk/zh/publication.html
CCSS Audit Report http://www.ccss.cahk.hk/en/pdf/CCSS%20Audit%20Report%202013-2014.pdf
Annual Report http://www.ccss.cahk.hk/en/pdf/CCSS%20Annual%20Report%20for%20the%202nd%20Year%20Trial%20Period%20(CLEAN).pdf
Governing Committee member information update http://ccss.cahk.hk/zh/about.html
The Memorandum of Understanding (MoU) http://www.ccss.cahk.hk/pdf/New%20MoU%20with%20CAHK%2020150430%20(Final).pdf
The Schedule 1-4 to the MoU http://www.ccss.cahk.hk/en/about.html
The CCSS Leaflet http://www.ccss.cahk.hk/en/pdf/CCSS_Leaflet.pdf

3. Promotion and Publicity for the CCSS

In the transitional period and the first year of the long term implementation of the CCSS, OFCA and CAHK continuously promoted the CCSS to enhance public awareness and usage of the scheme. The promotion and publicity events by OFCA and CAHK to promote the CCSS were highlighted as below:-

Date	Channels	Particulars
Feb 2015	eHealth Consortium e-Newsletter	Free advertisement in eHealth Consortium e-Newsletter: February 2015(Issue 20)
11 Mar 2015	Hong Kong Convention and Exhibition Centre	CCSS Leaflets were distributed together with the guest folders in the Mediate First Pledge Reception organised by Department of Justice
Jun 2015	CCSS Members' outlet	CCSS Leaflets were distributed at CCSS members' outlet
Aug 2015 to Jan 2016	At various shopping centres, MTR stations and Government Offices	CCSS information was included in the panel display at the OFCA Roving Exhibitions
Sep 2015 to Jan 2016	At various museums, libraries and community halls	CCSS information was mentioned at OFCA's Public Seminars and Community Seminars
15 Sep 2015	AM730	CCSS comic strip advertisement
28 Jan 2016	E-Zone magazine	A post-event article on the public seminars on "Smart Use of Telecommunications Services" featuring CCSS messages was published
22 Feb 2016	Headline Daily	CCSS comic strip advertisement
26 Feb 2016	Sky Post	CCSS comic strip advertisement
10 Mar 2016	U Magazine	CCSS advertorial
21 Mar 2016	AM730	CCSS comic strip advertisement

Date	Channels	Particulars
24 Mar 2016	Metro Daily	CCSS comic strip advertisement
11 Apr 2016	Weekend Weekly	CCSS advertorial
18 Apr 2016	Headline Daily	CCSS comic strip advertisement
22 Apr 2016	Sky Post	CCSS comic strip advertisement

4. Statistics

A total of 244 eligible cases were received by OFCA during the transitional period and the first year of the long term implementation of the CCSS. Among them, 112 cases were satisfactorily settled before referral to the Centre and the remaining 132 cases were referred to the Centre for provision of mediation service.

	No. of eligible cases		
	Transitional Period	First Year of the Long Term Implementation	Total
Cases settled before referral to the Centre	34	78	112
Cases referred to the Centre	53	79	132
Total number of eligible cases	87	157	244

As of 15 June 2016, among the 132 cases referred to the Centre, 126 were satisfactorily settled and 6 cases could not be settled after mediation.

	No. of cases referred to the Centre		
	Transitional Period	First Year of the Long Term Implementation	Total
Cases settled/ closed before mediation	20	34	54
Cases settled after mediation	32	40	72
Cases not settled after mediation	1	5	6
Total number of referred cases	53	79	132

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 in the transitional period and the first year of the long term implementation was shown as below:

KPIs	Target	Achievement	
		Transitional Period	First Year of the Long Term Implementation
% of cases which customers were first contacted within 4 working days from the date of referral from OFCA	100%	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%	100%
% of cases which mediation was conducted within 14 working days of receipt of CCSS Member Reply Form	75%	100%	91.1%
% of cases which were processed within 2 months from date of referral from OFCA to completion of Mediation.	75%	93.9%	93.3%
% of case which the Governing Committee completed the investigation of complaints against the Operating Team within 2months from receiving the complaints	75%	N/A*	N/A*
% of quarterly statistics submitted to OFCA within 10 working days after the end of each quarter	100%	100%	100%
% of projected funding requirements submitted to OFCA no later than 15 working days from the beginning of each new quarter	100%	100%	100%
% of management accounts submitted to OFCA within 15 working days after the end of the last quarter	100%	100%	100%
% of cases resolved	30%	98.1%	93.7%
Average score of the user satisfaction survey	3	4.7	4.7

* No complaint was received during the period.

Over the past one and a half year, the Centre has achieved all of the targets in following the procedures and processes set out under Schedules 2 and 3 of the MoU. The indicators highlighted in yellow reflected the high satisfactory level of the customers and CCSS Members who used the mediation services provided by the Centre.

5.2 Users' Feedbacks

The average scores of the feedback received from the completed mediation cases during the transitional period and the first year of the long term implementation are shown as below:

Average score (5 as the highest)		Transitional Period		First Year of the Long Term Implementation	
		Customers	CCSS Members	Customers	CCSS Members
1	The Centre staff have informed me of the procedures in relation to the CCSS process	4.7	4.8	4.8	4.8
2	The Centre staff have consulted me on a timing and method for conducting mediation that suited my needs	4.7	4.7	4.8	4.8
3	The Centre staff were responsive to my enquiries	4.6	4.7	4.9	4.8
4	The Centre staff were helpful and courteous to me	4.7	4.8	4.8	4.9
5	The mediator was able to facilitate the negotiation between me and the other party	4.7	4.7	4.7	4.8
6	The charge on using the CCSS service (HK\$100) was reasonable	4.6	N/A	4.6	N/A
7	The time taken for resolving the dispute via the CCSS was reasonable	4.6	4.7	4.7	4.7
8	The CCSS was effective in resolving the billing disputes in deadlock	4.5	4.7	4.5	4.6
9	The overall arrangement of the CCSS was satisfactory	4.5	4.7	4.5	4.7
Average total score:		4.6	4.7	4.7	4.7

Many users shared their valuable comments in the users' satisfaction survey after completion of the case. The comments are listed in Annex I.

6. Case Study

Case 1:

After returning from an overseas trip, the customer discovered he had incurred data roaming charges during the trip and his mobile data service has been suspended. The customer believed that he had switched off his roaming data function on his mobile phone and switched off his mobile phone most of the time during the trip, except when he needed the mobile phone to take a few photos and to make/receive voice calls. After more than six weeks of back and forward discussions with his telecommunications service provider the dispute went into deadlock. Faced with the financial implication and service suspension, the customer sought help and lodged the complaint with OFCA alleging that the data roaming charges were unreasonable and demanded to know why he was charged for data roaming service which he did not consume. With the consent of the complainant, his case was referred to the CCSS for handling.

In the mediation meeting, the mediator asked the complainant about the details on how he used his mobile service overseas with a view to assisting the complainant to understand why and how data roaming charges were incurred in the circumstances. The service provider also presented records of data roaming usage to prove the incurred charges. During the mediation, the complainant realized the mistake he had made resulting in the disputed roaming charge, and finally agreed to settle the dispute with the service provider. The customer was particularly satisfied that the mediation process had helped him to understand why the charges had incurred and eased him off from the stress and misunderstanding he had been suffering all along.

Case 2:

The customer rented a pocket Wi-Fi router device for her cruise trip to Asian countries. Later, the customer noted that her related mobile service monthly bill had unreasonably included data roaming charges from Asian countries and the United States of America. She lodged the complaint to the telecommunications service provider for the unreasonable roaming

charges but in vain. The billing disputes went in deadlock and the customer sought help from the CCSS. Mediation was arranged by the CCSS Centre. During the mediation meeting, the customer was given to understand that as the cruise was a moving object, the network coverage of the pocket Wi-Fi router device was out of the range. Further, in normal circumstance most of the cruises would provide its own mobile roaming services to their passengers, as such data roaming service during cruise tour might be switched between different networks depending on the location of the cruise and the arrangements between the cruise company and different telecommunications service operators. With the assistance from the mediator, the customer and the service provider concerned expressed that they wish to retain and continue their good relationship, and eventually a settlement agreement to the satisfaction of both parties was reached.

7. Audited Financial Statement

In the transitional period and first year of the long term implementation, the Centre was granted sponsorship of HK\$802,973 and HK\$1,834,158 respectively from OFCA for the operation of CCSS.

The total Income and Expenditure for the transitional period were HK\$815,775 and HK\$801,422 respectively and the first year of the long term implementation were HK\$1,849,163 and HK\$1,604,482 respectively. The total income included the above sponsorship, service fees for cases handled under the CCSS and the bank interest. Under these circumstances, the surpluses for the two periods were HK\$14,353 and HK\$244,682 respectively.

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 -

Annex I

Comments provided by the users of the CCSS

Here below are some of the valuable comments received from the users of the CCSS during the transitional period and the first year of the long term implementation. The users have shown appreciation and satisfaction for the mediation service provided by the CCSS.



幫客人爭取應有權益，非常實用。
多謝調解中心作出有效的安排。
建議繼續提供調解服務。
The staff of the Centre has professional knowledge and patience to listen and provide concreted solutions in order to resolve the problem between me and the service provider. The Centre's location is convenient to access and has a comfortable environment.
The staff is very professional, kind and efficient.
今次多謝電訊業幫我調解，雙方面解決。謝謝。
Appreciate the efforts from various parties.
Grateful to the CCSS to help resolving my billing disputes in deadlock with the service provider.
The mediation service is helpful to resolve bill dispute. The staff of the Centre is impartial and polite.
I am lucky to know about the mediation service provided by the CCSS through which my problems are eventually addressed. I can see the positive outcomes of this mediation

besides the settling of monetary disputes.

The mediator is very professional in chairing the meeting. She understands the situation and help with suggestions and advice.

I would like to thank the organization and the staff for their assistance.

調解中心的所有員工都非常有禮，熱心及幫忙，不嫌麻煩詳細解釋並盡力提供幫助。感謝幫忙，不論此次的結果是否如願，都很欣賞大家的協助。

Speedy and efficient, with knowhow to address satisfactorily the need of the complainant.