

ITEMISED BILLING

Consultation Document

MCA/C/13-1596

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1.0 EXECUTIVE SUMMARY

The Malta Communications Authority (hereafter “the MCA” and/or “the Authority”), is publishing this consultation to seek the views of interested stakeholders on a number of proposed measures in relation to subscribers itemised billing¹.

The Authority considers itemised bills to be a tool that allows subscribers to verify and control charges incurred and to adequately monitor their usage and expenditure. The increase in the use of mobile telephony services, as well as the introduction of new services such as mobile data, has resulted in significantly more complex itemised bills.

In the past months the Authority has, therefore, been closely monitoring the provision of itemised bills in the telecoms sector. While the Authority considers that detailed itemised bills could be required by subscribers in some instances, the Authority is of the opinion that the provision of a more basic level of itemised bill could better assist end-users to monitor their usage and expenditure on a regular basis.

By means of this document, the Authority is therefore consulting on the following:

- The minimum level of information to be included in the ‘basic level itemised bill’²;
- The information that is to be included in the ‘detailed itemised bill’³; and
- The provision and format of the ‘basic level itemised bill’ and ‘detailed itemised bill’.

The MCA looks forward to receiving responses from all stakeholders in relation to the proposed measures. The Authority will review and fully take into account all responses and issue its decision notice as soon as possible.

Responses to this consultation must be received by **5.00pm on Friday, 19th July 2013**.

¹ An ‘itemised bill’, is provided to subscribers, upon request (in addition and over and above to the standard bill), and contains more information about the subscriber’s usage and expenditure than a standard bill. An itemised bill can either be of a ‘basic level’ or of a ‘detailed level’.

² A ‘basic itemised bill’ provides a summarised breakdown of the subscriber’s expenditure on a particular mobile or fixed telephony service plan.

³ A ‘detailed itemised bill’ provides more detailed information on each individual transaction (including individual costs incurred) made by the subscriber, on a particular mobile or fixed telephony service plan.

2.0 INTRODUCTION

Under Regulation 38 (5) of the Electronic Communications Networks and Services (General) (S.L.399.28) (hereafter 'the ECNSR') the Authority is responsible to ensure that end-users can verify and control the charges incurred and monitor their usage and expenditure.

One of the main sources that can guarantee such transparency and protection to subscribers in the electronic communications sector is the itemised bill. In this respect, the Authority has in the past months reviewed the provision of itemised bills in the electronic communications market. While the Authority notes that most undertakings make available detailed information to subscribers about usage and expenditure, the Authority feels that it should provide guidance on this issue to:

- update MCA's current decision on itemised billing (last updated in 2004);
- address certain aspects which require further transparency; and
- ensure that itemised billing services are being provided in line with the relevant legal requirements.

3.0 LEGAL BASIS

Regulation 38 (5) of the “ECNSR” empowers the Authority, subject to the requirements of relevant legislation on the protection of personal data and privacy, to issue rules regarding billing to be complied with by undertakings providing connection to a public communications network and, or publicly available electronic communications services in order to ensure that subscribers can:

- i. allow verification and control of the charges incurred in using the public telephone network at a fixed location and, or related publicly available telephone services; and
- ii. adequately monitor their usage and expenditure and thereby exercise a reasonable degree of control over their bills.

Under the Fourth Schedule of the “ECNSR”, the Authority is empowered to lay down the basic level of itemised bills which are to be provided by undertakings to subscribers, upon request and free of charge, in addition to the subscribers’ standard bill. The Fourth schedule of the “ECNSR” further specifies that additional levels of detail may be included in subscribers’ itemised bills at reasonable tariffs as the Authority may approve.

This proposed decision does not exempt providers of electronic communications services from complying with any other obligations in accordance with other legal provisions and/or decisions published by the MCA or by other competent regulatory bodies.

4.0 BASIC ITEMISED BILLS

Traditionally, in the past years, itemised bills were provided to subscribers in hard copy format and included details of costs incurred for each call made and the details of SMS⁴ sent in the case of mobile telephony services. With the advent of mobile data services in the local market, details of mobile data usage also started to feature in itemised bills.

Statistics gathered by the MCA indicate that voice and SMS traffic volumes increased significantly over the last few years. Compared to 2009, there was an increase of nearly 90 million outgoing calls made in 2012. During the same periods, the number of outgoing SMS increased by nearly 125 million⁵. Meanwhile, data usage is also becoming more popular and subscriptions to mobile data plans have been increasing over the past years.

All these factors have contributed to the increasingly large volumes of information being provided in itemised bills. While the Authority considers that the provision of detailed information could be necessary, the Authority is of the opinion that, the provision of a more basic level of itemised bill in addition to the detailed version could assist end-users to carry out regular monitoring of their usage and expenditure in a more simplified manner.

4.1 CONTENT OF BILL

The Authority considers that the minimum level of information that should be specified in the basic level itemised bills for mobile and fixed telephony services (i.e. for voice, SMS and data services as applicable) should include the aggregated costs incurred for each different applicable tariff for a particular period⁶. For the avoidance of any doubt, the Authority considers that if the tariff plan has for example, one applicable rate for both local and international calls (i.e. they are charged in the same manner), these could be grouped and displayed as one total. As stipulated in the Fourth Schedule of the “ECNSR”, calls which are free of charge to the calling subscriber, including calls to help lines, are not to be identified in the calling subscriber’s itemised bills.

The Authority is also of the view that all charges (such as for example monthly subscriptions, fault repair fees, late payment charges, etc) incurred by the subscriber in the period covered by a particular basic itemised bill should always feature in that bill and should be reported separately from each other.

⁴ Short message service “SMS”, is a system that enables mobile telephony users to send and receive text messages.

⁵ This statistical information is being cited from MCA’s report on [‘key market indicators for electronic communications and post: Q1 2009 to Q4 2012’](#).

⁶ By way of example, packages offering different tariffs such as for on-net, off-net and international calls, should report the respective total costs separately for these different tariffs.

Proposed Decision 1

For the provision of fixed and mobile telephony services, a basic itemised bill, covering a specific period, should include:

- the aggregated costs incurred for each different applicable tariff; and
- any additional charges/costs incurred by the subscriber.

Details of calls which are free of charge to the calling subscriber, including calls to help lines should not be included in such itemised bills.

4.2 PROVISION OF BILLS AND FORMAT

The Fourth Schedule of the “ECNSR” specifies that basic itemised bills should be provided by undertakings to subscribers, free of charge. While the Authority notes that a number of undertakings already provide a basic itemised bill similar to what is being proposed in this consultative document, the Authority is aware of the possible technical constraints that undertakings may face to implement the provision of such a basic itemised bill. The Authority considers that until a basic itemised bill is made available, undertakings must provide subscribers upon request, with a detailed itemised bill (as referred to in ‘Section 5.0’ hereunder), electronically (if provided by the undertaking) or in hard copy format, free of charge, if the subscriber so requests. In this respect, the Authority will closely monitor developments in the sector until it assures that all service providers provide a basic level of itemised bill.

Proposed Decision 2

Pre-paid and post-paid subscribers should have the right to request a copy of their basic itemised bill, either in electronic (if provided by the undertaking) or in hard copy format, free of charge. Subscribers should be entitled to a minimum of one (1) hard copy of their basic itemised bill for a particular period, free of charge, whilst any subsequent requests for a hard copy of the same itemised bill (i.e. for the same period) may be provided at a reasonable charge.

5.0 DETAILED ITEMISED BILLS

5.1 CONTENT OF BILL

The Authority has in the past months reviewed the provision of detailed itemised bills in the mobile and fixed telephony sectors. The Authority notes that currently most undertakings provide subscribers with a detailed level of itemised bill which provides information in respect of each transaction (such as voice call, SMS, MMS, data session, etc) including the following:

- Date of transaction;
- Start time of transaction;
- Number called, if relevant;
- Duration of the transaction, if relevant;
- The price of the transaction, including “0” if no charge applies; and
- Details of any new charges arising.

The Authority agrees with the inclusion of information in detailed itemised bills as described above as it allows subscribers to verify the charges incurred for a particular transaction when using their telephony services.

The Authority considers that details of calls/minutes, SMS and data classified as ‘free’ forming part of a subscriber’s tariff plan, like for example, calls to fixed numbers that are free of charge in a particular tariff plan, should also be included in the detailed itemised bills.

In line with the Fourth Schedule of the “ECNSR”, details of calls which are free of charge⁷ to the calling subscriber, including calls to help lines must not be included in such itemised bills. For the avoidance of any doubt, these include calls which are extraneous to calls that are free due to them forming part of a particular tariff plan. An example of calls which are free of charge and which should not be included in the itemised bills include, calls to 112 emergency services.

⁷ These calls do not include “free calls/minutes” allocated to a particular tariff/package.

Proposed Decision 3

For the provision of fixed and mobile telephony services, a detailed itemised bill, should include information on each and every transaction made by the subscriber which must include:

- Calls/minutes classified as 'free' (i.e. forming part of a subscriber's tariff plan), specifying for each call, "0 cents" since no charge applies, date, time, duration and recipient number.
- Calls/minutes incurring a charge, specifying for each call made the, date, time, duration, recipient number and cost.
- SMS classified as 'free' (i.e. forming part of a subscriber's tariff plan), specifying for each SMS sent "0 cents" since no charge applies, date, time and recipient number.
- SMS incurring a charge, specifying for each SMS sent the date, time, recipient number and cost.
- Data classified as 'free' (i.e. forming part of a subscriber's tariff plan), specifying for each data session made "0 cents" since no charge applies, date, time and, the number of bytes used (indicating the country and roaming partner, if applicable).
- Data at a charge specifying for each data session made, date, time, number of bytes used and respective charge (indicating the country and roaming partner, if applicable).

Any additional charges incurred by the subscriber should be listed in the "detailed itemised bill".

Calls which are free of charge to the calling subscriber, including calls to help lines should not be identified in the calling subscriber's itemised bill.

5.2 PROVISION OF DETAILED ITEMISED BILLS AND FORMAT

Today, undertakings of electronic communication services, generally provide, free of charge, electronic versions of detailed itemised bills to subscribers. The MCA recognises the cost benefits of having electronic based facilities for subscribers to access these types of bills. The Authority also appreciates the positive environmental impact that this measure brings with it. The Authority maintains that the provision of detailed itemised bills in electronic format should remain free of charge. Any charges for the provision of hard copy detailed itemised bills shall be reasonable as specified in the Fourth Schedule of the "ECNSR".

The Authority hereby proposes that the online systems operated by undertakings, enable subscribers to retrieve copies of their electronic detailed itemised bills for a minimum period of 12 months, free of charge.

5.2.1 Pre-Paid Services

Pre-paid subscribers purchase credit (pay for use of the service) in advance and therefore generally do not receive a periodic bill. MCA however recognises that a pre-paid subscriber may require, from time to time, information about their usage and expenditure.

In such cases, MCA proposes that a pre-paid subscriber should have the same benefits as post-paid subscribers and therefore should have access to a detailed itemised bill at the same conditions, including charges, as post-paid subscribers. Data gathered by MCA indicates that around 80% of mobile subscriptions were on a pre-paid plan as at the end of 2012.

The Authority acknowledges that in the case of pre-paid subscribers, undertakings may require the implementation of authentication measures in order to verify the account holder's identity thereby safeguarding his privacy. Any measures implemented in line with the above, should be in accordance with any relevant data protection laws. Undertakings must ensure that any such measures are justified and reasonable and that they do not act as a disincentive for subscribers to request a copy of their itemised bills. These measures could also apply in cases where a pre-paid subscriber requests a basic itemised bill.

Proposed Decision 4

The provision of a detailed itemised bill in electronic format should be provided free of charge, upon request by a pre-paid or post-paid subscriber. Online systems operated by undertakings should enable subscribers to access and retrieve copies of their electronic detailed itemised bills for a minimum period of 12 months, free of charge.

Any charges applied for the provision of a detailed itemised bill in hard copy format to both pre-paid and post-paid subscribers, should be reasonable and justified. If an undertaking does not provide detailed itemised bills electronically, subscribers should be entitled to request a "detailed itemised bill" in hard copy format, free of charge.

5.3 DISABLED END-USERS AND THE ELDERLY

Article 4 (1) (c) (v) of the "ECRA" specifies that one of the objectives of the Authority is the promotion of end-user's interests and rights, addressing, in particular, the needs of specific social groups, such as disabled end-users and the elderly.

Statistics published by the Eurostat 2012 indicate that only 26% of individuals aged 65 to 74 years use the Internet once a week or more⁸. The MCA is concerned that disabled end-users and the elderly may not be able to access their bills because they do not have a personal computer (PC) or internet access or for other reasons.

⁸ Statistical information on internet usage has been cited from [Eurostat's website](#).

In order to ensure elderly subscribers (those subscribers in possession of a 'kartanzjan') and disabled subscribers are adequately protected, the MCA is proposing that undertakings should, upon verification, provide these subscribers with a detailed itemised bill, free-of-charge, in electronic or in hard copy format, upon request.

In this respect, the Authority considers that, as a minimum, an undertaking must provide, upon request, one (1) hard copy for a specific period, free of charge. Additional hard copies of the same itemised bill (i.e. for the period) may be provided at a reasonable charge.

Proposed Decision 5

Pre-paid and post-paid disabled subscribers and elderly subscribers should have the right to request, a copy of their detailed itemised bill, either in electronic (if provided by the undertaking) or in hard copy format, free of charge. Both disabled subscribers and elderly subscribers should be entitled to a minimum of one (1) hard copy of their detailed itemised bill for a respective period, free of charge, whilst any subsequent requests for hard copies of the same itemised bill (i.e. for the same period) may be provided at a reasonable charge.

6.0 SUBMISSION OF RESPONSES

The Authority welcomes written comments and representations from interested parties and stakeholders during the national consultation period which shall run from the 06/06/2013 to the 19/07/2013.

The Authority appreciates that respondents may provide confidential information in their feedback to this consultation document. This information is to be included in a separate annex and should be clearly marked as confidential. Respondents are also requested to state the reasons why the information should be treated as confidential.

The MCA will publish a list of all respondents to this consultation on its website, up to three days following the deadline for responses. Furthermore, in accordance with the MCA's confidentiality guidelines and procedures⁹, all feedback will be published, except where respondents indicate that a response, or part of it, is confidential. The Authority will take the necessary steps to protect the confidentiality of all such material as soon as it is received at the MCA offices. Respondents are however encouraged to avoid confidential markings wherever possible.

All responses should be submitted to the Authority, in writing by no later than **5.00pm of the 19th of July 2013** and addressed to:

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Extensions to the consultation deadline will only be permitted in exceptional circumstances and where the Authority deems fit. The MCA reserves the right to grant or refuse any such request at its discretion. Requests for extensions are to be made in writing within the first ten (10) working days of the consultation period.

⁹ http://www.mca.org.mt/sites/default/files/articles/confidentialityguidelinesFINAL_0.pdf