



**INDEPENDENT CONSUMER & COMPETITION COMMISSION**

# Complaints Handling

First Draft

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**TELECOMMUNICATIONS INDUSTRY**  
**COMPLAINTS HANDLING CODE OF PRACTICE**

**FOREWORD**

The Independent Consumer and Competition Commission (“Commission”) is a statutory authority, established under the provisions of the *Independent Consumer and Commission Act 2002* (“ICCC Act”). The Commission’s primary objective is to enhance the welfare of the people of Papua New Guinea (PNG) through the promotion of competition, fair trading and consumer protection, and to protect the long term interests of the people of PNG with regard to price, quality and reliability of certain goods and services.

The Commission comprises of one full time Commissioner and two Associate Commissioners, who may be full time or part time. One of the Associate Commissioners must have international experience in the operation and administration of an economic regulatory regime and must be a non-resident of PNG. The Commission is independent of the Government in its decision making, however is accountable to Parliament.

Under the *Telecommunications Act 1996* (“Act”), the Commission is the principal telecommunications regulatory body for PNG, and in addition administering the Act itself, the Commission is responsible for administering other telecommunications regulatory instruments that form the telecommunications regulatory framework for PNG.

Section 66A of the Act allows the Commission to determine codes of practice to be followed by telecommunication carriers in the course of their operations.

The Commission is developing this Telecommunications Industry Complaints Handling Code of Practice to add to the existing telecommunications regulatory framework, and its main objective is to ensure that there is a minimum standard for addressing customer’s complaints by telecommunications carriers in PNG.

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## EXPLANTORY STATEMENT

This is the Explanatory Statement for the Telecommunications Industry Complaints Handling Code of Practice (the “Code”).

This explanatory statement outlines the purpose of the Code and the factors that have been taken into account in developing this code.

### Background

This Code has been developed to establish a comprehensive industry wide complaint handling rules and guidelines for telecommunication carriers’ use when handling complaints. In designing the code, the Commission has sought to incorporate international best practices for complaint handling.

The Commission is developing the code under section 66 A of the Act, which allows the Commission to develop Codes of Practice which are to be followed by carriers in the course of their operations.

Currently, the telecommunications industry consists of one general carrier, Telikom PNG who owns and operates a fixed line network in PNG. In addition, there are two mobile telephony operators, Pacific Mobile Communications (PMC) and Digicel.

After more than three decades, the structure of the telecommunications industry in Papua New Guinea is changing rapidly. Prior to the National Government’s decision in November 2005 to introduce competition into the mobile sector, the sole provider of fixed line and mobile telecommunications services in PNG was the state, which provided telecommunications services through the former Post and Telecommunications Commission and its successor, the state owned entity, Telikom PNG.

With the introduction of competition into the mobile sector, consumers in PNG now have a greater choice of mobile telecommunication carriers who will offer a broad range of new and innovative services and products; and in this new telecommunications environment, PNG consumers will expect a much improved level of service. It is important that in this new telecommunications environment, PNG consumers will have reliable and easy access to telecommunications services.

### Current Regulatory Arrangements

While the current telecommunications regulatory framework contains general provisions with regard to the protection of consumer’s rights, the framework does not contain a specific regulatory instrument that guides or directs telecommunication carriers to develop or implement a complaints handling process.

Section 104 of the *Independent Consumer and Competition Commission Act 2002 (ICCC Act 2002)* outlines the policy of the State to protect the rights and interests of consumers and to monitor standards for the ethical conduct of those engaged in the production and distribution of goods and services. In addition section 105 of the ICCA Act 2002 outlines the rights of consumers which include the right to; safety, choice, consumer education, information, representation and redress.

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Section 2 of the Act lists the general objectives of the Act, which include the need for carriers to achieve high levels of accountability and responsiveness to customer needs and community needs.

Therefore, the current regulatory framework is inadequate as it does not contain a specific outline of what an appropriate complaint handling process would involve.

Recognising the need to have a specific regulatory instrument that addresses carrier responsiveness to customer needs, section 66 A (2) of the Act specifically lists Complaints Handling Code of Practice that may be developed by the Commission for carriers to adhere to.

### **How the Code Builds on and Enhances Current Regulatory Arrangements**

This Code will complement and strengthen the current regulatory framework by providing telecommunications Carriers in PNG with a practical guideline for developing a customer complaint handling process.

### **How the objectives will be achieved**

This Code will apply to General Carriers and Mobile Carriers in PNG (collectively known as Carriers). However, this Code will not apply to holders of restricted general carrier licenses. Carrier compliance with this code is mandatory under the condition of its license.

### **Anticipated Benefits to Consumers**

Consumers are expected to benefit from this Code as a result of the minimum complaint handling processes that Carriers will be required to establish within their organizations. Carriers will be required to inform their customers of the Carrier's complaint handling process and in addition, customers will be made aware of external avenues for redress should they remain unsatisfied with the Carrier's handling of their complaints.

Most importantly, customers will have confidence that their complaints will be dealt with appropriately and in a timely manner.

### **Anticipated Benefits to Industry**

Telecommunications Carriers are expected to benefit from this Code through the expectation that having a minimum standard for handling customer complaints will generate higher levels of customer satisfaction and customer retention rates and improved operational efficiency.

Having a complaints handling process in place will also allow Carriers to identify and address problems associated with the delivery of their services and improve upon these services.

### **Anticipated Costs to Industry**

It is expected that Carriers may incur initial and ongoing costs in relation to compliance with this Code, depending on the level and complexity of their respective complaint

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handling processes. Carriers are expected to incur initial and ongoing costs in relation to the education and training of staff, development or enhancement of policies and procedures, development or modification of internal systems, employment of additional staff, volume related costs in relation to the recording of an anticipated higher number of complaints and compliance monitoring programs. These costs will be partly offset by earlier identification of systemic issues and by improved customer retention rates.

### **Review of Code**

The Commission expects to review this code 3 years from the date of implementation, or earlier if necessary.

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## **1 Introduction**

- 1.1 This Complaints Handling Code of Practice (“Code”) has been developed under section 66 A of the *Telecommunications Act 1996* (“Act”).
- 1.2 This Code relates to the internal handling of Customer Complaints by carriers.
- 1.3 Compliance with this Code does not ensure compliance with other mandated legal and regulatory obligations imposed on Carriers.
- 1.4 If there is a conflict between the requirements of this Code and any requirements imposed on a carrier by statute, the carrier will not be in breach of this Code by complying with the requirements of the statute.
- 1.5 Statements in boxed text are a guide to interpretation only and not binding as Code rules.
- 1.6 For the purposes of this Code, the acronyms, definitions and interpretations, as defined in Section 4 apply unless otherwise stated.

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## **2 SCOPE AND OBJECTIVES**

### **2.1 Scope**

- 2.1.1 This Code applies to holders of unrestricted General Carrier Licences and holders of mobile carrier licenses.
- 2.1.2 This Code sets out minimum requirements for Complaint handling by Carriers in relation to Telecommunications Activities as defined in Section 54(a)(i), 54 (a) (ii) and Section 16 of the Act. This Code covers the handling of Customer Complaints by carriers from the first point of contact at which the Complaint is lodged to satisfaction or final determination of the Complaint, as the case may be.
- 2.1.3 The requirements of this Code apply to Carriers irrespective of the nature of the Complaint or the size of the organization receiving the Complaint. It is recognised that the procedures put in place to implement these requirements will vary according to the size and nature of the Carriers.
- 2.1.4 This Code excludes:
- (a) complaints between Carriers;
  - (b) complaints and disputes subject to legal action;
  - (c) obligations imposed on Carriers by statute;
  - (d) complaints made in respect of or on behalf of Customers by entities levying fees or charges for their services, other than legal practitioners.

### **2.2 Objectives**

The objectives of this Code are for Carriers to develop and enforce a comprehensive Complaint handling process which will maintain and enhance Customer satisfaction through:

- (a) recognising, promoting, and protecting Customers' rights, including the right to actively provide feedback;
- (b) providing an efficient, fair and accessible mechanism for handling Customer Complaints;
- (c) providing information to Customers on the Complaint handling process for telecommunications Products provided by Carriers; and
- (d) monitoring Complaints for the purpose of improving the quality of Products.

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### 3 ACRONYMS, DEFINITIONS AND INTERPRETATIONS

For the purpose of this code, the following acronyms may apply:

#### 3.1 Acronyms

**ICCC – Independent Consumer & Competition Commission**

#### 3.2 Definitions

For the purpose of this code, the following definitions apply:

**Act**

Means the *Telecommunications Act 1996*

**Carrier**

Has the meaning given by section 3 of the Act

**Complainant**

means person or organisation making a Complaint.

**Complaint**

means an expression of dissatisfaction or grievance made to a Carrier by a Customer or member of the public with any Telecommunications Activity of that Carrier, but does not include a request for information.

**Customer**

means a person or entity who:

- (a) has a contract, including standard forms of agreement, with a Carrier for the supply of a telecommunications Product; or
- (b) is eligible under the criteria set by a Carrier to enter into a contract for the supply of the telecommunications Product.

**Product**

means a telecommunications good or service offered by a Carrier.

**Systemic Problem**

represents the failure of a system, process or practice of a Carrier which causes detriment to a significant number or class of Customer. A Systemic Problem may be identified by the Carrier following the receipt and investigation of multiple Complaints of a similar nature. Alternatively, a Systemic Problem may be identified by the Carrier as a result of the investigation of a single Complaint.

**Telecommunications Activity**

means

- (a) carrying on business as a Carrier; and/or
- (b) supplying a Product associated with telephony.

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***Working Day***

means, in a location, a day that is not a Saturday or Sunday or public holiday in that location.

**3.3 Interpretations**

In this Code, unless the contrary appears:

- (a) words in the singular include the plural and vice versa;
- (b) words importing persons include a body whether corporate, politic or otherwise; and
- (c) a reference to a person includes a reference to the person's executors, administrators, successors, officers, employees, volunteers, agents and/or subcontractors (including but not limited to, persons taking by novation) and assigns.

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- 4 Major Sections of this Code**
  - 4 Complaint Handling Code Requirements**
  - 4.1 Complaint Handling Principles**
  - 4.2 Code Rules**
  - 4.3 Responsiveness**
  - 4.4 Complaint Recording and Actions**
  - 4.5 Analysis of Complaints Records**
  - 4.6 Reporting to the ICCC**
  - 4.7 Retention of Complaints Records**
  - 4.8 Charging for Complaints Handling**

- 4 Complaint Handling Code Requirements**

- 4.1 COMPLAINT HANDLING PRINCIPLES**

- 4.1.1 There should be a commitment to efficient and fair resolution of Complaints by people in the Carrier's organisation at all levels, including the carrier's Chief Executive Officer(s) or ruling body and this should be demonstrated by an organisational culture which acknowledges the right of Customers to complain and which regards Complaints as an opportunity to improve its Products.
- 4.1.2 Complaint handling processes should recognise the need for fairness, both to the Complainant and the organisation (or individual) about whom the Complaint is made.
- 4.1.3 Carriers should provide adequate resources for Complaint handling with sufficient delegated levels of authority.
- 4.1.4 Carriers' Complaint handling processes should have the capacity to determine and implement remedies to achieve resolution.
- 4.1.5 Where a carrier operates both fault and Complaint handling processes, as far as possible these processes should be both compatible with each other and transparent to the Customer.
- 4.1.6 Complainants should be treated with courtesy.
- 4.1.7 Carriers should seek to resolve Complaints at the first point of contact, where possible. Carriers must provide sufficient authority to staff receiving complaints to resolve the complaint with the customer at the time the complaint is registered with the Carrier.
- 4.1.8 Carriers must not continue to bill a customer who has lost service through a fault for which the customer has registered a complaint with the Carrier, so long as the fault remains in effect for seven days after the fault is registered in the Carrier complaints handling system.
- 4.1.9 Carriers must not charge customers for reporting complaints.

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4.1.10 There shall be processes established and maintained for systematic recording of all complaints and the outcomes of the complaints

## **4.2 CODE RULES**

### **4.2.1 General**

4.2.1.1 These rules refer to the processing of verbal and written Complaints.

4.2.1.2 Carriers must implement Complaint handling processes and procedures based on the Complaint Handling Principles and with the Code rules in section 4.

### **4.2.2 Visibility and Accessibility**

4.2.2.1 Carriers' Complaint handling policies must be documented and be made available to Customers upon request in hard copy or other format as agreed with the Customer.

4.2.2.2 Carriers' Complaint handling policies must:

- (a) be publicised to Customers and staff;
- (b) include information to Customers about their right to complain;
- (c) provide sufficient information so that Customers can readily identify the area which handles Customer Complaints.

It is recommended that Carriers provide easily understood information about their Complaint handling process in as many mediums and formats as reasonably practicable. Examples may include, but are not limited to, telephone directory information pages or listings, information printed on accounts, service guarantee or product/service brochures, advertising material, customer service guides, internet web pages.

It is also recommended that Carriers take any necessary steps to ensure that Customers can easily identify the area where a Complaint may be lodged. The more specific reference to "customer service" or "complaints" is recommended in preference to "general inquiries".

4.2.2.3 Carriers must provide information to Customers on how, when and where to make a complaint. This information must be simple and in plain English, and this information also must be made available in Pidgin and Motu languages.

This must include information about the Complaint lodging process, hours of operation and offices or locations at which Complaints can be lodged.

4.2.2.4 Carriers must ensure that Customers have access to free or low cost and flexible methods for lodging Complaints.

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To ensure that Customers are not discouraged from making a Complaint, Carriers should consider the provision of a toll free or local access number. Other alternatives for low cost access include e-mail, free-call/local call fax, street address, mailing address or Internet web page form.

- 4.2.2.5 Where requested, Carriers must provide Customers with reasonable assistance in formulating and lodging Complaints.

In cases where Customers specifically request assistance in lodging Complaints, Carriers are encouraged to provide reasonable assistance to the Customer. There may be a number of reasons for the request, e.g. language problems or disability. This may also take the form of providing information on what the Carrier requires the Customer to provide to progress the Complaint, but does not extend to providing resources to compile compensation claims on behalf of the Customer.

### **4.3 Responsiveness**

- 4.3.1 A Carrier must acknowledge written Complaints within 5 working days of receipt of the Complaint. A Carrier can elect to do this either verbally or in writing, unless one or the other method is specified by the Complainant.

Verbal Complaints will be taken as acknowledged at the time the Complaint is made and must be recorded in the fault handling system as soon as possible

- 4.3.2 A Carrier must advise Customers when they make a Complaint, or make every reasonable effort to do so within 5 working days, of the complexity of the investigation and a timeframe for the possible final determination of the Complaint.

If the advised timeframe is to be exceeded, the Carrier must advise the Complainant of the revised timeframe before or at the time the timeframe expires. The timeframe for finalising all Complaints must be 30 calendar days from the date of the Complaint, or in any event as soon as practicable in all the circumstances.

- 4.3.3 In certain cases it will not be possible for a Complaint to be handled within the 30-day timeframe due to the complexity of the problem. A Carrier must provide regular updates to the Customer in these circumstances and the Complainant must be kept informed as to the Complaint's progress and likely timeframe for finalisation.

Where a complaint relates to a fault that results in a loss of service for more than 30 days, the Carrier should offer the customer the closest possible service alternative in order to temporarily restore service.

The complexity or circumstances of a Complaint may include where the Carrier is relying on another Carrier for the provision of information to enable further

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investigation of the Complaint, or for another Carrier to provide information on the resolution or determination of the Complaint.

4.3.4 A Carrier must exercise caution not to dismiss Complaints as frivolous or vexatious without due consideration and, where appropriate, escalation within the Carrier organisation. Where the Carrier deems the Complaint to be frivolous or vexatious, the Carrier must:

- a) inform the Customer of the reasons for the decision not to investigate; and
- b) inform the Customer of the availability of external options for Complaint handling, e.g., the ICCC

#### **4.4 Complaint Recording and Actions**

Carriers must establish and operate a complaint reception and recording process that provides the following minimum functionality:

4.4.1.1 Recording Complaints. Carriers will establish complaint recording and management processes that meet the following requirements:

4.4.1.2 Whether received via telephone to a help desk, or in writing or at any other location designated to receive complaints, the following information will be recorded to assist in the monitoring of complaint handling and to identify repetitive complaints or systematic faults:

- a) Customer name, address, contact details
- b) Customer Account or identification number
- c) Date and time of reception of the complaint
- d) Clear description of the nature of the complaint

4.4.1.3 Information to be provided to the customer at the time of the complaint is recorded must include a unique complaint reference number by which the history of the complaint can be tracked and the customer kept informed of progress when they enquire.

4.4.1.4 All subsequent actions relating to the complaint must also form part of the record of the complaint, including;

- a) Subsequent customer enquiries and reports to the customer on the progress of the complaint
- b) Completion of the complaint process where the complaint is considered to be resolved by the Carrier.

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#### **4.5 Analysis of Complaints Records**

Carriers must establish an analysis process for all complaints to identify recurring and systemic problems, and initiate rectification activities recorded against the faults caused by the systemic fault

#### **4.6 Reporting to the ICCC**

Carriers must provide quarterly reports to the ICCC on the performance of their complaints handling procedures and provide the following minimum information:

- a) Faults received by product category (fixed lines, mobiles, business data services, internet (if relevant), billing and others per week, per region of PNG
- b) Complaints resolved within five working days by product category, per region of PNG
- c) Complaints unresolved in total (ie accumulating over any period of time) by product group and by region
- d) Any special circumstances that have contributed to faults that have been identified.

The ICCC reserves the right to ask for further information regarding any fault information provided in the clause above

#### **4.7 Retention of Complaints Records**

Carriers must retain all complaints records for a minimum of two years.

#### **4.8 Charging for Complaints Handling**

Carriers are not permitted to charge customers for bone fide complaints handling and the cost of rectification of the complaint.