



31<sup>st</sup> January 2013

Manager, Consumer Interests Section  
Australian Communications and Media Authority  
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To the Manager, ACMA Consumer Interests Section

ACCAN thanks the ACMA for the opportunity to comment on the Telecommunications (International Mobile Roaming) Industry Standard 2013 (the Standard). Generally, the Standard sets requirements that will result in consumers receiving clear, timely and practical information on the costs of roaming services.

Roaming services have the potential to cause significant consumer detriment. With many well-publicised examples of roaming bills that cost tens of thousands of dollars,<sup>1</sup> many consumers are rightly nervous about using a roaming service while overseas. If consumers are provided with accurate information about roaming costs they will be able to make informed decisions about when and how they use their phone, tablet or dongle product while overseas. Comments provided below aim to strengthen the Standard so that it reduces the risk of consumers unknowingly incurring excessive roaming bills and increases consumer confidence in roaming products.

#### **Notifications for non-SMS enabled devices**

The Standard needs to be amended so more information is available for consumers using non-SMS enabled devices, most likely some tablet and dongle services. As these services grow in importance, more consumers will use them while roaming. Spend management tools alone will not allow consumers using these devices to determine how much they are spending. In some cases carriers can send SMS notifications to tablet or dongle services, but the consumer may not receive an active (push) notification on the device and must instead check an SMS or message centre. For tablet and dongle services, ACCAN believes consumers should always receive an email with the information outlined in section 5 of the Standard; where possible CSPs should also send an SMS. Emails should be issued in plain text with no attachments to reduce the amount of data downloaded when the notification is received. ACCAN recognises that some consumers using non-SMS enabled devices will not receive a free push notification due to technical constraints but email at least offers a direct avenue for communication when combined with spend-management tools and appropriate warnings from providers at the point-of-sale and pre-departure.

#### **SMS warnings should include in-country SMS costs**

ACCAN generally supports the wording of the SMS notifications to be sent to customers using roaming services, outlined in sections 5 and 6 of the Standard. The notification of specific costs in

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<sup>1</sup> <http://www.zdnet.com/au/turnbull-repays-massive-roaming-bill-charged-to-aussie-taxpayers-700009493/>

5(b) should be amended to include details of the cost of sending an SMS within the country the consumer is visiting.

Due to the high cost of voice services, many consumers rely exclusively on SMS communication while travelling and this information is important to communicate.

#### **Time-delay for SMS warnings to MVNO customers must be reduced**

There are unnecessary time-delays for notifications to customers using a CSP that offers services via another provider's network (also known as Mobile Virtual Network Operators, or MVNOs). Section 5(2)b requires that primary CSPs notify MVNOs about a customer roaming within one hour of device activation. With the additional timeframe for MVNOs to send information, customers will not be informed of roaming costs for one hour and ten minutes. This delay is unacceptable given the cost of roaming services, especially data usage which can occur automatically when a device is switched on.

Unless significant evidence is provided by primary CSPs about any insurmountable (not just costly) technical difficulties involved in sending this information sooner, the timeframe in 5(2)b should be reduced to a maximum of five minutes, although, ideally, systems would automatically inform MVNOs about their customers' roaming status. At the very least, the Standard should be amended so that in 95 per cent of cases the MVNO is notified about a customer roaming within five minutes of device activation. Primary CSPs should regularly report to the ACMA on this target, with aggregate data released in the ACMA annual Communications Report.

#### **Clarification required about situations where CSPs are "unable to comply"**

Section 7(1–3) of the Standard states that if "for reasons which are beyond its reasonable control" CSPs are unable to comply with clause 6, they will need to record the reason for non-compliance, provide the information to the ACMA on request and take all reasonable steps to rectify the situation. Without further clarification of what a reason beyond a CSP's "reasonable control" would entail, this clause could be used to justify a CSP failing to invest in systems that deliver notifications. The Standard should list very specific instances where non-compliance is beyond a CSP's reasonable control. The list could be based on reasons for non-compliance in section 5(2) of the *Telecommunications Universal Service Obligation (Payphone Performance Standards) Determination (No. 1) 2011* which covers exceptional situations like natural disasters and power failures.<sup>2</sup>

To identify trends and areas where future regulation may be needed, section 7(3) of the Standard should be amended so that the ACMA is automatically informed of any instance where a CSP has been unable to comply with the Standard. Statistics on non-compliance should be included in the ACMA's annual Communications Report.

#### **Information at the point of sale**

Section 7(5–7) of the Standard outlines the information a CSP must provide to a customer before a roaming service is activated, presumably at the point of sale. It is inappropriate for these requirements to apply only in cases where a CSP has been unable to comply with clause 6; provisions should apply to all providers in all cases and should be removed from section 7 to a new clause.

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<sup>2</sup> <http://www.comlaw.gov.au/Details/F2011L02709>

Section 5(b) requires CSPs to provide a fact sheet, produced by the ACMA, on alternatives to roaming services. ACCAN was unable to locate the factsheet referred to and presumes it is yet to be drafted.<sup>3</sup> Quality information about alternatives to roaming is an effective way to protect consumers from unexpected bills. ACCAN recommends that any ACMA fact sheet include alternatives as covered by the useful ACCAN tip sheet *Travelling Overseas with a Mobile Phone*.<sup>4</sup>

Section 6(b) requires providers to give consumers information about the maximum charge for roaming services for the top-ten Australian destination countries. To avoid confusion, this section should specify that charging information must be provided for calls to Australia, calls within the country visited, SMS to Australia, SMS within the country visited and the cost of 1Mb of data.

Section 6 should include an additional clause—(f)—requiring providers to include “details about whether a handset or other device sold by the provider is locked to an Australian network, and the process and maximum cost of unlocking the handset or other device.” Consumers may not realise that a mobile handset sold as part of a CSP service, whether pre-paid or post-paid, is often locked to that CSP’s network. Without unlocking information consumers will be unable to use affordable alternative roaming services, like an international SIM.

#### **Methods to decline IMR services and spend management tools**

ACCAN is very pleased to see the \$1.00 cost restriction on services allowing consumers to opt-out of roaming services, specified in section 8(2) of the Standard. This low-cost cap on opt-out services is a positive consumer protection and should be retained.

Requirements for spend management tools in section 9 of the Standard will result in consumers receiving timely information needed to manage use while overseas. ACCAN is of the opinion that section 9 outlines the basic actions a CSP should take to provide its customers with spend-management tools. This section should not be amended and CSPs should be encouraged to provide consumers with innovative, additional spend-management tools.

#### **Costs and timing of Standard implementation**

ACCAN understands that the requirements of the Standard will result in some additional costs for CSPs. These costs must be considered alongside of the significant revenue generated for CSPs by international roaming services.<sup>5</sup> With roaming services, CSPs essentially extend a line of credit without reasonable limit to their users, without any consideration of the impact of high bills on a consumer, a consumer’s preferred spending limit or their capacity to pay. Because of this, CSPs have a responsibility to provide information to their customers about risk as soon as possible. ACCAN considers it entirely reasonable that CSPs absorb the cost of informing consumers about the exceptionally high costs of roaming and that the Standard is implemented in full by the 23<sup>rd</sup> August 2013.

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<sup>3</sup> The only relevant ACMA fact sheet available was “What is roaming?” which does not include extensive information about roaming alternatives [http://acma.gov.au/WEB/STANDARD/pc=PC\\_1715](http://acma.gov.au/WEB/STANDARD/pc=PC_1715).

<sup>4</sup> [http://accan.org.au/index.php?option=com\\_content&view=article&id=235:dont-let-global-roaming-ruin-your-holiday&catid=89:phones&Itemid=173](http://accan.org.au/index.php?option=com_content&view=article&id=235:dont-let-global-roaming-ruin-your-holiday&catid=89:phones&Itemid=173)

<sup>5</sup> [http://www.itwire.com/your-it-news/mobility/57569-mobile-data-roaming-worth-\\$35-billion-by-2017](http://www.itwire.com/your-it-news/mobility/57569-mobile-data-roaming-worth-$35-billion-by-2017)

**Apps as spend management tools**

Smartphone or tablet applications can offer a real-time way for consumers to monitor their data usage while roaming however, most do not calculate how many “sessions” of data a consumer uses. Data sessions are used by Telstra and possibly other providers to apply flagfall-type charges to data use while roaming. Any apps developed by providers that apply flagfall-style charges to data sessions must include this information in an app and allow consumers a way to monitor this information that is crucial for determining the final cost of their bills. While apps are useful, they do not serve the same function as active push notifications to consumers about high roaming costs and so should be considered a complementary measure to the Standard.

Should you wish to discuss this submission in further detail, please contact ACCAN on 02 9288 4000 or [erin.turner@accan.org.au](mailto:erin.turner@accan.org.au)

Sincerely,

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