

CRAN ENFORCES CONSUMER RIGHTS DECISION IN RESPECT OF A CONSUMER COMPLAINT AGAINST TELECOM NAMIBIA LIMITED IN RESPECT OF CUSTOMER SUBSCRIPTION AGREEMENTS

FOR IMMEDIATE RELEASE

11 JULY 2019

The Communications Regulatory Authority of Namibia (CRAN) is mandated to ensure that consumers are protected from exploitation and abuse in respect of price, quality, variety of services and user equipment supplied.

In light of the above and in line with CRAN's Consumer Protection Regulations, an ICT Consumer lodged a complaint in 2016, against Telecom Namibia Limited regarding clause 2.1 of its standard terms and conditions of the Subscription Service Agreement. The said agreement states "consumers who do not exercise the option to renew their contracts, Telecom Namibia Limited will automatically renew same and in turn the consumers will continue to pay a subscription fee inclusive of the price for a handset, even though they do not receive the handset".

"The Authority has therefore given a ruling on the principle and is further mandated to ensure that the principle is reflected in the contractual provisions and that this matter is settled and the Authority's decision is in favour of the consumer" states Festus K. Mbandeka, Chief Executive Officer, CRAN.

The decision is based on the following:

1. That Telecom Namibia should amend the terms and conditions of its clause 2.1 in the following respects:

In respect of mobile contracts:

- a) Telecom Namibia Limited shall in writing notify the Subscriber (30 days before the expiry of the duration of the Agreement), that his/her contract is lapsing on XXXXXX date and that he or she is entitled to extend the Agreement by a further contract period, in which event the Subscriber shall be entitled to an offer for a new device.

- b) The extension of the subscription agreement in accordance with this clause shall be in writing and shall be signed by or on behalf of both parties. In the event of such extension, the remaining provisions of the subscription agreement will apply.
- c) Where the agreement is not extended in accordance with the provisions of clause 2.1 (a) but nevertheless continues to operate indefinitely in accordance with clause 2.1 hereof, then the subscriber shall be automatically transferred to a standard package with a reduced subscription and shall not be entitled to a new device. ”

In respect of fixed contracts:

- a) Telecom Namibia Limited shall in writing (30 days before the expiry of the duration of the Agreement), notify the Subscriber that his/her contract is lapsing on XXXXXX date and that he or she is entitled to extend the Agreement by a further contract period. In which event the Subscriber shall be entitled to receive advice from Telecom Namibia Limited on the package to subscribe to depending on whether the Subscriber wants to renew or proceed with the agreement.
- b) *The extension of the subscription agreement in accordance with this clause shall be in writing and shall be signed by or on behalf of both parties. In the event of such extension, the remaining provisions of the subscription agreement will apply.*
- c) *Where the Agreement is not extended in accordance with the provisions of clause 2.1 a) it shall continue to operate indefinitely on a 30 day period.*

CRAN is mandated by the Communications Act, 2009 (Act No. 8 of 2009) to ensure consumer protection and therefore inform all Telecom Namibia customers and potential customers of the decision. The reasons for the decision will be published in the Government Gazette of 13 June 2019 and same are available on request and are available to any and all interested stakeholder.

CRAN is committed to treat all consumer related issues as a matter of public policy and in the best interest of ICT consumers. Aggrieved and affected consumers are encouraged to manage their cases with their service providers directly. If they feel their cases have not been addressed within 14 days from the date in which it was formally reported to the service provider, consumers are then encouraged to follow CRAN's consumer complaint procedures.

For any queries in this regard contact **Mrs. Emilia Nghikembua, Head: Legal Advice**, at Tel: (061) 222 666 or via electronic mail to ENghikembua@cran.na.

"ENDS"

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1. CONSUMER COMPLAINTS

What is CRAN's responsibility towards consumers?

CRAN is mandated to ensure that consumers are protected from exploitation and abuse in respect of price, quality, variety of services and user equipment supplied.

How to lodge a consumer complaint with CRAN.

Consumer complaints must be submitted on the prescribed form which is available on CRAN's website (www.cran.na).

What is required before lodging a complaint with CRAN?

- i. By law, you are first required to approach your service provider to resolve the problem and afford them fourteen (14) days to attempt to resolve your complaint and only approach the Authority if your complaint is not adequately resolved;

- ii. It is highly recommended to keep all correspondence with your service provider in writing;
- iii. It is further recommended that you study and understand the Regulations regarding Consumer Complaints available on the CRAN website (www.cran.na);
- iv. Ensure that you have the documents and other forms of materials you consider as evidence;
- v. If, in your opinion, your service provider did not adequately resolve your complaint within the mandatory 14 days, you can then file a complaint with CRAN;
- vi. Your complaint must be submitted on the stipulated 'Customer Complaints Form'; and
- vii. The Customer Complaints Form is available on this website for download.

All complaints must include the following:

- a. Full name and contact details of Complainant;
- b. The name of the person and/or the service provider against whom the complaint is lodged, or if the name of the person is unknown, provide as many identifying details in order to assist the investigation process;
- c. An accurate and concise statement of the facts demonstrating that the person and/or service provider for which the complaint was lodged;
- d. A clear and concise statement of the specific solution required; and
- e. Any other relevant information.

Apart from being charged high collection fees for outstanding debts, what else can consumers complain about?

- i. Billing;
- ii. Charges and refunds;
- iii. Service delivery and product delivery;
- iv. Confidential information;
- v. Customer services and customer treatment;
- vi. Service interruptions and dropped calls;
- vii. Failure to provide or repair telecommunications equipment and Internet service;
- viii. Interconnection problems;
- ix. Delays in repairing and connecting service to customers;
- x. Fault repairs;
- xi. Mobile phones problems; and
- xii. Internet access contracts.

What aggrieved and affected consumers should know when lodging a complaint with their service provider:

Aggrieved and affected consumers are encouraged to manage their cases directly with the service providers;

- (a) Service providers have 14 days to try and resolve the problem;
- (b) Preferably, lodge complaints with relevant senior representative from the service provider;
- (c) Request the full name and job title of the senior representative;
- (d) Keep records of the following: key discussion points, times and dates of conversations; and
- (e) Ensure that a reference number is provided.

Who should consumers contact at CRAN for consumer related matters?

All consumer complaints related queries should be directed to the Legal Advice Department: Adjudication, Enforcement & Ligation Unit at Tel: 061 222 666 or via electronic mail ael@cran.na or legal@cran.na.