EMPOWERING REGULATORS TO PROTECT CONSUMER RIGHTS IN THE ICT SECTOR

By
Charley Lewis and Russell Southwood

ISBN 978-1-920463-90-8 (Print version)
ISBN 978-1-920463-91-5 (Online version)
EXPLANATION OF COVER IMAGE:

The entire image is held within the structure of the torus, the cyclical and constant framework that brings about regulatory empowerment.

At the point of the axis Africa rises up. At the central core, the word torus has its base in the Latin word meaning “cushion”, which in this instance is representative of consumer rights protection.

At the base of the image dances a revolving line of conduits of the telecommunications industry, the central cell phone face showing a telephone, other faces presenting images that suggest the rural component of the telecomms industry in Africa.

Above these moving phones, circulate images implicit within this particular research project:

- the **megaphone** to prioritise key complaints issues and to highlight consumers having a voice in regulatory and policy processes;
- the **book** to undertake general consumer education and literacy policies;
- the **interlinked gender logo** to raise awareness of the questions of the barriers perceived within gender equality in this instance;
- the **urban factory** to denote differences between urban and rural customers;
- the **priced revolver** intertwined with hearts to illustrate the ongoing problem of industry price wars that pervade in all five countries, and the positive cost and effectiveness of different interventions;
- the “softened” weapon used as a regulatory implement or referee in these disturbances.
EMPOWERING REGULATORS TO PROTECT CONSUMER RIGHTS IN THE ICT SECTOR

By Charley Lewis and Russell Southwood

II
ACKNOWLEDGMENTS

We would like to thank all those people who gave generously of their time and ideas to us, and helped strengthen and enrich the outputs of this research project. Without the enthusiastic participation from all who attended workshops and contributed from time to time to the online discussion list, the project would have been immeasurably poorer. The views expressed in the report remain, of course, our own, and any limitations, omissions and errors are entirely our responsibility. A particular thanks to Edith Adera of the IDRC for her support and involvement, and to our partner researchers in each of the target countries for their professionalism and insights:

Lishan Adam, RIA (Ethiopia);
David Mukosa, University of Zambia (Zambia);
Albert Nsengiyumva (Rwanda);
Viv Padayatchy, Cybernaptics (Mauritius);
Dr F.F. Tusubira, Knowledge Consulting (Uganda)

Finally, we extend a heartfelt thank you to the International Development Research Centre (IDRC) of Canada for the financial support that has made this study possible. The IDRC is a Canadian public corporation that works in close collaboration with researchers from the developing world in their search for the means to build more equitable and more prosperous societies. IDRC was one of the first development agencies with the foresight and vision to embrace ICTs as a key means to foster development and alleviate poverty.

Published by: The Learning Information Networking Knowledge (LINK) Centre, University of the Witwatersrand, Johannesburg, P.O.Box 601, Wits, 2050, SOUTH AFRICA & Balancing Act, 54 Walnut Tree Walk, London SE11 6DN, UK

This work is licenced under a Creative Commons Attribute-Share Alike Licence 2.5
http://creativecommons.org/licences/by-sa/2.5/za
Reflecting on global development today, you cannot fail to acknowledge the significant role played by the communications industry (telecommunications and the Internet). It is transforming world economies with an increasing number of countries, especially in the developing world, identifying the communications sector as a key pillar for achieving rapid economic growth. The benefits being derived from embracing the new technologies are enormous! The knowledge economy is generating opportunities across all sectors – it is a new source for the creation of quality jobs; wealth generation and redistribution; rapid economic development and prosperity. It is a foundation for global competitiveness and sustainable development. For instance, information resources available through the Internet can provide farmers with timely market information, international prices of various agricultural commodities and recommended agronomic practices for boosting agricultural production. Mobile money transfer services such as M-Pesa in Kenya have become a critical means of paying for goods and services, a business support tool and a lifeline in emergencies.

While the wave of telecommunication reforms on the African continent has seen communication regulators focus their immediate attention on attracting investment into the industry and “ensuring fair play” with some success, little attention has been given to issues affecting consumers. Within a weak legal system, the individual consumer often has few routes for redress in the event of a service failure or unfair treatment. This situation is, however, gradually changing, with a small number of regulators putting in place either policies or processes to protect consumer rights in the telecommunication and Internet market.

A study funded by the International Development Research Centre (IDRC) between 2004 and 2006 (Holding Companies to Account: Consumer Activities in the Telecommunication and Internet Sectors) found that as operators become more established, regulators need to shift their emphasis from the industry part of their mandate to addressing three broad issues that affect consumers:
price of service, quality of service and access to service (the extent of network coverage). These findings attracted the attention of regulators at an ARICEA (Association of Regulators of Information and Communications for Eastern and Southern Africa) meeting in Sudan in 2006 and there was a request to extend this work further to formulate action-oriented interventions to address the identified challenges.

Consequently, IDRC supported a phase two study to examine the effectiveness of different regulatory approaches to helping consumers resolve the three main issues mentioned above. Regulators in five countries (Ethiopia, Mauritius, Rwanda, Uganda and Zambia) worked with consumer groups to choose specific interventions. Background studies were carried out to address four areas: i) to identify prevailing international best practice in consumer protection to inform the identified gaps in the focus countries; ii) to establish issues consumers in the five countries most wanted addressed, and how to address those issues; iii) to assess the regulatory effectiveness of consumer interventions that existed within each country; and iv) to undertake, in collaboration with regulators and consumer groups, a defined set of action-oriented activities that would include both specific interventions and broader changes in the regulatory framework to empower consumers. Primary audiences for this publication are African consumer organisations, regulators and policymakers.

Findings from the phase two study show that in many African countries competition has now finally begun to see prices come down, but this has not happened in all countries. Confusing price offerings rather than genuine, long-term reductions are still the order of the day. Where there is little or no competition, prices have not shifted a great deal. Quality of service has only just begun to be addressed by operators, with network coverage remaining a key issue. The less literate and those in rural areas (who are often one and the same) do not know how to complain effectively and are much less aware of their rights. Worse still, too few people are aware of the role played by the regulator in keeping people informed of their rights as consumers. Very few regulators do simple things like publish performance benchmarks or insist that operators embody consumer codes of conduct.

The study proposes a number of recommendations, including encouraging test cases under consumer and competition law; ensuring that a Code of Conduct is a condition of licence for operators, along with obligation to publicise it; and adopting compulsory disclosure of customer complaints, or at least independent surveys to identify levels of consumer satisfaction. A set of performance indicators should be developed to ensure comparable statistics. Finally, consumer organisations should be encouraged to respond to complaints about the telecom and Internet sector, and asked for input into policy processes.

And so, as the IDRC, we are proud to have supported this research into protecting and empowering consumers in the ICT sector. We appreciate the nuanced understanding of consumer issues that it has revealed. We applaud the regulators of the participating ARICEA member countries in their commitment to translate the research findings into action-oriented implementation plans. We hope this second phase of the research we have supported will act as a clarion call to regulators across Africa and that the protection and empowerment of consumers in the ICT sector will improve through a more widespread implementation of its recommendations.

Edith Ofwona Adera, Senior Programme Specialist, IDRC, Nairobi
Table of Contents

Acknowledgements iii
Foreword iv
1. Executive Summary 1
2. Introduction 7
3. Background and Context 9
4. Project Overview 12
   4.1. Approach 12
   4.2. Methodology 13
   4.3. Selection of Countries 16
   4.4. Country Baseline Reports 17
   4.5. In-country Research 19
   4.6. Regulatory Actions 20
5. Best Practice – Africa and elsewhere 21
   5.1. Knowing what consumers care about – surveys and complaints monitoring 22
   5.2. Setting a rules framework – Codes of Conduct and standard setting and enforcement 23
   5.3. Intervening on behalf of consumers in issues as they arise 24
   5.4. Communicating with consumers and the power of the media 25

Empowering Regulators to Protect Consumer Rights in the ICT Sector
<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.5</td>
<td>Complaints processes – the regulator as referee of last resort</td>
<td>26</td>
</tr>
<tr>
<td>5.6</td>
<td>Scanning the horizon – spotting issues before they occur</td>
<td>27</td>
</tr>
<tr>
<td>5.7</td>
<td>Assessing the cost and effectiveness of different interventions</td>
<td>27</td>
</tr>
<tr>
<td>6.</td>
<td><strong>Key Research Findings</strong></td>
<td>29</td>
</tr>
<tr>
<td>6.1</td>
<td>Introduction</td>
<td>29</td>
</tr>
<tr>
<td>6.2</td>
<td>Understanding of Operators and their Services</td>
<td>31</td>
</tr>
<tr>
<td>6.3</td>
<td>Consumer Issues: Network Coverage</td>
<td>32</td>
</tr>
<tr>
<td>6.4</td>
<td>Consumer Issues: Quality of Service</td>
<td>33</td>
</tr>
<tr>
<td>6.5</td>
<td>Consumer Issues: Pricing</td>
<td>34</td>
</tr>
<tr>
<td>6.6</td>
<td>Other Consumer Issues</td>
<td>34</td>
</tr>
<tr>
<td>6.7</td>
<td>Knowledge of consumer rights</td>
<td>35</td>
</tr>
<tr>
<td>6.8</td>
<td>Knowledge of Roles and Responsibilities</td>
<td>36</td>
</tr>
<tr>
<td>7.</td>
<td><strong>Country-specific Research Findings</strong></td>
<td>38</td>
</tr>
<tr>
<td>7.1</td>
<td>Ethiopia</td>
<td>38</td>
</tr>
<tr>
<td>7.2</td>
<td>Mauritius</td>
<td>44</td>
</tr>
<tr>
<td>7.3</td>
<td>Rwanda</td>
<td>46</td>
</tr>
<tr>
<td>7.4</td>
<td>Uganda</td>
<td>47</td>
</tr>
<tr>
<td>7.5</td>
<td>Zambia</td>
<td>50</td>
</tr>
<tr>
<td>8.</td>
<td><strong>Regulatory Action Plans</strong></td>
<td>52</td>
</tr>
<tr>
<td>8.1</td>
<td>Regulatory Actions: Ethiopia</td>
<td>53</td>
</tr>
<tr>
<td>8.2</td>
<td>Regulatory Actions: Mauritius</td>
<td>53</td>
</tr>
<tr>
<td>8.3</td>
<td>Regulatory Actions: Rwanda</td>
<td>54</td>
</tr>
<tr>
<td>8.4</td>
<td>Regulatory Actions: Uganda</td>
<td>54</td>
</tr>
<tr>
<td>8.5</td>
<td>Regulatory Actions: Zambia</td>
<td>55</td>
</tr>
<tr>
<td>9.</td>
<td><strong>Conclusions and Recommendations</strong></td>
<td>56</td>
</tr>
<tr>
<td>10.</td>
<td>Appendices</td>
<td>60</td>
</tr>
<tr>
<td>11.</td>
<td>References</td>
<td>66</td>
</tr>
</tbody>
</table>
1. Executive Summary

The five countries covered by this research are Ethiopia, Mauritius, Rwanda, Uganda and Zambia. All are members of COMESA’s regulatory association ARICEA and include both Anglophone and Francophone countries. There are common themes in the research from all of these countries and therefore it is clear that the research highlights issues that will be found in other African countries. Part of the work of this study was to provide a review of consumer best practice from both within Africa and elsewhere in the world.

This review focused on answering three questions:

• What do consumers feel about the services they receive and what are service providers doing to address any concerns they might have?

• What can the regulator do to address these concerns?

• And lastly, how does a regulator know whether its interventions have been effective?

For the first two of these questions, the study identifies a series of ways of creating adequate responses, including surveys and complaints monitoring; setting rules frameworks; intervening when new issues arise; using the power of the media; the regulator being the referee of last resort; and spotting issues before they occur. Best practice can involve spending a lot of money, but can also be achieved on relatively few resources. But there is almost no research on whether consumer interventions by regulators have been effective.

The findings of the qualitative research of this study are remarkably consistent with the first phase of the research. Problems with network coverage, quality of service and pricing remain the three key preoccupations of consumers. Nevertheless, the research findings provide a much more
nuanced and specific understanding of what particular aspects of the services that consumers use they find most annoying. The needs of those who are not literate and those who live in rural areas are clearly identified as requiring attention.

The research also suggests that consumers have strong but not necessarily well-informed views on the operators and the services they provide. However, there seems to be a limited knowledge of consumer rights, and some confusion as regards the roles and responsibilities of the various stakeholders.

The use of multiple SIM cards by those who could afford them shows that when users have switched services they have tended to do so on the basis of sales promotions offering free calls, and to avoid network congestion. However, these switchers are “gaming the system”, as they retain two or more SIM cards and do not make a complete switch from one provider to another. In the absence of Mobile Number Portability and other measures to ensure market efficiency, the power of the dominant operator is reinforced by the relatively higher cost of off-net calling.

Consumers seem to be making a price versus quality of service trade-off in their choice of service provider. Consumers seem to be very conscious that they can (if they wish) make choices between different operators. While most of the comments made were about mobile services, those accessing Internet services seemed significantly less satisfied by the quality of service they were receiving.

However, there are key differences among countries both in terms of consumer choice and regulatory intervention. In Ethiopia no choice exists, although most of those in the research groups were aware that choice through competition existed elsewhere.

There is a regulatory/research gap – none of the target regulators follows best practice by conducting regular consumer surveys on perceptions and preferences towards the various service providers, or on issues and views of consumers about ICT sector products and services, let alone publishes the results or tracks changing responses over time. Only the regulators in Uganda and Mauritius appear to have done some work in this area.

The research process also captured a range of other issues, including the difficulty of having to walk long distances to recharge mobiles because of the absence of electric power (Rwanda); problems with handsets, including non-charging batteries and low voice quality (two-thirds of interviewees in Rwanda and also in Mauritius); problems loading air-time (all countries); length of time waiting for helpline response (Zambia); problems with 3G service (Ethiopia); obtaining a new SIM card after existing one is lost (all countries); and not using a helpline but asking a friend to help (Mauritius).

With the exception of Uganda, where the focus group participants were chosen because they had knowledge of the ICT sector, participants in the other countries showed a very low level or no awareness of the telecomms regulator’s role or even of its name. They were confused about which organisation played a regulatory role, and where they named a body it tended to be a telecomms operator.
A key part of the research process was that the findings were used to put together an action plan with key stakeholders that was then to be agreed by the national regulator. In two of the target countries (Mauritius and Rwanda) the local researchers were unable to secure the agreement of the national regulator to the proposed Regulatory Action Plan. In Mauritius the local researcher was unable to secure the necessary meeting with the regulator, despite repeated attempts to do so. In the case of Rwanda, changes in management at the regulator meant that the meeting could not be scheduled until after the conclusion of the project, but regulatory support for the action plan remains very likely. In two of the countries (Uganda and Zambia) the co-operation and feedback of the regulator were secured in relation to a detailed and specific set of action points. In the final case, that of Ethiopia, the regulatory action plan took the form of a series of customer service charters drawn up for the regulator by the local researcher.

Though the intention of the regulatory action plans was an important one, namely to secure a long-term practical implementation impact of the project across all five target countries, the outcomes in this respect are somewhat mixed. The customer service charters for Ethiopia promise the greatest long-term impact, but it remains unclear at the time of writing whether these have been officially promulgated. The agreed regulatory action plans for Uganda and Zambia, and, potentially Rwanda, also look promising, but follow-up will be needed to ensure that these move from words on paper into actions that change things for consumers.

A set of overall recommendations is made arising out of this research project:

1. **STRENGTHEN CONSUMER PROTECTION IN THE LAW**
   Governments should strengthen the provisions in the law that empower the regulator more effectively to protect consumer rights in communications. In the absence of effective legislation, regulators can both issue regulations that serve the same purpose and insist that operators publish consumer charters.

2. **SURVEY CONSUMER PERCEPTIONS AND ISSUES**
   The regulator should regularly survey consumer perceptions regarding the various service providers, including the reasons behind such perceptions, and should publish the results of such surveys on its website and elsewhere. The results of these surveys should be one of the strongest grounds for regulatory intervention on behalf of consumers.

3. **REGULATORY INTERVENTION**
   The regulator should intervene more strongly to protect consumers by, among other things, encouraging operators to improve their services, by requiring greater network coverage on the part of the operators, and by intervening in respect of pricing and quality of service. A key issue to address, even in competitive markets, is how best to improve the performance of a dominant market leader.

4. **PRIORITISE KEY COMPLAINTS ISSUES**
   While the sample size in this research project is clearly too small to draw a nationally representative conclusion, a number of problem areas for the consumers of ICT goods and services seem to feature prominently. These include lack of network coverage in certain (mainly rural) areas,
frequent dropped calls, poor quality of service and pricing. Validation of the results from the sample covered by this research, together with possible mandatory provision of complaints data and analysis by service providers to the regulator, would assist the regulator to identify priority areas for regulatory intervention to protect consumers.

5 PUBLICISE CHANNELS OF COMPLAINT
The research undertaken here has shown that few consumers are aware of how to complain, and in respect of what issues complaints are justified. It is clear, therefore, that a comprehensive national awareness campaign relating to consumer complaints would empower the sector regulator to protect ICT consumers. Such a campaign should cover not only the channels through which consumers can register their complaints and have them resolved and, if need be, escalated (and here it must be emphasised that the service providers should always be the first port of call, with the regulator acting as the complaints channel of last resort), but should also cover the types of issues in respect of which complaints may be raised. With the majority of consumers being mobile subscribers, the use of mandatory SMS messages from service providers to carry the campaign should be investigated. Also worth considering is mandatory point-of-sale provision of consumer protection information with starter packs and recharge vouchers.

6 PUBLISH COMPARATIVE PRICING INFORMATION
The interviews undertaken as part of this research suggest that there is considerable confusion in respect of the pricing of the various packages and services offered by the service providers. While operators clearly have a vested competitive interest in ensuring that their pricing is not comparable, a regulatory requirement to publish certain comparable benchmark data in a single location would greatly assist consumers properly to compare prices and hence empower them to choose the ICT services best suited to their needs at the most affordable price.

7 FOCUS ON MOBILE CUSTOMERS
As both this research and national subscriber statistics show, the overwhelming majority of consumers of ICT goods and services in Africa are mobile subscribers. It is therefore clear that any policy and regulatory interventions to protect and empower ICT consumers must focus on and target the mobile sector first and foremost. This does not imply that consumers of legacy fixed-line services, or of Internet services, whether via dial-up connectivity, ADSL or 3G services, should be ignored. But it does imply not only addressing the issues that affect mobile consumers as a priority, but also exploiting mobile as a channel of communications between regulators and service providers and their customers.

8 PRIORITISE RURAL CONSUMERS
It is clear from this research that the level of consumer awareness and the degree of customer empowerment is considerably lower in the rural areas. Furthermore, certain consumer issues such as poor network coverage and dropped calls disproportionately affect rural consumers. The concentrations of consumers in urban areas are, of course, vastly greater, and reaching them consequently much easier and more cost-effective. Conversely, policy and regulatory interventions to protect consumers may be more challenging and costly in rural areas, but, nevertheless, rural consumers and their issues should be seen as a priority.
9 INCREASE THE PROFILE OF THE REGULATOR

The research has shown that there is limited awareness of sector regulators and, correspondingly, little appreciation of their role or of the importance of their work in protecting consumers. It is therefore necessary for the regulator to consider how it can increase its profile among ICT consumers in order to empower it as an agent of consumer protection. Specific measures to achieve this on a cost-effective basis are beyond the scope of this report, but consideration should be given to the use of SMS and community media and point-of-sale information. The regulator needs to engage more effectively in marketing itself to the public via a variety of channels (including but not limited to radio, television, SMS and its website), advertising its role and responsibilities in relation to those of government and the operators, and claiming greater public credit for its achievements and successes, particularly those in defence of consumer rights.

10 UNDERTAKE GENERAL CONSUMER EDUCATION

The low levels of consumer literacy and awareness revealed through this research suggest that consumer education is required, often at a fairly basic and general level, so that consumers can better understand how the ICT sector works, how they as consumers are affected by its dynamics, what the specific issues are that impact on them as consumers, and what their rights and expectations as customers of ICT goods and services should be. The development of customer service charters, along with a means of ensuring their widespread dissemination, for the various classes of service provider could be a useful step in this direction, together with the use of some of the channels of communication suggested above, such as SMS, point-of-sale information, community media and more.

11 INVESTIGATE SIM-SWAPPING

It seems clear that SIM-swapping is commonplace and that many consumers who can afford them, make use of multiple-SIM phones. It is worthwhile investigating exactly how widespread these practices are, along with what incentivises consumers to engage in them. Problems relating to network coverage by respective service providers or pricing differentials between on-net and off-net calls may underpin the practice. If so, regulatory interventions to extend network coverage or to reduce mobile termination rates may work to disincentivise this trend. Multiple SIM use may also be one sign of an inefficient market, because operators with network congestion are not punished by consumers moving to another network. Mobile Number Portability may also be one strategy to address this issue.

12 REMAIN AWARE OF FUTURE TRENDS

While this recommendation does not emerge directly from this research, it nevertheless remains important to stress that the sector regulator needs to remain abreast of market developments and ongoing shifts in customer preferences and consumer patterns. As the ICT sector continues to grow and evolve, so too should policy and regulatory intervention look ahead and be proactive, in order to protect the needs of ICT consumers.

13 SUPPORT CONSUMER GROUPS

Support for the establishment of at least one association dedicated to the cause of consumers, to defending their rights, identifying and publicising their issues, to advancing the cause of the consumers of communications services and able to interact effectively with the regulator and policymakers, can only serve to strengthen the cause of consumer empowerment.
14 SUPPORT FURTHER CONSUMER RESEARCH
The research undertaken here indicates the need for effective regulatory and policymaking intervention to be supported and underpinned by appropriate research. Some issues requiring research will be closely related to nationally contextualised issues, but others, such as an exploration of what underpins and drives consumer perceptions of operator services and customer issues, might be more generalised.

15 STRENGTHEN REGULATORY AUTONOMY
Again, this final recommendation arises more as a corollary to the research. Greater independence of regulators and greater authority and autonomy for the separate regulatory functions, including in this case that of consumer protection, provided that this is supported by greater capacity building, can only serve to strengthen regulatory intervention and increase regulatory responsiveness, in this case in support of the protection of the consumers of ICT goods and services.
2. Introduction

The current research study builds on and extends an earlier research project supported by the International Development Research Centre (IDRC) of Canada that started in 2005, and ended in 2006 with the publication of a report entitled *Assessing consumer activity in the telecoms and Internet sectors* (Southwood, Nguo, Sagna & Lewis, 2006). This second stage research project – *Empowering regulators to protect consumer rights in the ICT sector* – follows up in greater detail the concerns and issues identified in the first stage (see Background and Context section below) and is also supported by the IDRC.

The research reported on here focused on five selected member countries of the Association of Regulators of Information and Communications for Eastern and Southern Africa (ARICEA) and had four primary objectives:

I. To provide prevailing best practice in both developed and developing countries to see where there are gaps in the focus countries and what elements of best practice might be deployed in the countries under examination;

II. To establish through qualitative research the range of issues consumers in the five countries most want addressed, and how they would like to see them addressed;

III. To assess through qualitative research the regulatory effectiveness of consumer protection interventions in each of the five countries to identify where consumer protection is most effective and where it most needs strengthening.

IV. To undertake, in collaboration with the national ICT sector regulatory authority, a defined set of action-oriented activities that are based on consultation with local consumers and consumer groups,
informed by their perceptions and priorities, and which may include both specific interventions and broader changes in the regulatory framework to empower consumers.

The report has five main components, designed to meet the objectives outlined above:

A. BEST PRACTICE – AFRICA AND ELSEWHERE: This is now a separate report, Consumer Best Practices in the Telecomms Sector (Gross, Lewis, & Southwood, 2011), produced as part of this study. It examines best practice globally and in Africa in respect of potential interventions by regulators to protect consumer interests. Interventions to protect and empower consumers of ICT goods and services are examined under the following headings: “Knowing what consumers care about – surveys and complaints monitoring”; “Setting a rules framework – Codes of Conduct and standard setting and enforcement”; “Intervening on behalf of consumers in issues as they arise”; “Communicating with consumers and the power of the media”; “Complaints processes – the regulator as referee of last resort”; “Scanning the horizon – spotting issues before they occur”; and “Assessing the cost and effectiveness of different interventions”.

B. KEY RESEARCH FINDINGS: This section of the report provides an overall analysis of the data and results emerging across the entire qualitative research output from all five target countries, and covering a number of issues including “Understanding of operators and their services”; “Network coverage”; “Quality of service”; “Pricing”; “Knowledge of consumer rights” and “Knowledge of the roles and responsibilities of different organisations working in the consumer area”.

C. COUNTRY-SPECIFIC RESEARCH FINDINGS: This section examines a number of country-specific issues that emerged from the qualitative research in each of the target countries: Ethiopia; Mauritius, Rwanda, Uganda and Zambia. For each country a full report on the qualitative research was produced, and is available for download in .pdf format from the project’s web page1.

D. REGULATORY ACTION PLANS: This section gives an overview and analysis of the regulatory action plans that were developed as a result of the project, emerging from discussion and examination of the research, and involving the sector regulators, consumer groups and the local researcher in each country. The Regulatory Action Plan for each country is available for download in .pdf format from the project’s web page2.

E. CONCLUSIONS AND RECOMMENDATIONS: This final section provides an overall high-level look at the key lessons emerging from the research and makes some suggestions for further engagement in this critical area of regulatory and policy jurisdiction.

---

1 See http://link.wits.ac.za/projects/errca.html
2 See http://link.wits.ac.za/projects/errca.html
3. BACKGROUND AND CONTEXT

In 2005 the IDRC funded initial research into the dynamics of consumer issues in the telecoms and Internet sectors in Africa through the project Assessing consumer activity in the telecoms and Internet sectors in Africa, which provided a survey of 30 African countries and three detailed country case studies for Kenya, Senegal and South Africa, and resulted in a substantial report with wide distribution and readership (Southwood et al, 2006). Indeed, the initial research provided a springboard for the International Telecommunication Union to profile consumer protection as a global regulatory challenge (Southwood, 2006).

The initial phase of the IDRC-funded research made a number of specific recommendations with both policy and regulatory implications:

- On the basis of secondary evidence, it identified that there were three clear issues that affected consumers adversely: price of service, quality of service and access to service. It identified the lack of price competition in the mobile sector as a key issue.

- It pointed out that in a number of countries there were no consumer Codes of Conduct in place, or formal, properly publicised complaints procedures, and noted that consumer issues tended to be given a low priority by regulators because of the historic need to address regulatory reform, universal access and service and other industry issues first.

- It noted that consumers needed information to make informed choices, and regulators are in a position to provide the kind of information required (for example, on quality of service levels) to make a difference.
It recommended that regulators needed to involve consumers and consumer organisations in their work to ensure that the consumer perspective is represented, particularly those disadvantaged by income or education. It concluded that African consumer organisations should be encouraged to take up consumer complaints in the telecomms and Internet sectors.

In short, the first stage provided an overview of both the prevailing circumstances and the issues to be addressed. The results of this project were presented at a number of public fora from Johannesburg to Geneva.

These presentations included one to the 3rd Annual Conference Meeting of the Association of Regulators of Information and Communication for Eastern and Southern Africa (ARICEA), 02-03 March 2006, in Khartoum. This presentation led to considerable discussion with a clear desire to address these consumer issues substantively on the part of the ARICEA member regulators. The debate culminated in the adoption of a formal resolution to this effect, pledging ARICEA’s member regulators to address consumer issues.

The initial IDRC-funded ICT consumer research had established a preliminary African high-level benchmark as to the situation regarding consumer protection, consumer issues and consumer activities in the Internet and telecomms sectors. Furthermore, it had provided pointers towards a wider discussion about how to focus on consumer as well as industry issues, as well as suggesting an agenda and a framework for regulators to address these issues in a substantive way.

As a result of this study and other work in the field, a number of regulators have set up consumer protection and quality of service compliance functions. Also a number of regulators (notably in Ghana, Nigeria and Senegal) have begun to address quality of service issues with mobile operators. However, as this is new territory for many of them, not all have been able to translate aspiration into action. Regulators like the Botswana Telecommunications Authority, which undertook a 2005 survey of consumer perceptions of quality of service (BTA, 2006), are more the exception than the rule in Africa. While the research to date had raised awareness of consumer protection as a regulatory challenge, specific guidance for applied regulatory intervention still remained a priority.

Therefore the underlying rationale for this second-stage research project was to use an action-based research methodology to identify the effectiveness of different interventions. It thus sought to build the capacity for implementation in national regulators in several ways.

Firstly, a target group of selected regulators was identified within a defined regional jurisdiction to be able (in interaction with consumer groups) to devise interventions to protect consumers, the effectiveness of which could be tested through research. Work on global best practice (see Section 5) was provided to offer wider benchmarks against which to measure these interventions. But primarily the research sought to provide detailed, direct information about the needs, aspirations and issues of importance to the consumers in the various countries, as well as a public assessment of the regulatory effectiveness of the interventions to protect and empower consumers.
Secondly, because the process brought together the regulator with local consumer groups, and sought to identify a common set of issues and objectives, it helped build relationships and outcomes that will ensure the consumer perspective remains high on the regulatory and policy agenda after this stage two research is completed.

Thirdly, the approach adopted, although confined to a small sample of countries within the area of single regional umbrella (ARICEA/COMESA), will be widely replicable. It is expected that the research methodology can be applied to other countries within the region and across the wider African continent.

Therefore this research has sought to provide independent, Africa-based primary research that will give both the regulators and consumer groups a set of countervailing information on which to base specific actions that will address consumer issues. The process is also designed to empower staff in the regulators’ consumer sections. Finally, it will also help to prioritise consumer concerns so that all stakeholders can see what issues need to be addressed and in what order of importance.

---

3 The Association of Regulators of Information and Communication for Eastern and Southern Africa (ARICEA) brings together the ICT sector regulators whose countries are members of the Common Market for Eastern and Southern Africa (COMESA).
4. **Project Overview**

As outlined above, the project has been a 30-month applied research study in five African countries (Ethiopia, Mauritius, Rwanda, Uganda and Zambia) to identify, implement and monitor best practice policy and regulatory interventions to protect consumer rights in the ICT sector.

4.1. **APPROACH**

The LINK Centre at the University of the Witwatersrand, Johannesburg, undertook overall leadership for the project – working in close collaboration with Balancing Act, London – as well as providing administrative support.

The project required and depended on the close co-operation with and support of African regulators in five ARICEA member countries: Ethiopia (ETA), Mauritius (ICTA), Rwanda (RURA), Uganda (UCC) and Zambia (ZICTA).

It has sought to provide a much-needed evidential foundation for regulators and consumer groups upon which action-based responses and regulatory interventions can be devised and implemented. It has, accordingly, adopted an action-based research methodology in which the chosen regulators use the work to identify issues to be acted upon.

The project outputs are summarised in this report, and overall findings discussed and analysed so that final conclusions and recommendations can be derived. These will be presented to the annual general meeting of the regional regulators’ association, ARICEA, by the project team, allowing an opportunity for engagement by all regulators within the region and leading to peer-to-peer learning.
This will help demonstrate how regulators can work closely with local consumer groups and how in different local contexts, effective consumer action is possible. The primary audience for the research is African consumer organisations, regulators and Government policymakers.

4.2. METHODOLOGY
The methodology for this research project has three major elements: desk research, stakeholder interaction, and qualitative field research. Together these were used to derive and shape the major project deliverables:

- Consumer Protection Country Baseline Reports;
- Consumer Best Practices in the Telecomms Sector Report;
- Qualitative Field Research on Consumer Protection Perceptions Reports.

The commissioning and delivery of the required research was undertaken through local contractors in each case. Selection of the contractors was determined by a level of expertise and familiarity with consumer protection issues and with ICT policy and regulation in their respective national contexts. They generally fell into one of two categories: university-based academics with a research track record of survey or qualitative work, or consultant researchers with the same track record.

CONSUMER PROTECTION COUNTRY BASELINE
Firstly, desk research was undertaken to establish the current position as regards consumer protection regulation in each of the target countries at the start of the research. This involved close examination of the legislation and regulation governing consumer protection in the ICT sector, along with other relevant documentation such as annual reports from the regulator, and supported where necessary by interviews with key stakeholders. For more detail on the baseline research see section 4.4 below.

Sub-contracted in-country researchers were expected to compile the following information:

- Legislation: Existing, forthcoming and planned legislation governing consumer issues, generally and in particular in the area of ICT;
- Regulation: Existing, forthcoming and planned regulation governing consumer rights and how they are exercised in the ICT field;
- Processes: The processes and procedures in place to deal with either ICT-specific consumer complaints or channels for addressing generic categories of consumer complaints;
- Voices: The ways in which consumers are involved directly or indirectly in regulatory and policy processes, especially those related to consumer protection;
- Media: The media coverage of ICT consumer issues, as well as types of media work carried out by national regulators to sensitise consumers to particular issues.
CONSUMER BEST PRACTICES IN THE TELECOMMUNICATIONS SECTOR

A further desk research component of the research reviewed policy and regulatory best practice regarding consumer protection in the ICT sector both globally and in respect of African regulatory jurisdictions. This part of the research set out to identify, summarise and analyse consumer protection best practice in a wide range of jurisdictions and as discussed in the relevant expert and academic literature. This information, together with the necessary support documentation, was collated and information synthesised in respect of legislation, regulations, processes and procedures, consumer involvement and the role of the media from the in-country researchers. It further sought to identify gaps and areas for improvement that are appropriate to the national contexts of the countries selected, as well as to identify areas where the selected regulators are themselves generating best practice. For more detail on the international best practice research see Section 5 below.

FIELD RESEARCH ON CONSUMER PROTECTION PERCEPTIONS

In order to collect the data in the qualitative country-by-country research phase of the project, two research approaches have been used. The first approach used is the face-to-face semi-structured in-depth interview (45-60 minutes) using purposeful sampling with a limited degree of demographic stratification. The research did not aim at a nationally representative sample of respondents in each case, partly because this was beyond the scope and budget of the research project, but also because of the intention to aggregate responses across all five countries. The intention of this methodological approach is therefore to discern in each country a number of issues affecting consumers of ICT goods and services, to explore in some detail consumer perceptions of those issues and to identify themes and views common to all five countries.

The sample size was intentionally small, designed to allow relevant issues to emerge and be fully explored. The choice of interviewees was, therefore, purposive rather than random, but nonetheless aimed to secure a reasonable demographic spread of consumers of ICT goods and services. The interview sample is intentionally not statistically representative, and cannot be extrapolated nationally, although care was taken to ensure inclusiveness with a balance between urban and rural, female and male, young and old, literate and illiterate, rich and poor.

The face-to-face interview covered and reflected the consumers’ views, including those in respect of the ICT services they use, the quality of those services, their perception of services rendered by different service providers, complaint handling processes and procedures, perceptions on the role of different stakeholders in the ICT sector, knowledge of consumers about their rights and the channels they use to make complaints. Also, the interviews reflect suggestions for the improvement of the experience of consumers. The full Interview Protocol used can be found in the Appendix, Section 10.1 below.

The second approach used in this qualitative research was a focus group (90-120 minutes). The purpose of this approach was to validate the findings of the face-to-face interviews, to examine key issues that surfaced during the interviews in greater detail, and to explore possible solutions to address the issues raised during the face-to-face interviews.
The focus groups each also sought to examine a series of cross-cutting issues in some detail in the following ways:

- The impact of illiteracy: What do illiterate consumers know about their rights? Do they complain? If they do complain, how do they do it? How might processes be improved to help them complain?

- Gender difference: Are women more or less likely to complain? What barriers do women perceive that there are to making effective complaints? How might these barriers be removed?

- Rural and small town consumers: Are there particular issues that affect rural and small town consumers? How easy is it to complain in rural and small town areas? What practical steps might be taken to improve the situation?

- Urban consumers: What are the particular issues that affect urban consumers? What are the main channels of complaint and how effective are they? What practical steps might be taken to improve the situation?

- Low-income vs high-income consumers vs corporate consumers: What are the differences in attitude to consumer issues between these different groups? What practical steps might be taken to improve the situation?

**STAKEHOLDER INTERACTION**

In order to ensure stakeholder interaction on the issues emerging from the research, an online advisory group – bringing together international expertise in the area of consumer protection regulation, as well as involving local participants from consumer groups and individual consumers, operators, regulators and policymakers, and the media – was formed to discuss and comment on project outputs in a structured e-mail discussion list.

Further stakeholder advisory input from the regulator, operators, the media, consumers and consumer groups was sought via the holding of two one-day research workshops in each of the focus countries.

A launch workshop sought to achieve the following purposes: to present, analyse and validate the baseline country research; to present, discuss and comment on the output from the global and regional best practice research; to brief attendees on the in-country qualitative research and to secure their support and participation for this.

A second phase of in-country stakeholder consultation involved a concluding one-day workshop in each country with the same cluster of stakeholder groupings in order to: present and discuss the results of the qualitative field research; make recommendations for the strengthening of regulatory and policy intervention to protect and empower consumers; and finally, prepare for a plan of action based on the research.

These workshops thus provided an important source of clear advice for the research team. The concluding workshop, however, sought to carry the impact of the project further by using the research to create changes in the regulatory environment that would favour the consumer. At the
end of the workshop, an action plan was canvassed with the attendees, along with a clear timetable and division of responsibilities. The national regulatory contact in each country was then requested to take ultimate responsibility for this plan.

This action-oriented approach lies at the heart of the methodology, so that a combination of the general and the specific gives the findings some power to command the attention of stakeholders.

The final component of the methodology is its wider dissemination. A key part of this is the presentation of the work done by the regulators and country researchers involved to their colleagues at an ARICEA meeting. More widely, the learning from the case studies will be put together with the baseline and best practice scan to create a report that will be widely publicised and circulated, both in hard copy and as an online e-book.

It is hoped that, subsequent to the project, after the regulatory actions plan has either been completed or significant parts have been undertaken, the national regulatory contacts will present their experiences to their ARICEA colleagues.

Finally, it is hoped that the material gathered may form a basis for articles and reports to be written by the project team in the course of their work. For example, the findings of the first stage research formed the core of a subsequent ITU report authored by the Project Manager that was circulated internationally.

**COMMENTS ON THE METHODOLOGY**

Those aspects of the methodology that were under the direct control of the contractors were delivered expeditiously and to standard. Where support from the regulator was a necessary input, however, the project team often struggled to secure the necessary input. This reflects perhaps in part a lack of capacity in the various national regulators concerned, together with the degree to which regulatory processes are subject to or influenced by national political developments, making those responsible for regulatory affairs unable or unwilling to take even operational decisions without consultation with their superiors, and forcing last-minute changes to plans due to pressure of other regulatory commitments. As a result, several workshops had to be postponed at short notice, and one had to be abandoned altogether. It therefore seems apparent that giving greater direct authority to those responsible for overseeing consumer affairs would be a helpful way of strengthening consumer protection.

A second limitation to the methodology centred around the expert and stakeholder input via the email discussion list. While the list was created, contained a number of international experts and was supplemented by email addresses harvested from each of the stakeholder workshops, the discussions that took place via this medium were both intermittent and of limited value to the overall objective of the research project. In practice, the mailing list tended to function rather as a dissemination channel for project outputs and occasional news items pertaining to consumer protection issues.

**4.3. SELECTION OF COUNTRIES**

The selection of target countries was based on a number of general criteria. First, because of the endorsement of the association of regulators falling under the Common Market for Eastern and Southern Africa (COMESA), all target countries had to be members of the regional regulatory body, the Association of Regulators of Information and Communication for Eastern and Southern Africa (ARICEA).
Secondly, although the research outputs are all presented in English, it was felt important to include at least one francophone African country for reasons of linguistic diversity.

Thirdly, it was important that the countries selected represented a spread of different circumstances, both in terms of level of development of the ICT sector, but also in respect of regulatory capacity, particularly their history of engagement with consumer protection issues.

The preliminary selection of focus countries for the research comprised Egypt, Kenya, Malawi, Rwanda and Zambia. By the time the project was launched the selection had been narrowed down to Ethiopia, Kenya, Madagascar, Rwanda and Zambia. Madagascar and Kenya were subsequently replaced by Mauritius and Kenya respectively, for somewhat different reasons. Effective engagement with the regulatory authorities in Madagascar was hampered by political instability, and hence a replacement francophone country, Mauritius, was sought. In Kenya, the regulator was already in the throes of its own consumer awareness programme and hence unable to devote sufficient attention to the project, and was replaced by Uganda. The project was thus completed with a final, slightly different set of countries (Ethiopia, Mauritius, Rwanda, Uganda and Zambia), although it should be noted that the changing political situation in two of them (Mauritius and Rwanda) was responsible for some delays in the completion of the project.

The final five countries – Ethiopia, Mauritius, Rwanda, Uganda and Zambia – are thus all members of ARICEA and include both Anglophone and Francophone countries.

The final selection further includes a spectrum of different choices: countries with differing sizes and populations and at different levels of economic and political development, a highly competitive telecomms market (Uganda) vs a market without competition (Ethiopia); countries with relatively well-developed consumer policies and organisations in the telecomms and Internet sectors (Uganda, Zambia) vs those largely without policy or organisations (Ethiopia, Rwanda).

4.4. COUNTRY BASELINE REPORTS
Each country was required to assess and document the existing baseline position in respect of consumer issues, particularly as none of the countries finally selected had been part of the initial phase of the research. The focus of each of the country baseline reports was as follows:

4.4.1 LEGISLATION:
Existing, forthcoming and planned legislation governing consumer issues, generally and in particular in the area of ICT.

This aspect of each baseline study covered any general consumer legislation planned, as well as amendments to existing legislation, including competition law or consumer protection legislation governing the rights of consumers in relation to the purchase of goods and services. It also included an examination of specific ICT legislation, particularly those parts governing the regulator’s consumer responsibilities, together with any conditions of ICT operator licences that affect consumers.
4.4.2 REGULATION:
Existing, forthcoming and planned regulation governing consumer rights and how they are exercised in the ICT field.

Each baseline study further examined regulations affecting consumers of ICT goods and services (either general regulations or ICT-specific ones) – largely regulations issued by the ICT sector regulator, but also including those issued by the competition regulator (if one exists). But each study also included any self-regulatory frameworks within the industry (e.g., codes of conduct), and discussed the degree to which legislation and regulation are enforced, along with current “custom and practice” in relation to the protection of consumer rights.

4.4.3 PROCESSES:
The processes and procedures in place to deal with either ICT-specific consumer complaints, or channels for addressing generic categories of consumer complaints.

Each baseline study then went on to look at the consumer complaint process, examining what channels, processes, and procedures the companies and regulators have in place to deal with complaints, as well as complaint escalation and mediation processes that exist when a complaint cannot easily be settled.

4.4.4 VOICES:
The ways in which consumers are involved directly or indirectly in regulatory and policy processes, especially those related to consumer protection.

Broadly speaking, consumers tend to be involved in regulatory and policy processes in two ways: either they are consulted as part of the process or they act as representatives on specific bodies. The baseline studies thus sought to find out if consumers are consulted about policy or regulatory changes in the telecomms and Internet fields, and how such consultation is carried out, as well as whether or not they are represented in any way on policy and regulatory bodies in the sector. Each baseline study also sought to identify any consumer activist bodies or NGOs that deal with ICT issues, along with information on any specific campaigns they may have mounted.

4.4.5 MEDIA:
The media coverage of ICT consumer issues, as well as types of media work carried out by national regulators to sensitise consumers to particular issues.

Some of the most effective discussions of consumer issues take place in the media, whether printed, broadcast or online. Each baseline study therefore attempted to ascertain to what extent the media in each country covered: general consumer complaints of any kind and specific complaints about issues in the telecomms and Internet sector. An attempt was also made to identify key journalists who might take an interest in consumer issues, as well as to document any use by the regulator of the media to build consumer awareness and empowerment.
The full Country Baseline Report for each of the five target countries is available for download in .pdf format from the project’s web page.4

4.5. IN-COUNTRY RESEARCH

The in-country qualitative research was implemented by undertaking in-depth, face-to-face, one-to-one interviews of 45 to 60 minutes in order to explore in detail a number of issues relevant to consumer awareness and perceptions of issues affecting them as consumers of ICT goods and services. As previously explained, the methodology and sample size did not attempt to produce results that were in any way nationally representative. The focus was rather on ensuring that issues were identified and explored in depth and detail.

Each of the country researchers interviewed a minimum of 24 individuals, consumers of ICT services. The selection of the interview sample was purposive, aiming to secure a reasonable demographic spread of the consumers of telecomms services, and looking for a balance between male and female, young and old, rural and urban, literate and illiterate, rich and poor. All interviews, even those not conducted in English or French, were anonymous and were audio recorded. A detailed and specific interview protocol was used (see Appendix, Section 10.1 below).

The interview protocol covered four sets of issues:

Firstly, interviewees were asked about their understanding of the service providers and their services. They were asked to compare the different service offerings on the market. The focus was largely on mobile, given its market share, but other service offerings such as fixed line and Internet access were also covered.

Secondly, interviewees were asked about issues affecting them as consumers of ICT goods and services. The intention here was to allow consumers to identify the issues of concern to them as consumers and to pinpoint those where intervention by the regulator might increase consumer protection. Interviewees were encouraged to come up with issues they wished to raise, with the interviewer noting their order and relative prioritisation. The intention was to cover the full range of issues, as well as to identify their prioritisation. Interviewers further prompted interviewees for their views on any issues that they had not already raised, such as quality of service (including call completion, dropped calls, voice quality, network congestion, Internet service outages), cost of service, network coverage, charging and billing, equipment.

Thirdly, interviewers sought information on consumer contact with service providers and more specifically on complaints. The intention here was to identify whether consumers were aware of when their rights as consumers had been infringed, and whether they were aware of the channels of redress available to them, as well as whether they had used those channels and what their experience had been.

Finally, the interview was concluded by covering two related topics: identifying what consumers knew about what was being done in respect of consumer protection; and what sorts of interventions they would like to see.

See http://link.wits.ac.za/projects/crirea.html
The overall consolidated findings from the in-country research across all five target countries is discussed in detail in Section 6 below. Individual country research reports are available for download from the project website.5

4.6. REGULATORY ACTIONS

The final component of the research project sought to assist the regulator to turn the research results into action-based outcomes. Based on discussions and recommendations emerging from the two in-country stakeholder workshops, the in-country researcher sought to work with the regulator to draft and agree a set of prioritised regulatory interventions to strengthen consumer protection and increase consumer empowerment in each of the target countries.

The development of these regulatory interventions was designed to increase the long-term impact of the project in each of the target countries and to provide other ARICEA member regulators with examples that they could emulate in their own regulatory interventions in support of consumer protection and empowerment.

The regulatory action plans are discussed in more detail in Section 8 below, and individual Regulatory Action Plans are available for download from the project’s website.6

---

5 See http://link.wits.ac.za/projects/errea.html
6 See http://link.wits.ac.za/projects/errea.html
This section summarises a separate report – *Consumer Best Practices in the Telecomms Sector* (Gross et al, 2011) – that was commissioned as part of the research study. Although consumer interventions by regulators can be enormously varied, they can perhaps be best understood by asking three broad questions:

- What do consumers feel about the services they receive and what are service providers doing to address any concerns they might have?

- What can the regulator do to address these concerns?

- And lastly, how does a regulator know whether its interventions have been effective?

In order for any of the regulator’s interventions to have any impact, its existence and the services it offers must both be something consumers are aware of.

Of course, in reality things are not so clear-cut. New issues arise once consumers are better informed or come out of the launch of new services, so the structure of this report seeks to provide headings for the range of best practice interventions a regulator might put in place. Issues of resourcing may affect a regulator’s ability to do any or all of the suggested types of intervention, but no regulator is so bereft of resources that some or many of these issues cannot be addressed.
5.1. KNOWING WHAT CONSUMERS CARE ABOUT - SURVEYS AND COMPLAINTS MONITORING

A great many people in Africa are either telecomms consumers (and in all likelihood consumers of mobile telecomms services) or they personally know someone who is. It is easy to imagine that your own views as a consumer are as representative as the next person’s. The most obvious concerns that were picked up in our initial study for IDRC were three-fold: price, quality of service and access to services.

However, in a number of countries increased competition has meant prices for consumers have continued to come down. In some places, the new operators have invested substantially in their networks and are promising to provide better quality. While price and quality may seem to be perennial African problems, they may in fact go away completely or reduce in importance. Therefore it is vital that a regulator checks what consumers feel about the services of the operators over time, and indeed what consumers feel about its own effectiveness as a regulator.

Prior to consultations, it is important that consumers are aware of the regulator’s existence and the services it offers. The regulator could improve visibility via a strategic media and publicity campaign, its website, and printed consumer guides. A short guide on what the regulator’s role and its services are could be a useful marketing tool, which will help educate consumers. There are a number of different ways of getting to know about consumers’ concerns. These include consumer representation on the board of the regulator or one of its sub-committees, consultation meetings and consumer surveys.

Another way of engaging with consumers is through carrying out regular “roadshow” public meetings that focus particularly on areas outside the capital. Experience from several countries has shown that these are often well-attended and generate discussions that give clear insights into issues that need attention.

The Nigerian regulator, NCC, has formalised this process by creating what it calls a “consumers’ parliament” on telecomms issues and its proceedings are widely attended with operators present to answer questions and respond to the debate. Furthermore its proceedings are shown on television, giving it a wider impact beyond those who attended. As access to the Internet improves, the regulator’s website could be used to gather consumer feedback online.

Consumer views can also be sought by carrying out survey work. One of the first African regulators to carry out a nationally representative consumer survey was Botswana Telecommunications Authority. 40% of those surveyed were unaware of operators’ complaints procedures and 45% were not sure how to claim the financial compensation they were entitled to for service failure. Also, 55% thought consumer representation was either poor or fair.

Similarly, consumers can be surveyed as to the effectiveness of the regulator in protecting their interests and in addressing their issues. A pioneering global study in this area (Cannock, 2002) produced results that were both valuable and surprising in that they revealed a considerable gap between the perceptions of regulators as to their effectiveness and the perceptions of consumers, who almost invariably felt the regulators were doing a far less effective job.
However, although the results of such surveys provide valuable information to guide regulatory intervention, it is essential that they are published and widely disseminated, via the regulator’s website and in the media, both to inform consumers and to ensure that the resultant publicity acts as an incentive to operators to improve their services and to remain focused on customer satisfaction and consumer needs.

5.2. SETTING A RULES FRAMEWORK – CODES OF CONDUCT AND STANDARD SETTING AND ENFORCEMENT

Once the concerns of the consumer have been established, the focus of attention for best practice moves to setting a rules framework that allows consumers to understand their rights and responsibilities. In broad terms, there are three tools that can be used to set rules: legislation, regulatory frameworks and standard setting.

Depending on the country, consumers may be covered by generic consumer legislation. If this exists, the regulator can draw upon the framework of rights and responsibilities it lays out. In its absence, a regulator will probably seek to become one of several voices recommending that consumer legislation be put in place. Putting legislation in place is a time-consuming process, and may take two to three years or more.

But with or without consumer legislation, regulators have the power to create their own consumer frameworks by issuing regulations. In July 2007, the Nigerian Communications Commission gazetted the Consumer Code of Practice Regulation, which has become the reference document for both consumers and the operators. Each licensed operator is required to produce and submit a Code of Practice, which has to be reviewed and approved by the Commission. The Code of Practice stipulates service level agreements, the responsibilities and rights of each party, and procedure for resolving disagreements whenever they arise between parties.

A Code of Practice does not by itself lead to changes in actual practice unless it is both widely known and enforced. If consumers are not aware of its existence, it may have little or no impact. Regulators therefore need to place a great deal of emphasis on the processes that will communicate the existence and function of such charters or codes to consumers. This includes ensuring that they are readily publicly available on the websites of both regulator and operators, but also requiring operators to provide customers with copies of these charters or codes at the point of sale when a contract is entered into or a starter pack sold.

As with law, Codes of Practice also become effective when a regulator demonstrates that they are indeed binding and that it will make enforcement a priority. This is most visibly demonstrated by taking action on “sample” cases that will show that a change of behaviour is required from operators. Depending on the attitude and co-operation from operators, the penalties may be simply a publicised judgement to fines for non-compliance.

One area where a number of African regulators have started to take this kind of action has been over quality of service. In Mauritania, the regulator has carried out regular quality control assessments since 2002, measuring each mobile operator’s rates for lost calls and disconnected calls in an attempt to improve service delivery.
The quality threshold rate for each criterion was respectively 5% for lost calls and 3% for disconnected calls. Following three assessments in 2002, another assessment in 2003 and a further two in 2004, the regulator acknowledged that mobile operators were still not meeting the required criteria. The level of lost calls, for example, varied between 13% and 92% depending on the geographic location. So, in September 2004, the regulator fined Mauritel and Mattel USD141,776 for these service shortfalls.

This and other cases raise a number of issues that illustrate the limits of this approach. If the fines given to operators are relatively modest in relation to their turnover and profits, then they may be willing to bear them simply as another operating cost without making any significant progress on the quality issue. If this is the case, the regulator can then only fall back on one of two not necessarily mutually exclusive approaches: it can threaten to withdraw the company’s licence at the end of its due date or, and probably more effectively, it can publicise the fact that the operator’s quality falls well below the established threshold. It is important that regulators publish information about investigations into breaches of code of conduct by providers and the penalties levied.

5.3. INTERVENING ON BEHALF OF CONSUMERS IN ISSUES AS THEY ARISE

Issues often arise out of making changes to market regulations that have other implications for consumers. It is essential that the sector regulator remains aware of and abreast of these issues as they arise, so that consumer protection regulation can be as proactive as possible. This includes keeping track of the sector and the market as they change and evolve, so that consumer protection regulation can cater for new technologies and innovative services.

In seeking to introduce number portability, the South African regulator ICASA realised that it would have to address the issue of handset subsidies. It believed that there was a potential situation where pre-paid customers were actually subsidising post-paid customers.

In mid-2005, ICASA issued a discussion document (ICASA, 2005a) which identified handset subsidies “as a potential problem for subscribers”, when it was investigating number portability, as people were locked into two-year contracts and thus unable to take advantage of portability.

ICASA concluded further that there is “a lack of transparency about the cost of the various handsets offered in various packages, which limits the customer’s ability to make informed choices”, and that “regulations will be developed that will require the network operators to ensure their agents and service providers provide customers with all relevant information” for customers to make decisions. In June 2008, ICASA published a regulation on handset subsidies that applies to any “licensee, its agents and/or reseller, in terms of a contract concluded with a subscriber”. It specified the terms and conditions under which subsidised handsets can be made available (ICASA, 2005b).

In another area of concern, international call charging (often referred to as roaming) attracted the interest of the European Union. International roaming charges had long been a source of irritation to holiday-makers, but it took the European Union in its regulatory role to address the issue. In June 2006 Viviane Reding, Commissioner for Information Society and Media, made a speech in which she said: “I personally believe that by making the European internal market a true European Home Market for roaming customers, whether private or business customers, we could not only do consumers a favour, but could reduce
considerably the cost for doing business cross-border in the EU. It is my firm believe that within the EU, borders must not be any longer a cost factor for businesses” (Reding, 2006).

“On June 30, 2007, the new EU rules on roaming (roaming regulation) entered into force: citizens travelling within the EU could now phone across borders at affordable and transparent prices. The Eurotariff set maximum prices for phone calls made and received while abroad. These maximum prices applied to all consumers unless they opted for special packages offered by operators” (EU nd). The EU introduced various forms of price capping to control these charges.

In 2006 the Arab Regulators Network published a study on international roaming rates in the region conducted on their behalf by the Egyptian regulator NTRA. In April 2008 AREGNET members agreed a recommendation on these charges. Implementation of the recommendation over three years would lead to a 36% decrease in average roaming rates for consumers in the third year of regulation.

The implementation of the recommendation would also result in more than USD115 million in annual savings for Arab consumers and at least 14% of added growth in roaming traffic as a result of reduced prices for consumers (ITU, nd).

5.4. COMMUNICATING WITH CONSUMERS AND THE POWER OF THE MEDIA

A key element in consumer best practice for telecomms regulators is to find ways of communicating with consumers so that they themselves become better informed and thus empowered to make more discerning market choices. Also in policy terms, it is important that consumers or their representatives can understand changes in market practice and policy influence on the market. In this way, as citizens they can influence the political processes through which these things occur.

By their very nature, these communications processes can be quite complex and multi-layered. But it is probably easiest to think about these communications processes in terms of the different audiences with whom regulators are trying to communicate:

• Policymakers and those who contribute to policymaking so that consumer issues are well understood and are kept at the forefront of their minds;

• Specialist and generic consumer representatives and organisations who will in turn take up the information provided and pass it along to their members and consumers themselves, either through their case work or their media campaigns;

• Telecomms operators and their staff at all levels; what might be understood in terms of consumer issues at senior management level may not be so clear to for example, call centre staff members;

• Consumers and customers of all types, whether directly through methods like press advertisements or indirectly through media coverage.
As with any communications campaign, there will need to be clear themes or issues that will be addressed and the messages and the detail contained will vary according to the audience.

For example, the Indian regulator, TRAI, uses its quality threshold monitoring announcements as a way of raising the general discussion about quality and to inform consumers as to which operators provide better service. TRAI sets a 95% overall satisfaction rating as a benchmark. TRAI has gathered statistics for comparison against this benchmark every year and the publication of these results attracts regular media attention. This information in the Indian media allows consumers to shape their future purchasing choices.

What is also important is to ensure that the publication of such quality of service statistics is widespread and readily publicly accessible, both to empower consumers and to stimulate public debate on the issues. TRAI publishes a number of ICT sector statistics regularly on its website, as do a number of regulators in other jurisdictions.

It can further be useful for regulators to require operators to provide their customers with information about their rights as consumers and about their channels for laying and escalating complaints. For example, the 30 or more radio and television stations that have signed up to the code of conduct of the Broadcasting Complaints Commission of South Africa (BCCSA, a self-regulatory body established by the National Association of Broadcasters of South Africa) are required regularly to advertise to their listeners the existence of the BCCSA’s Code of Conduct and to advise them how to complain in case of broadcasts that they believe are in violation of that code (BCCSA, nd).

5.5. COMPLAINTS PROCESSES – THE REGULATOR AS REFEREE OF LAST RESORT

All operators have complaints processes in place, and the majority of complaints to reputable operators are handled in a way that gives sufficient satisfaction to consumers such that they are not inclined to take the complaint to the law courts. If a disreputable operator did not have an effective complaints process in place, it is likely that over time this would become apparent to the regulator.

Nevertheless, for regulators there may be a relatively small number of complainants who do not feel they have received satisfaction from the operators. These may include people who might have taken the complaints to law but have not done so for reasons of cost or because they do not believe that recourse to law will get them satisfaction.

In these instances, the regulator can act as the referee of last resort. It can look at the merits of the complaint and enforce a settlement on the operator if the merits of the case justify this. Some of the better-resourced regulators have set up their own consumer complaints channels that can obviously lay claim to a greater degree of independence than the operators. However, the process of dealing with day-to-day complaints of no great complexity is almost certainly best left to the operators themselves.

For example Zambia’s 2009 ICT Act requires the regulator to “establish guidelines for the making, receipt and handling of complaints of consumers”. The law gives some detail as to what the guidelines
may contain, including procedures for dealing with complaints, compensating consumers, the protection of privacy, the provision of information, advertising, charging and billing (Zambia, 2009). The website of the regulator provides some detail on consumer rights and channels of complaint and, importantly, makes it clear that “before you complain to the [regulator], complain to your service provider first” (ZICTA, nd).

It is important to give consumers a clear and readily identifiable space on the regulator’s website, which may otherwise contain many other things that have little or no relevance to them. Hong Kong’s OFTA provides a separate Consumer Focus section on its website and under The Smart Consumer’s Corner it offers a combination of information on consumer programmes on television and radio and a selection of e-games including online quizzes.

It also provides a full listing of operators’ customer charters on a single page. It carries a listing of complaints and their outcomes. Publicising the outcome of complaints allows consumers to see what can result from making a complaint (OFTA, nd).

5.6. SCANNING THE HORIZON – SPOTTING ISSUES BEFORE THEY OCCUR
Regulators will often be in a better position than the average consumer to be able to spot issues that will become relevant in the future. They can act as a radar to spot issues for consumers before they become troublesome. In the first instance, this may involve little more than warning consumers to watch out for different types of scams.

For example, telesales are widely used in the UK by any type of company wishing to sell its services or products to residential customers. Banks, among other services companies, use this type of sales method to attract new customers. In June 2006, the UK’s communications regulator Ofcom initiated an investigation into “persons or organisations causing annoyance to consumers through the making of silent or abandoned calls” (Ofcom, 2006).

Silent calls come from the use of automated calling systems. When the latter generate more calls than the available call centre agents can handle, a number of people receive calls where there is nothing but silence when they pick up their phone, because the automated calling system has ended the call. Automated calling systems are widely used for telemarketing, market research and debt collection.

On 01 March 2006 Ofcom published a revised statement of policy on the persistent misuse of an electronic communications network or service, with new measures designed to take action against silent calls.

5.7. ASSESSING THE COST AND EFFECTIVENESS OF DIFFERENT INTERVENTIONS
There has been little or no formal assessment or evaluation of different consumer interventions anywhere in the world. Some of the consumer survey data deal with whether consumers are aware of the regulator’s existence and its performance, but there is not much beyond these few clues.
To be fair, some regulators are relatively recent and therefore the argument might be made that it is too early to have carried out this kind of work. Likewise, some African regulators are in the early stages of carrying out consumer interventions and cannot really be expected to have had sufficient time to evaluate them.

Some regulators, particularly those in smaller countries, are not particularly resource-rich, whereas for those in larger markets, issues of resourcing are less of an issue. Nevertheless, all have to justify their spending in some way. In terms of spending on consumer interventions, these might be judged against the objective of having a better informed and more empowered set of consumers. It is worth repeating the obvious for emphasis: the more consumers know, the better the choices they make. The more empowered consumers feel, the better they will be able to make complaints and receive satisfaction.

Against these broad objectives, it is perhaps worth trying to outline some common sense ways of looking at how to assess whether the kind of consumer interventions a regulator might make are effective.

Before looking at ways to assess consumer interventions, it is worth distinguishing between three different parts of those interventions: inputs, outputs and outcomes.

An input might be building a website area for consumers and conducting a media campaign to inform consumers about different issues. By itself, this input achieves little beyond the provision of static information.

Its output might be in terms of how many people accessed the site or how many people saw different elements of the media campaign. But again, these do not necessarily mean anything. Consumers see many websites and media campaigns, but do not necessarily act upon them. Therefore, there needs to be an outcome from these two elements: what did these consumers do as a result of these interactions with your activities?

In terms of the website, for example, the consumer might choose to register a specific complaint on the website. Or because of the media campaign, they might choose to complain to operators about a specific issue and obtain satisfaction from that complaint: better information empowered them to address what they felt was wrong with the service they were receiving. Or they might be offered the chance to complete an online survey on consumer issues.

Alternatively, the regulator might undertake a more formal national survey, on an annual or periodic basis, of the kind referred to earlier in this section (Cannock, 2002), in order to establish its effectiveness in the protection and empowerment of consumers, to identify its level of consumer protection profile, and ascertain the impact of any specific campaigns or interventions it has undertaken in this area over the recent past.
6. **Key Research Findings**

6.1. **INTRODUCTION**

On the basis of secondary evidence, the first stage of this IDRC-funded research identified three clear issues that affected consumers adversely: price of service, quality of service and access to service. It identified the lack of price competition in the mobile sector as a key issue.

Since that point, the issue of price has been addressed in a number of countries with higher levels of competition where over the last 12 to 18 months there have been fierce price wars. In East Africa’s largest countries – Kenya, Tanzania and Uganda – calling prices have fallen to new lows; for example, in Kenya callers can make calls for USD0.35 a minute and in Uganda for USD0.75 a minute.

However, prices remain higher in countries where there are low levels of competition between operators. But these lower prices in competitive countries have brought pressures on operators that are discussed below.

In addition, the regulators in a number of jurisdictions, most notably Namibia (RIA, 2009) and South Africa (ICASA, 2010), have intervened in order to reduce substantially the inter-operator termination rates in the mobile sector with the intention of reducing prices to consumers. It is perhaps too early to see whether these interventions will have the full desired effect, but they do represent an important regulatory intervention on behalf of consumers.

At the time of writing this report, changes in management and ownership in Africa’s mobile operators have led some CEOs to practise full disclosure. The frankness of these CEOs demonstrates the consumer issues that still need to be addressed. New Safaricom CEO Bob Collymore acknowledged that network congestion was a continuing issue. Indeed, lower prices meant that in week 50 in 2010, its traffic was 100% higher than in the previous year.
Collymore admitted that Safaricom had a capacity to answer 100,000 calls a day at its customer call centres but had been receiving 800,000 a day; in other words, the consumer had a 1 in 8 chance of getting through. This has subsequently come down to 500,000 calls a day. He is addressing this issue by simplifying tariffs (from 20 different voice tariffs down to four) and addressing how consumers get information. In Nigeria, the new Airtel CEO, Rajan Swaroop, conceded that 90% of Airtel’s customers were unable to get through to customer care. Airtel is also now putting effort into eliminating this difficulty for its users.

So what of network coverage? In the more competitive markets, the operators have extended their networks out to between 80 and 90% of the population. However, Kenya offers an example of how low prices and extensive network coverage will be challenged by operators. Safaricom’s CEO is threatening to discontinue rural coverage unless the Government sets a floor price for calling rates. As Collymore puts it, it is a straight quid pro quo: “We’re OK with losing market share (faced with unrealistically low rates) and focusing on Nairobi and high-income communities. The people in remote districts are receiving calls (more than making them). If rates decline, why should we continue to do that?”

In this context, the findings of the qualitative research are remarkably consistent with the first phase of the research. Network coverage, quality of service and pricing remain the three key preoccupations of consumers. Nevertheless, the current research findings provide a much more nuanced and specific understanding of what particular aspects of the services that consumers use they find most annoying.

However, the use of multiple SIMs by a significant number of users shows that consumers tend to both “game the system” in terms of tactical marketing offers to lower calling costs where they can, and to use alternate SIMs to avoid network congestion. However, alternative SIM use does not punish the inefficient or unresponsive provider in the way that classical economic theory would predict.

The use of additional SIMs may be the answer as to why African consumers who talk consistently about wanting low prices and good network access continue to use providers who fail on both of these counts. For example, Uganda’s regulator UCC measures performance standards. On TCH congestion, the measure in 2009 was set at 0.5, with MTN achieving well outside the standard at 3.71. Others were closer, but only utl was close to meeting it: Zain (0.97); Warid (0.79) and utl (0.53). On call drop rates, the standard was set at 2 and all operators were comfortably within the standard. On call block rates, the standard was set at 2 and all operators were comfortably within the standard except MTN at 3.33.

However, despite falling outside the performance measures, Uganda’s consumers continued to stay with market leader MTN. Understandably, they want to keep their numbers and stay on-network with their friends and family. But unless something changes fairly radically in terms of market competition or regulation, the market leader (often with over 50% market share) will continue to have a disproportionate advantage over other market players, to the detriment of consumers. The introduction of Mobile Number Portability may have some impact, but initial results from countries like South Africa are not wholly convincing, and suggest that in markets that are predominantly
pre-paid and with SIM-swapping a relatively easy practice, number portability may be less than
effective. Therefore, regulators and policymakers will need to take effective action if consumers
are not to be disadvantaged by the existence of these new mobile incumbents.

6.2. UNDERSTANDING OPERATORS AND THEIR SERVICES

Overall, while interviewees had complaints both about overall levels of service and about specific
operators in terms of mobile voice, they had a greater level of satisfaction than was found among
the smaller number of interviewees who were users of the Internet. The interviewees’ responses
in terms of Internet service would seem to indicate significantly less satisfactory service and
worse complaint response times.

In Ethiopia, there is only one operator, ETC, and therefore the interviewees focused on its short-
comings. Many of these are very particular to Ethiopia (high call tariffs, the breakdown of electricity supply, lack of billing information, SMS services not widely available in Amharic, shortage of SIM cards and very poor coverage outside the capital), while others (network congestion and dropped calls) are common across all the countries researched. Interviewees felt that a single operator led to little service innovation in terms of packages and tariffs. Internet service is expensive, often slow, with repair response times lengthy. There are no Service Level Agreements for either individual or corporate customers.

In Mauritius, a previous piece of quantitative research from 2009 suggests that there are three key factors influencing consumers when choosing a mobile operator: network quality, network coverage and customer service. However, the fourth-ranked factor probably plays a significant role – namely, having the same supplier as for their most frequently-called numbers. In other words, the market advantage lies with the operator that has the largest number of subscribers, because of the lower cost of on-net calling.

There are only two mobile operators in Mauritius, and of these, Orange was seen as having a better network by half of those interviewed, with only a third of interviewees seeing Emtel as having a better network. Two people felt that both provided equally good service. There were significant levels of dissatisfaction about the provision of Internet services.

One of the Uganda interviewees felt that the larger, longer-established operators did not take consumer rights seriously enough because there was not enough competition. “No, they (consumer rights) are not (fulfilled); I am hoping that with more competition the arrogance of the big players will boomerang”.

In Rwanda, there is a choice of three operators: MTN, RwandaTel and the most recent entrant, Tigo (the Millicom operating brand in Africa). The majority of interviewees named MTN as the best service provider, probably reflecting its status as the oldest operator in the market, with a wider network coverage and far greater subscriber base. However, interviewees split down the middle in naming MTN and RwandaTel as the most expensive networks. A small number of interviewees felt that RwandaTel was the best on the basis of sales promotion tariffs. Only one interviewee chose Tigo, which is the last market entrant and has yet to build up its profile and service offers. Those that had switched services had tended to do so on the basis of sales promotions offering free calls, and to avoid
network congestion. However, these switchers are “gaming the system” as they retain two or more SIM cards and do not make a complete switch.

The same phenomenon was identified even more clearly in Zambia and appears to reflect the experience in most African countries. The many tactical sales promotion offers are simply “gamed” by users and do not seem to fundamentally affect operators’ overall market share. Out of the three operators (MTN, Zain (now Airtel), and Cell-Z (the brand of ZamTel, now owned by Libya’s Lap Green), MTN was named by a majority of the interviewees as the best network because airtime units seemed to last longer, because it was cheaper and because it has a more extensive network. However, as one interviewee (a software engineer) pointed out, these perceptions may not be based on hard facts and actual rates.

Customers seem to have strong views on which service providers are best/worst/cheapest/most expensive. There are very few “no opinion” answers. These views are sometimes contradictory, and often under-informed. Further research is thus needed into what drives and informs such consumer perceptions.

In some cases consumers do not necessarily seem to act in their own best interest. For example, the evidence from Uganda suggests that, although MTN has some of the worst quality of service benchmarks, it is still able to maintain the largest customer base. The lack of number portability only partly explains this behaviour. Consumers seem to be making a price versus quality of service trade-off in their choice of service provider.

Consumers seem to be very conscious that they can (if they wish) make choices between different operators. However, in Ethiopia no such choice exists, although most of the Ethiopian interviewees were aware that competition of this kind existed elsewhere.

There is a regulatory/research gap – none of the target regulators follows best practice by conducting regular consumer surveys on perceptions and preferences towards the various service providers, or on issues and views of consumers about ICT sector products and services, let alone publishes the results or tracks changing responses over time. Only the regulators in Uganda and Mauritius appear to have done some work in this area.

6.3. CONSUMER ISSUES: NETWORK COVERAGE

Poor network coverage is a theme in all the countries researched, whether in terms of breadth of national coverage or in terms of “holes” in existing coverage that affect signal. In places that are mountainous or hilly like Rwanda, Ethiopia and Uganda, coverage difficulties are perhaps understandable, but nonetheless frustrating to users.

Ethiopia appears to have by far the worst coverage. Network coverage is regarded as very poor in areas outside major towns and major highways. Much of the country has yet to be covered, with a mobile signal available for less than 10% of the country’s surface area.

In Mauritius, Orange is perceived by interviewees to have the best network, with just over half of interviewees voicing this opinion, and with Emtel mentioned as best by just under a third. Consumers made
the point fairly forcibly that network issues are not handset dependent. However, only four admitted migrating to another operator because of network issues.

In Rwanda a substantial majority of interviewees raised the problem of network coverage. This is particularly the case in certain remote, rural areas of the country especially in the northern and eastern provinces. Operators later into the market – RwandaTel and Tigo – had less effective national coverage, according to interviewees. Coverage gaps are also reported in urban areas, with about a fifth of interviewees saying that they had experienced a lack of network coverage in some urban areas where the network should have been functioning.

In Zambia, MTN and Zain were seen as having the best countrywide network coverage by a significant number of interviewees. Cell-Z was identified as an operator that has not yet reached down to village level. The most critical of network coverage were rural respondents, but there were a significant number who pointed out that it was difficult to get a signal on the outskirts of the capital, Lusaka.

It therefore appears that lack of network coverage and problems with patchy network coverage are common sources of consumer complaint across all the countries surveyed, particularly outside the major cities and towns, but not exclusively so, and with different operators differently affected. It may, as was suggested above, partly underpin the apparently widespread adoption of the practice of SIM-swapping, with consumers needing to utilise different SIM cards in different areas according to the relative network coverage of the different operators.

6.4. CONSUMER ISSUES: QUALITY OF SERVICE

Quality of service on the network is a key issue in all the countries where this research was undertaken. Two particular aspects both infuriate consumers and cost them money. Firstly, congested networks often lead to dropped calls, which means that phone conversations cost more to finish. Secondly, when the network is congested consumers have to pay for missed call alerts, which they think should be paid for by the operator that caused the problem in the first place. Often when calls don’t go through, consumers get a message saying the person they are calling has switched his or her phone off or “the subscriber you have dialled is not available”. Call drops are common, although this varies depending on location.

This problem seems particularly acute in Ethiopia, where interviewees talked about high levels of network congestion at the most popular times for calling friends and family, during weekends and holidays. The rationing of electric power in 2009 was a major contributor to poor network quality and call congestion.

In Mauritius, consumers resented being forced to pay for missed call alerts and voice mail services when the problem was what they saw as a shortfall in network capacity. They also felt that dial-up Internet service quality was deliberately being kept low to encourage people to move to broadband.

In Rwanda, a substantial majority of the interviewees said that the quality of service delivered by operators in Rwanda is still poor. Half of those mentioning quality of service agreed that they
experienced a significant number of dropped calls while calling from one operator to another. There were also complaints about call quality, particularly when the call went off-net to another operator. A third of those interviewed said that network congestion was at its worst at weekends and during public holidays. A cyber-café owner complained that the slow speed of the connection provided to him meant that sometimes customers left without paying. But this may simply be a larger problem of network capacity, as one interviewee found he was unable to download large documents using a GPRS modem.

In Zambia, half of the interviewees said that network congestion was a key issue at certain times of day and just under a third said they had experienced a lot of dropped calls.

6.5. CONSUMER ISSUES: PRICING

Common pricing themes across interviewees in all countries were the high cost of tariffs, particularly off-net tariffs (except in Ethiopia with its single mobile operator) and the lack of clarity about tariffs and charging.

In Ethiopia, the survey showed that there were mixed feelings about mobile tariffs. While some said the current tariff was too expensive, the majority felt that local calls were cheap. There was a consensus that long distance and international calls are expensive.

Some interviewees felt that there was little innovation with regard to the pricing of services to attract customers. ETC does not have attractive packages and special tariffs for specific target groups or for specific usage. There are no bundles. The gap between demand and supply implies that the operator has focused mainly on expanding access at the expense of increasing the value of the network for its customers.

In Mauritius, where more interviewees had Internet access, there was considerable concern that Internet access tariffs were higher than in other countries. As elsewhere, as for mobile, the off-net tariff is viewed as being very expensive when compared to on-net calls and SMS. Some people mentioned that the difference in tariff between on- and off-net is disproportionate when compared to other countries; others have noted that the international tariffs to some destinations are less expensive than off-net calls. The point about unfair pricing due to high interconnection costs was echoed amongst the Uganda interviewees.

In Rwanda, a number of interviewees complained about both the high cost of tariffs and also the rather confusing way in which tariffs were charged at different times of the day. This was echoed in Zambia, where more than half of interviewees felt that the cost of making calls was too high.

6.6. OTHER CONSUMER ISSUES

The research process also captured a range of other issues less prominent or not common across all countries, and so not outlined in the sections above. These included the difficulty of having to walk long distances to recharge mobile pre-paid airtime because of the absence of electric power (Rwanda); problems with handsets, including non-charging batteries and low
voice quality (two thirds of interviewees in Rwanda and also in Mauritius); problems loading air-time (all countries); length of time waiting for helpline response (Zambia); problems with 3G service (Ethiopia); getting a new SIM card after existing one is lost (all countries); and not using a helpline but asking a friend to help (Mauritius).

6.7. **KNOWLEDGE OF CONSUMER RIGHTS**

At the heart of this research is the degree to which African consumers understand that they have rights. Without this kind of understanding, they will not be able to exercise their rights when such rights are in fact available to them.

The interview results suggest that very few consumers are aware of either the existence of the regulator or of its role in protecting consumers’ rights. Regulators seem to lack clear communications strategies that will correct this shortcoming. Furthermore, regulators seem to make relatively poor use of the operator benchmarking information which they possess covering overall prices, quality of service benchmarking and network coverage comparisons.

Consumers display varying levels of awareness of their rights as consumers. Three out of the five countries researched – Ethiopia, Rwanda and Uganda – all had significant numbers of interviewees who showed relatively high levels of awareness of consumer rights. Only Mauritius and Zambia revealed a majority of interviewees who said they were not aware of their rights as consumers.

Even in a country like Ethiopia, where the choices for consumers are severely constrained by the government monopoly on the services under discussion, consumers showed a high level of understanding about their basic rights in relation to these services. They identified the right to have clear information (particularly on billing); service quality; fair prices; agreements with obligations; privacy; access to emergency numbers; and fast response on breakdowns.

As the majority of those interviewed in Ethiopia had high levels of educational attainment, they were aware that the monopoly ETC fell short of international standards. However, because of the lack of legislation and the weakness of the regulator, the consumers all felt a sense of powerlessness when dealing with ETC as the only provider.

All of those interviewed in Uganda had a fair to good idea of what their consumer rights were in relation to ICT. Examples given included the right to know the quality of services they were getting and the cost of the services; the right to access information they needed (and to choose which information they did not want to see or receive); the right to availability of services and good quality of service; the right to complain; the right to privacy; the right to make a choice; the right to health-friendly services; the right to affordable services; the right to get good products with suitable guarantees; the right to understand contracts entered into with service providers; the right to use the same SIM card on another network; and the right to contracted service levels. This awareness of consumer rights also seemed to give people an acute understanding of how little they were actually able to exercise those rights.

However, while those interviewed were aware of their rights as consumers, they were also very clear that this was not true for all Ugandans. In the discussions around illiteracy, it is clear that
those with lower education levels are unlikely to share the level of awareness of the interviewees, and that this is particularly true in rural areas. Although English is the official language of Uganda, people with less education may feel more comfortable and confident in their own vernacular language. With some notable exceptions, material outlining consumer rights was produced in English and largely available in printed form only.

Those interviewed in Rwanda were able to identify the following things they had rights to as consumers in relation to ICT services: clear information, particularly about where to complain; the ability to get technical advice on devices; information on how much calling time was spent; payment should match services delivered; information on new services; quality of service; and services are to be offered to all customers rather than being restricted to corporate customers. In Zambia, a significant majority were not aware of their rights as consumers. However, among the rest there was a fairly well developed understanding of how to make complaints and of escalation procedures.

Based on the backgrounds of those participating, it is clear that education plays a key role in an understanding of consumer rights, and that illiteracy is a clear barrier to access among many consumers. Furthermore, the use of English to describe key service provisions and operator obligations may also restrict the exercise of consumer rights in many circumstances.

In the five focus countries, consumer groups have “horizontal” responsibilities (for all public and business sectors) without any specific focus on telecomms or the Internet.

Few consumers are aware of procedures for the lodging and escalation of complaints, and even fewer have made use of complaints procedures.

6.8. KNOWLEDGE OF ROLES AND RESPONSIBILITIES

With the exception of Uganda, where the focus group participants were chosen because they had a knowledge of the ICT sector, participants in the other countries showed a very low level of awareness of the telecomms regulator’s role or even of its name. They were confused about which organisations played a regulatory role, and where they named a body, it tended to be a telecomms operator. Even in the relatively better-informed Ugandan group, participants were unfamiliar with the consumer organisations that played a consumer protection role, and such groups attracted limited discussion.

In Ethiopia, the few that knew of the regulatory role of ETA in relation to consumers criticised it for its weak handling of these issues. In Mauritius, where participants knew that there was a telecomms regulator, some confused it with the broadcast regulator or Mauritius Telecoms. Nevertheless, the telecomms regulator was mentioned as playing the following roles: regulating tariffs, preventing monopoly and abuse, protecting consumer rights.

In Uganda, the group participants said that the regulator, UCC, does not know yet how to best communicate with the masses and suggested they need to change their method of disseminating their information in order to have an impact on consumer behaviour. They also criticised what they saw as UCC’s bias in favour of operators. While this criticism may not be true, it is certainly a perception that has to be dealt with.
In Rwanda, the very question about the existence of the telecomms regulator seemed strange and the majority were not aware of its existence. As in Mauritius, participants tended to name telecomms operators or other government bodies as playing this role. The minority who did know of its existence, knew what role it should be playing.

In Zambia, only a minority of those who participated in the research knew of the existence of ZICTA and its role. Again, when they guessed who played this role, they tended to name telecomms operators. One of the participants was a prominent public commentator on economic and social issues in the country, and even he was not aware of the existence of ZICTA.

Few consumers are able to differentiate between the respective roles and responsibilities of government, the regulator and the service providers. There is a strong need for ongoing interventions to raise awareness of consumers and to empower them with information. Service providers should be required to inform customers of their rights. This is particularly true of Ethiopia where there is only one provider (ETC) and where, although government has a role in consumer affairs, it is only the regulator that has the knowledge to set out a consumer framework.

Special attention needs to be paid to the needs and issues of disadvantaged consumers, particularly the poor and illiterate, women and those in rural areas.

What is also very clear from the previous section on awareness of consumer rights, and from this section on the bodies that help consumers exercise those rights, is that insufficient thought has been given to the most appropriate tactical choices to create effective communications strategies. Newspapers and print materials have a limited reach compared to radio and television. English language materials in print will not reach the illiterate or less well educated, particularly outside of the main urban areas. No regulator has yet used the telecomms medium itself as a channel of communication, for example, by requiring the dissemination of informational SMS messages or the requiring provision of consumer protection information to customers at the point of sale or on billing.
7. Country-Specific Research Findings

This section sets out research findings that were specific to individual countries. For the full version of each of the country research reports, see the project website.

7.1. ETHIOPIA

Low network quality and high prices were top of the list of consumer issues in communications in Ethiopia. Complaints regarding fixed line and the Internet were somewhat fewer than those of mobile services. The major complaints in respect of mobile services include network congestion and call drops, lack of or poor network coverage, poor voice quality, the high price and limited availability of SIM cards, and high call tariffs and lack of adequate billing information.

The limited access to mobile SIM cards implies that getting access to mobile networks is one of the key consumer complaints in Ethiopia. The demand for mobile access far outstrips the supply. Therefore, it is generally difficult to get access to SIM cards, particularly outside the capital: “I wanted to buy a SIM card for a family member but they told me that SIM cards are not available” (Systems analyst).

Network coverage is regarded as very poor in areas outside major towns and off major highways. The vast majority of Ethiopia has yet to be covered. Mobile signal is available for less than 10% of the country.

See [http://link.wits.ac.za/projects/errea.html](http://link.wits.ac.za/projects/errea.html)
According to the group interviewees there are limited options for accessing the mobile network outside of Addis Ababa:

*I have difficulty to connect to the network on Jimma road. Most areas have no coverage at all (IT technical manager, University College).*

Network coverage is a problem even in the areas that have some access to mobile signal:

*I live in an area called Kolfe in Addis Ababa. I do not get a signal and no-one can reach me there. I have to walk for some time before I get a signal (ICT manager, ministry).*

Call congestion is a major phenomenon that leads to frustrating attempts to get connected. The group respondents became most angry when talking about network congestion:

*I cannot connect to the network even if I try so many times. I receive an error message that says “the subscriber you have dialled is not available” [or] “all lines are busy” [or] “network busy” most of the time (Medical student).*

*Network congestion is unbearable. I cannot get access to friends and family during daytime and weekends when everyone is busy calling. Forget calling someone during holidays. I reverted to calling some friends in the evening or early in the morning (Unemployed woman).*

The lack of coverage and network congestion implies that there is often confusion whether the problem is actually access to the network or call congestion. One interviewee indicated that he wanted to call a friend nearby, but the message he received was that his friend’s cellphone was switched off:

*I got an error message indicating that my friend had switched off his handset although I knew he hadn’t. The message you get from the operator is confusing (Mobile maintenance services head, private company).*

The rationing of electric power in 2009 (when the research was being conducted) was also blamed as a major cause for the poor network quality and call congestion:

*Mobile network is dependent on electricity, therefore it is difficult to have signal when the power is off. The ETC should ensure that they operate the network on 24/7 basis (Director, software company).*

Call drops are also common during conversations (although this varies from place to place) and lead again to unhappiness from consumers:

*Call drops during conversation make me unhappy as I sometimes feel that I was the one who is guilty of breaking the conversation (Unemployed woman).*

The mobile service is regarded as generally free from “cross-talk” (sometimes called crossed lines) compared to fixed line. However, some interviewees expressed that they hear echo, especially during long-distance calls:

*I did not have a problem with cross-talk, but I get echo when I talk sometimes for a long distance calls. I do not want to hear my own voice. It makes me nervous and I cannot talk well when I hear echo on the network (Academic/scientist).*
The survey showed that there were mixed feelings about mobile tariffs. While some said the current tariff was too expensive, the majority felt that local calls were cheap. There was a consensus that long distance and international calls are expensive:

"Cost of communication is not high for me as I am not calling out. I just send “please call me” message to friends and they call me back" (Medical student).

Some interviewees felt that there was little innovation with regard to the pricing of services to attract customers. The ETC does not have attractive packages and special tariffs for specific target groups or for specific usage. There are no bundles. The gap between demand and supply implies that the operator has focused mainly on expanding access rather than on increasing the value of the network for its customers.

SMS is largely undeveloped in Ethiopia due to lack of phones that are capable of sending these in Amharic scripts. Although some of the local languages that are widely spoken, such as Oromiffa, use the Latin alphabet, SMS has not picked up with the same vigour as in other African countries. Mobile phone ownership by young people is relatively low and SMS is not widely adopted by the youth. The high charge of international SMS is one of the major deterrent to adoption. SMSs cost about USD0.03 for local calls and USD0.05 for international calls.

The interruption of SMS service over two years and the absence of innovative products such as mobile banking are the other factors for its slow adoption. The lack of handsets with local language implies that even if the applications are available they should be localised to the widely used Amharic language.

ETC introduced wireless broadband service based on CDMA and HSDPA in 2008. Although the take-up for network services was slow at the beginning, it did pick up in 2009. The high pent-up demand for network services means that those who currently use CDMA can afford to pay for the network. The major complaint was that the service was not available in most areas and the quality was slowly declining.

Some of the interviewees felt that the ETC staff lacked knowledge of how to deal with some of the most basic problems for its wireless CDMA links:

"CDMA service is better than dial-up access but the ETC staff is not well trained on mobile broadband services and unable to explain to consumers how to set up one. It is a trial and error process. I have to rely on friends to get it right" (Director, software company).

Internet coverage is limited to the major towns and some customers from rural towns have to travel to Addis Ababa or other major towns to get access to the Internet. The standard of Internet services was regarded as very poor. The installation and reconnection time is too long, with continuing call drops and slow connection:

"My dial-up Internet is too slow during the day. I cannot transfer large files, but wait for the evening to send off the file. I cannot download software because the network is extremely slow" (Systems analyst).

Some interviewees felt that the slow Internet connection and frequent disconnection are responsible for the high bills they incur every month.
One interviewee doubted the technical competence of the ETC staff, arguing that ongoing disconnections may have to do with lack of expertise to manage a smooth network.

The power blackout and rationing of electricity in 2009 and regular use of earthmoving equipment for road construction were also blamed as a main cause for disruption of Internet service that resulted in the loss of thousands of dollars. The demand for broadband service has been slow until it picked up in 2008 and 2009. Access to broadband fibre and wireless network outside the capital and major towns is the key challenge for expansion of broadband services.

There is consensus that broadband service was improving recently, although consumers are still experiencing slow connection and disconnections. The majority of institutions use shared broadband networks where the traffic fluctuates during the day based on usage:

*Our broadband service faces ongoing disconnection without notice. Packets drop regularly and the connection is too slow. Both the network and the quality of service fluctuate. It is worse during the day, better in the morning and the evenings. Sometimes we get a good connection; in other cases the network gets slower (Network manager, software firm).*

The maintenance of broadband services was regarded as one of the major areas of weakness of the incumbent. Institutions such as banks and the universities cannot afford disconnection of services for long periods. The experts in these institutions felt that restoring broadband service after disconnection is their main preoccupation.

The ETC charges a monthly fee even when the network is down for a longer period, and there is no single one-stop shop for broadband customers. One network manager argued that the absence of Service Level Agreements (SLAs) with the ETC was one of the reasons for inefficient service:

*The contract with ETC is not binding for them although we are bound by the law to pay for the services. The operator has not signed for delivery of good quality of service (IT operations manager, private bank).*

Most of the participants in the focus group indicated that they have filed complaints with the ETC and had mixed experiences. Complainants felt that the quality of response from the operator varied considerably, depending on the complexity of the problem. The key complaints ranged from changing a SIM card, complaining about inaccurate billing or faulty broadband connection. The more complex the problem, the less the ETC was helpful in redressing their complaints. Inefficiencies and mistakes on the part of the operators were often exacerbated by an inappropriate attitude from customer service staff and reluctance to accept responsibility for errors.

The ETC generally insists that customers are present in person to file complaints. This has been a waste of time for most of the interviewees. Telephone complaints are used mainly for reporting maintenance problems. The outcome of the telephone complaint filing process ranged from discourteous or unhelpful staff to lack of technical expertise to understand the problem of the complaint.
Complaints related to broadband service are the most widely cited, with relatively limited redress. The consensus among complainants was that most of the ETC staff did not have sufficient knowledge to deal with broadband-related problems.

The absence of a broadband consumer forum was cited as a reason for lack of a well-designed consumer complaint handling process. The effort to bring broadband users together and complain with one voice has not been successful.

The discussion during the interviews indicates that consumers have become savvy, and most of them are aware of some basic consumer rights for telecomms services. The most important rights are the rights to:

1. Obtain information about the scope of services provided by operators;
2. Obtain adequate quality in services complying with international standards and standards defined by the regulator;
3. Obtain non-discriminatory access to communications by paying fair prices;
4. Make subscription agreements with the operators providing telecommunication services;
5. Get access to clear, detailed and current information about tariffs and tariff packages;
6. Get informed before the tariff packages take effect;
7. Remain anonymous or not in the public phone directories;
8. Use directory services free of charge or by paying a reasonable price and the right to be enrolled in subscriber directories without discrimination;
9. Obtain information about emergency numbers and right to access these numbers free of charge;
10. Have itemised billing where technically possible;
11. Limit some kinds of the calls from his/her telephone;
12. Have non-discriminatory practices in eliminating breakdowns except in cases related to health, fire, disaster, security and emergency.

Interviewees know that they are entitled to most of these rights, in particular the right to access to affordable voice and Internet services. They are aware of the fact that ETC’s network should meet international standards, and feel that, if it does not, they should be compensated for loss of business, time and opportunity. They are all aware that telecomms service providers have the obligation to provide regular, accurate and timely bills to consumers. However, there is a sense of powerlessness against the monopoly of service and lack of choice.
The response to a question “Do you know the telecomms regulator?” ranged from surprise about the existence of a telecommunications regulator to acknowledgement of the weakness of the regulator. The idea of telecomms regulation sounded strange to most of the interviewees. The majority of the interviewees have not heard of the existence of a telecomms regulator. A few who knew about the Ethiopian Telecommunications Agency felt that the regulator is ineffective and unable to regulate under a monopoly setting.

Literacy was regarded as important for use of communications networks and understanding of consumer issues. The level of education is one of the socio-demographic characteristics that have an influence on consumer satisfaction. The observation during the focus group discussions showed that frustrations increased with the level of education.

Those who are well educated indicated that they have more complaints about Internet, broadband and mobile services. The complaints of the less educated were fewer than those of the well educated. Regular mobile network congestion, lack of signal reception, poor quality of customer services were some of the factors of dissatisfaction of those who were educated. Internet issues include low connection speeds and quality of service. Inadequate mobile signal reception and limited information about tariffs were the key complaints of those who were less educated.

The high degree of dissatisfaction with the communication sector across the board shows that both the literate and illiterate consumers indicated that they know their rights but are powerless to make changes. In the absence of consumer protection and an effective complaint redress process, their hope is that the government may open up the sector and bring about choice and quality in the communication service.

The focus group has showed that there is not much gender difference between men and women with regard to complaining about quality of service. However, more discussions revealed the wide variety and often multifaceted nature of many of the complaints. For many of these complainants, what began as a single isolated problem became more complex. For example, it was revealed that women are generally the victims of theft of mobile handsets. Therefore more women are likely to have visited the ETC service stations for new SIM cards. Network managers in the institutions are generally men, therefore there is a tendency for men to complain more about broadband services compared with women.

Information from focus groups indicated that consumers in rural areas and small towns are not fully aware of the range of communication options and therefore do not use the phone for anything other than voice calls. Therefore the scope of complaints was limited to problems related to network quality such as congestion, dropped calls and lack of coverage. It was also suggested that rural consumers are more cost conscious compared with their urban counterparts, and therefore are likely to complain about high tariffs. Group discussion indicated that those who have phones in rural areas are likely to be relatively well resourced entrepreneurs who pay for communication services even if the cost is high.

The hierarchical nature of the ETC’s operation makes it difficult for rural consumers to complain directly. They have to first go to the nearest service station where they file their complaints. The decision has to
be made elsewhere, where they have no power to influence it; therefore they are at the mercy of redress received from that particular service station. Informing rural and small customers of their rights and improving the quality of service at service station level were suggested as a key step towards improving their situation.

Focus groups showed that urban consumers have more channels for complaining, including newspapers, radios and direct contact with ETC offices. In addition to network congestion and line drops, they face Internet-related problems such as slow connection speed and low quality of service. Therefore the complaints of urban consumers are wider than those of their rural counterparts.

7.2. MAURITIUS
Network, or rather absence of network access, was most often noted as a source of problems for consumers in Mauritius, followed by issues with tariffs (Internet tariff and cross network tariffs are the main tariffs highlighted as being excessive, especially compared with the situation in other countries).

Network issues have been experienced across all subsections (old/young, urban/rural, literate/illiterate, high income/low income) and is the one of highest concern. From the group discussions, Orange is perceived as having a better network coverage than Emtel, with 13 mentions out of 23 (56%) while Emtel has been mentioned seven times only (30%) with two people mentioning that both have the best network (9%).

The following qualitative comments were expressed on network/quality of service:
• Consumers have been “forced” to use paid services like missed call alert, voice mail etc – some consumers have pointed out that these services are basic and should be free because the problem lies with the network;

• Network issues are not handset dependent;

• For the Internet, there is a belief that dial-up quality is purposely bad because Mauritius Telecoms are attempting to force people to move to ADSL.

Sometimes issues on the network can be beneficial to the choice of an alternate product or competitor. Of the seven people who mentioned switching mobile operator, four migrated mainly because of network issues. The others migrated because of tariffs and friends being with another operator.

The same pattern does not apply for Internet services since very often consumers view the opportunity cost of switching to a competitor of Mauritius Telecoms is not relevant and will lead to an increase in connection issues.

In summary, the market is not perceived as efficient and consumers very often need to sort out their network issues without assistance. The common perception is that most of them are not aware of how to channel these complaints or grievances.

Consumers mention that tariffs are relatively high in Mauritius, especially the Internet tariff when compared with other countries. High tariffs are more an issue for young consumers, as they and urban consumers tend to be more aware of tariffs both at local and international level, as revealed by the interviews and focus group discussions.
As for mobile, the off-net tariff is viewed as being very expensive when compared to on-net calls and SMSs. Some people mentioned that the difference in tariff between on and off-net is disproportionate when compared with other countries; others have noted that the international tariffs to some destinations are less expensive than off-net calls.

In terms of the mobile operators, people view MTML (mentioned seven times) as being the least expensive (following sales promotion price offers) and view both Orange and Emtel as being the most expensive. A minority of the respondents saw Orange and Emtel as largely the same in price terms. This reflects market realities where tariffs are relatively stable (and regulated) for the main competitors and they compete mainly on their portfolio of products and services.

In summary, the consumers feel that they are not really getting a good service for what they are paying (especially for the Internet). Consumers believe that the market is distorted and there is a general belief that there is collusion between the major players to maintain a high price to maximise revenues. ICT is not viewed as an essential commodity (although for some, it is a vital part of their job) for which a preferential tariff policy could apply.

Billing and equipment represent an issue mainly for the literate and high income earners in the groups. Low income and illiterate consumers tend to use prepaid cards and thus are not exposed to the billing processes of the operators.

Consumers have the impression that they are being billed for items that either they are not aware of or that they have not consumed: an example given was a “ring back” tone charged for while no request had been sent, with the issue being that the “*” sign had been accidentally pressed and the command had been sent.

Another point raised was that there is no means for the consumer to really check what has been “consumed” compared with what is on the bill. Airtime is immaterial, and they have to trust the operator’s bill.

More than half of 24 people interviewed have used the operator’s customer service. Out of those who have used the operator’s customer service, most (67% out of 15 people interviewed) were satisfied with the way their request was handled.

Just under half of the 24 interviewees have complained at least once to operators. Their complaints were largely technical, such as SIM not working, fixed line not working, cannot make calls from mobile phone, scratch card not valid.

Those who do not complain do not do so because they prefer to ask for assistance from someone they know able to provide the required assistance. In two cases, the respondents had never had any issues with their provider and therefore never had the need to complain. Ten out of the 11 complaints were made by phone and one by email. Several channels were used to follow up, such as showrooms, email, phone and letter. Only four complaints were resolved to the satisfaction of the customer.
No respondent escalated their complaint, because of lack of awareness of the resolution process. In view of this, policymakers and relevant agencies will need to ensure that adequate codes of practice and guidelines are put in place to address consumer complaints in a fair and just manner.

Only a quarter of the 24 interviewees had an idea of their rights as customers. The most common right mentioned is the right to privacy (three mentions). Other rights mentioned were good service for the price paid and protection against misuse. The other interviewees had no idea at all of consumer rights.

The existence of a telecomms regulator and the role it plays in relation to consumers was not well understood by those interviewed. In the case where interviewees were aware of the existence of a telecomms regulator, they did not know its name. Others mentioned Mauritius Telecoms or the broadcasting regulator IBA as playing this role in the telecomms field, showing a degree of confusion. Nevertheless, the telecomms regulator was mentioned as playing the following roles: regulating tariffs, preventing monopoly and abuse, protecting consumer rights.

7.3. RWANDA

Interviewees generally held firm and clear views on the various service providers, with only small numbers of interviewees with no opinion on the various service providers or reluctant to offer and give reasons for their views (fewer than 10% on most questions). Although these views are not statistically of any significance given the small sample size and the qualitative nature of the interview process, there appear to be some levels of inconsistency in the answers. For example MTN was rated as both the most expensive and the cheapest service provider by a substantial proportion of interviewees (46% and 38% respectively). This suggests that views, although firm, may not be well informed, possibly mirroring market share or recent sales promotions. Thus, exploring what underpins consumer attitudes and judgement may well be an avenue for further research.

A number of consumer protection issues surfaced during the face-to-face interviews, many of them similar to issues identified in other sample countries. Featuring prominently among the responses were high price of mobile services especially in relation to affordability for consumers, quality of service, which included both the high incidence of dropped calls and network congestion, the lack of mobile coverage in parts of the country and equipment problems with handsets (all raised by 67% or more of the interviewees). Charging and billing issues also surfaced, but for only about a third of consumers interviewed.

The majority of interviewees had never lodged a complaint with their service provider, many citing lack of confidence in the complaints procedure as a reason for not doing so. Interviewees seemed relatively well informed in respect of their rights as consumers, with most citing the right to technical support via the operator helpline and half citing the right to know call costs.

Levels of awareness of the regulator were very low, with only about a fifth of interviewees being aware of the existence of RURA, and many confusing it with the operators or other public institutions. There was similar confusion over respective roles of stakeholders, especially those of government and the regulator.

A number of issues emerged from the focus group session. As in other countries, lack of literacy was felt to play a negative effect on consumer perceptions of quality of service, on the degree of empowerment of consumers
and on the ability to complain. The focus group also highlighted a number of issues affecting consumers in rural areas in particular; especially poor and patchy network coverage, problems with handsets and other equipment, but also the lack of electric power and the lack of availability of recharge vouchers. The focus group discussion on gender was inconclusive.

A number of recommendations were made to RURA on the basis of the research outlined above, namely the need to strengthen the law in respect of consumer protection; the need to strengthen the ability of the regulator to intervene in support of consumers; a recommendation that consumer perceptions of service providers and of the regulator be regularly surveyed; the need to publicise the regulator and what it does to protect consumers; and the establishment of a national consumer body.

These recommendations form the basis of the Regulatory Actions Plan drafted and canvassed with RURA. At the time of writing, however, the research team has been unable to secure any feedback or commitment from RURA, despite several attempts to finalise and agree such an action plan.

7.4. Uganda

All respondents had a fair to good idea of what their rights as ICT consumers are. Examples given included the right to know the quality of services they were getting and the cost of the services; the right to access information they needed (and to choose which information they did not want to see or receive); the right to availability of services/good quality of service; the right to complain; the right to privacy; the right to make a choice; the right to health-friendly services; the right to affordable services; the right to get good products with suitable guarantees; the right to understand contracts entered into with service providers; the right to use the same SIM card on another network; and the right to contracted service levels.

Some of the respondents, however, felt that not everyone was necessarily aware, and that there were a lot of shortcomings around awareness of rights. As one respondent put it:  

*I am not sure if I know them but I am aware that I should have rights, such as a right to health and thus (be) safe from health hazards caused by technology. I should also have access to cost (information) and also knowledge of what is to be charged. Consumers in most cases have no rights in almost everything because in Uganda we have no systems and structures in place. I do not think that people have channels for complaints and channels for their complaints to be addressed.*

While this response is not typical of what came out of the in-depth interviews, it does represent a very common situation, especially among those who do not have either a full education or much income.

Some two-thirds of interviewees felt that consumer rights are not being fulfilled. Key issues of concern raised included unfair pricing due to high interconnection rates; failure by service providers to give feedback to consumers’ complaints; lack of transparency; lack of awareness; and limited security.

Failure to fulfil rights by service providers leads to the issue of whether or not consumers then register complaints. It would appear that a very large majority of consumers among those who know their rights do try to raise complaints. Many of them, while knowing their rights, never complain because they believe it is a futile exercise. The feeling in this group is that the majority of consumers do not complain because they either do not know their rights, or are unable to register their complaints.
What also emerged, however, was that in respect of the majority of complaints raised by those who know their rights and are able to register their complaints, these are mostly either not satisfactorily handled, or not responded to at all.

The general feeling among the respondents is that a lot can be done to improve awareness of rights as well as the convenience and effectiveness of complaint processes. Actions recommended range from service providers training their staff in customer care to creating consumer awareness using methods that reach across all consumer categories. Access to complaints desks – set up by service providers and regulators – is another barrier.

Localisation of such desks was seen as part of the solution: walk-in complaints are perceived as being responded to more effectively. Illiteracy was recognised as a process challenge, requiring that the complaints process should enable even those who are illiterate – these would also benefit from decentralised complaints desks where they could go and communicate verbally in their vernacular language.

It was also suggested that where service providers and the regulator, UCC, are unable directly to mount initiatives addressing customer awareness and easy access for lodging complaints, they should set aside funds that enable other entities (like consumer groups) to do so.

The regulator, UCC, is very centralised. They have no contacts at district level, so it would be difficult for people to reach them. They also need to make processes simpler and let people know how to lodge complaints, for example by putting them in different languages. Public vendors should also have this information – it would be more cost-effective than opening offices up-country. Radio is also another effective channel that could be used for sensitisation.

The current negative perception was recognised as a key challenge: many believe that even if one complains, either nothing will be done or, should it go to a higher level, the service provider will be favoured regardless. The UCC has to address this negative attitude by demonstrating action and publicising cases where they have taken action in favour of the consumer.

The issue of security from threatening or abusive communication brought on board proposals that cautiously back the registration of all SIM card owners.

In what one would consider an informed group of respondents, it was surprising that only eight out of 11 had heard of any consumer organisations active in the ICT sector. Indeed, this mirrors the experience in preparing the consumer baseline report: external organisations appeared to know more than the consumers in Uganda about these consumer organisations. This tends to support one of the responses: that the consumer organisations tend to be elitist. It also suggests that they are not effectively reaching out to their constituency. This poses a major legitimacy challenge for these organisations.

Twelve out of the 17 respondents felt that literacy is a very important factor in consumer protection and empowerment. Illiteracy poses multiple challenges. First is the basic inability to read even in the vernacular language. Second, a challenge often forgotten because English is the main official language in Uganda, is the often associated inability to understand English. Third is the
consequent lack of confidence and therefore acceptance of the status quo without challenging it. Illiteracy is also associated with poverty, compounding the inability to register complaints, even if there were awareness of rights. These are multiple barriers that the regulator, consumer associations and service providers must consciously address in their communication strategy if those who are illiterate are to have access to equal treatment. Even for those who might not be literate, the key issue is for them to be aware of how to lodge a complaint and this awareness can be raised via the radio and in local languages.

While there was recognition that gender is an issue in ICT, only a very few respondents (17%) felt that whether one was male or female had significant influence on equality in consumer protection and empowerment. These respondents thought that gender has an influence on the ability to register complaints mainly because women are more illiterate than men, and because by nature men tend to be more aggressive. Two-thirds of respondents felt that gender has no influence at all, because the factors that influence the ability to register complaints are not necessarily gender-related but rather cross cutting issues.

The Focus Group discussion was conducted with 10 people selected because they were fully conversant with the sector and the regulatory process. The general finding was that consumers of ICT are not protected. The main reasons put forward by the group were that UCC has shown bias towards the service providers; and that consumers are not well-informed about their rights and their protection under regulations and the law. A specific example cited was the service provided by ISPs: consumers appear always to get much less than they were led to expect.

Focus group participants believed that action is required in reinforcing the law – like, for example, enhancement of the Sales of Goods Act, and going further if necessary to come up with new legislation to protect consumers. This should include clear mechanisms of redress. Action is also required in enforcing honest and clear offers, contracts, and advertising. Sensitisation was seen as a very critical area of action, targeting all categories of consumers so that even those who are normally marginalised fully understand their rights and the mechanisms for redress.

The group participants had very limited awareness of any consumer groups in ICT, especially in the sense of playing an effective role in consumer awareness and empowerment. This topic actually attracted the least discussion from the group.

There was general agreement that UCC has the information needed by consumers, but that such information is not reaching the majority of consumers, partly due to the use of ineffective communication strategies.

UCC does not know yet how best to communicate to the masses. It was recommended that they change their method of disseminating the information that they have – for example, their statistics are not well publicised.
There was also the view that consumers did not know they had a right to the relevant information from UCC, and that consumers, if empowered, would actually demand that information from UCC. The issue of bias in favour of the service providers keeps on coming up, and has to be addressed by UCC if it is to emerge as a balanced adjudicator.

Consumer protection is part of the market, but it had been relegated as a non-issue until consumers protested. The regulator is trying to make sure that consumers are protected, but maybe not hard enough.

The discussion on what could be improved was very specific, with key recommendations being empowering and educating users on their rights, and holding service providers accountable for their actions. The regulator should also take a more aggressive role in issues related to consumers, especially in the enforcement of quality standards and requirements – UCC needs to be publicly seen to take action where service providers default. Legislative gaps, where they exist, need to be addressed. The regulator should also look into contracts issued to consumers by service providers to ensure that they meet minimum standards.

7.5. ZAMBIA
Interviewees generally held firm and clear views on the various service providers. For example, while these views are not statistically of any significance, Zain was seen by the majority of interviewees as the most expensive service provider, and by an inversely small number as the cheapest, suggesting some consistency. Very few interviewees had no opinion on the various service providers and most were prepared to give reasons for their views.

A number of consumer protection issues surfaced during the face-to-face interviews, most prominent among these being the high price of mobile services, network congestion (both raised by 50% or more of the interviewees) and the high incidence of dropped calls. The subsequent focus group echoed many of the same issues, but added several more, and produced a prioritised list of consumer issues – in descending order: poor network coverage; the high incidence of network congestion and dropped calls; the high price of telephony equipment; and lack of publicity around ICT consumer rights.

What did emerge as a surprising issue during the interviews was the prevalence of multiple SIM ownership, with the overwhelming majority of interviewees having more than one SIM card, and a few owning SIM cards for each of the three operators. While one cannot extrapolate on the basis of such a small sample, this is suggestive of levels of multiple SIM ownership much higher than previously thought – possibly driven by patchy network coverage and high pricing differentials between on-net and off-net calls.

Most of the interviewees had used the customer service help line of one of the providers, but only a third were aware of how to complain. Only a few interviewees displayed awareness of consumer rights, and most were unable to cite any specific consumer rights.

Levels of awareness of the regulator were very low, with fewer than a quarter of interviewees even aware of the existence of ZICTA.
From the focus group session, a concern over the poor level and quality of ICT services provided in rural areas stood out. Rural consumers were seen to be considerably disadvantaged, with the lack of electricity in rural areas a consumer issue specific to rural consumers. Lack of literacy was also felt to have a negative effect in both the use of ICT and the sense of consumer empowerment. The focus group discussion on gender was, by contrast, inconclusive.

A number of recommendations were made to ZICTA on the basis of the research outlined above, namely: a consumer protection focus on mobile customers; the prioritising of rural consumers; interventions to increase the consumer protection profile of ZICTA; the undertaking of general consumer education; greater publicity for channels of complaint and complaints procedures; the prioritising of the key complaints issues identified above; the publishing of clear and comparative pricing information; undertaking further investigation into the phenomenon of SIM-swapping; and remaining aware of future trends in consumer protection.

These recommendations form the basis of the Regulatory Actions Plan (Mukosa, 2010) agreed with ZICTA and covered in more detail in Section 8.5 below.
8. Regulatory Action Plans

A key part of the research process was that the findings in each country were used to put together an action plan with key stakeholders that was then to be agreed by the national regulator. This section summarises the action plans that were drawn up.

In two of the target countries (Mauritius and Rwanda) the local researchers were unable to secure the agreement of the national regulator to the proposed Regulatory Action Plan. In Mauritius the local researcher was unable to secure the necessary meeting with the regulator, despite repeated attempts to do so. In the case of Rwanda, changes in management at the regulator meant that the meeting could not be scheduled until after the conclusion of the project, but regulatory support for the action plan remains likely.

In two of the countries (Uganda and Zambia) the co-operation and feedback of the regulator was secured in relation to a detailed and specific set of action points. In the final case, that of Ethiopia, the regulatory action plan took the form of a series of customer service charters drawn up for the regulator by the local researcher.

Though the intention of the regulatory action plans was an important one, namely to secure a long-term practical implementation of the project across all five target countries, the outcomes in this respect are thus somewhat mixed. The customer service charters for Ethiopia promise the greatest long-term impact, but it remains unclear at the time of writing whether these have been officially promulgated. The agreed regulatory action plans for Uganda and Zambia and, potentially, Rwanda also look promising, but follow-up will be needed to ensure that these move from words on paper into actions that change things for consumers.

For full copies of each of the Regulatory Action Plans, see [http://link.wits.ac.za/projects/errea.html](http://link.wits.ac.za/projects/errea.html)
8.1. REGULATORY ACTIONS: ETHIOPIA

The Ethiopian regulator ETA agreed with the help of the local consultant to draw up consumer service charters for the operator ETC in relation to individual (as opposed to corporate) fixed, mobile and broadband customers. These charters sought to capture both the values that ETC might espouse and the very practical ways in which it might act to respond to the consumer. These consumer charters were agreed by ETA, as they were in line with a similar charter drawn up for corporate customers at an earlier point.

For mobile users, the charter includes service provisioning time limits (24 hours for activation of a new line); service restoration time (one day); complaint handling (acknowledgement of written complaint in 10 days, full response in four weeks); telephone enquiries answered within six rings; and personal data protection.

For fixed line users, the charter includes installation of a basic phone line within seven days of registration; an average fault repair time of 24 hours; latest tariffs available on its website; and complaint handling and call response times as for mobile users.

For broadband users, the charter includes the latest bill obtainable on the Internet; complaint handling and call response times as for mobile and fixed line customers; and a mean time to repair of 48 hours for consumer broadband.

8.2. REGULATORY ACTIONS: MAURITIUS

The Mauritius action plan contained 11 recommendations, seven of which are set out to be addressed by the regulator ICTA, and the balance by a combination of telecomms operators and consumer groups. The recommendations are grouped under two headings; one that includes all the items recommended during a meeting of the stakeholders at the end of the research, and another that contains recommendations prompted by the research itself.

The recommendations from the research all focus on communications around different aspects of the consumer functions within the regulator, including clarifying the complaint handling, escalation and resolution process; improving consumer awareness of the regulator; and an information campaign about consumer rights in the sector.

The recommendations from the stakeholder group meeting sought to make concrete the research recommendations. Therefore, its recommendations included strengthening cooperation between the various actors (regulator, operators and consumer association) on specific projects; the organisation of a Stakeholders’ Forum; representation for consumer groups in ICTA or Ministry of Communications activities affecting consumers; a time limit on complaints processes; and the setting up of a self-regulatory body between the consumer association and operators.

Repeated efforts to secure a meeting with the regulator in order to discuss the recommended Regulatory Action Plan were unfortunately ultimately unsuccessful. The Regulatory Action Plan report for Mauritius is, therefore, tabled as a recommendation.

---

9 Adam, 2009
10 Padayatchy & Gross, 2011
8.3. REGULATORY ACTIONS: RWANDA

Repeated efforts to secure a meeting with the regulator before the conclusion of the project in order to discuss the recommended Regulatory Action Plan were unfortunately unsuccessful. A meeting has, however, been secured for after the conclusion of the project. The Regulatory Action Plan report for Rwanda is, therefore, tabled as a recommendation at this stage.

The recommendations included both recommendations from the final research paper, as well as the ones expressed and discussed during the validation workshop that took place in December 2011.

They included recommendations to empower the regulator more effectively to protect consumer rights in ICT by strengthening the structure and capacity of its Consumer Affairs Unit; to ensure that the regulator intervene more strongly on specific consumer issues to protect consumers by, inter alia, encouraging operators to improve their services, possibly including a review of the provisions in the operator licences, and some form of mechanism for those operators that are well ranked in terms of quality of service.

It was further recommended that the regulator engage more effectively in marketing itself to the public of Rwanda, with particular attention to educating the general public on the issues related to consumer protection and exploring communications channels that are popular in Rwanda, such as public and private radio and newspapers, to do so.

Support for the establishment of at least one association dedicated to the cause of consumers, to defending their rights, identifying and publicising their issues, and to advancing the cause of the consumers of communications services, was also recommended.

Finally, the regulator’s Consumer Affairs Unit was recommended to be empowered with sufficient resources in order to conduct nationwide research in consumer protection, taking into consideration the lessons learnt from this first research in Rwanda, and that this research involve all key stakeholders such as the operators, media, academia and the civil society in order to raise the awareness.

8.4. REGULATORY ACTIONS: UGANDA

The local consultant agreed 19 recommendations with the regulator UCC. Specific actions have already been taken on seven of the recommendations. Seven of these recommendations involve improvements to communications, including consumer awareness campaigns; publicising on a “name and shame” basis performance measurements of operators; increasing awareness of rights outside the elite; addressing illiterate consumers; and working on issues in partnership with consumer organisations.

UCC has adopted a multi-pronged approach to consumer education. This encompasses the use of mass media (radio), ICT film shows (shown in slums and villages), public dialogues, school visits and ICT youth camps. The activities are held concurrently in particular parts of the country and have been carried out in Lira, Fort Portal, Koboko, Arua, Nebbi, Kasese, Hoima, Mbarara, and Mbale among others. The multi-pronged approach is aimed at addressing the different categories

---

11 Nsengiyumva, 2011
12 Tusubira, 2010.
of consumers in a language best appreciated by each target group. The use of audio-visual communications enables the illiterate to get the message.

Other recommendations agreed cover exploring number portability; changing the mindset of UCC from investor-centric to consumer-centric; simplifying the regulator’s own complaints procedure; no longer requiring a written complaint; addressing quality of service issues by benchmarking customer call centres; and looking at health and safety issues.

8.5. **REGULATORY ACTIONS: ZAMBIA**

The 12 recommendations for the regulator ZICTA are split into two sections: those flowing directly from the focus groups, and those coming out of other parts of the research. The four recommendations coming out of the focus groups all target service providers to do more in terms of informing consumers, including promoting awareness of complaint lodging procedures; giving consumers the ability to register complaints in the language of their choice; providing women with someone of their own gender to talk to in order to overcome cultural barriers; and creating a closer relationship between on-net and off-net tariffs.

The recommendations from the rest of the research process included focusing on mobile customers, particularly providing comparative rate information; prioritising less well informed rural consumers; increasing the profile of ZICTA; undertaking general consumer awareness campaigns, specifically publicising channels for complaints; publicising pricing information; and keeping an eye on future trends that affect consumers.

Three “quick wins” were identified for implementation: the publication of comparative pricing information; exploring the use of broadcast SMS to send messages promoting consumer awareness; and the production of posters and flyers for country-wide distribution.

---

13 Mukosa, 2010.
9. Conclusions and Recommendations

There may be additional issues that have not been touched on in this research, either through the in-depth interviews or in the focus group. However, the research has surfaced a number of key issues and common themes, and the recommendations offered in this report may assist in addressing some of the cardinal issues in regulating to ensure ICT consumer protection and to promote ICT consumer empowerment, and in strengthening effective regulation of the ICT sector by the regulator.

The overall recommendations made are as follows:

9.1 Strengthen Consumer Protection in the Law
Governments should strengthen the provisions in the law that empower the regulator more effectively to protect consumer rights in communications. In the absence of effective legislation, regulators can both issue regulations that serve the same purpose and insist that operators publish consumer charters.

9.2 Survey Consumer Perceptions and Issues
The regulator should regularly survey consumer perceptions regarding the various service providers, including the reasons behind such perceptions, and should publish the results of such surveys on its website and elsewhere. The results of these surveys should be one of the strongest grounds for regulatory intervention on behalf of consumers.
9.3 **REGULATORY INTERVENTION**

The regulator should intervene more strongly to protect consumers by, among other things, encouraging operators to improve their services, requiring greater network coverage on the part of the operators, and intervening in respect of pricing and quality of service. A key issue to address even in competitive markets is how best to improve the performance of a dominant market leader.

9.4 **PRIORITISE KEY COMPLAINTS ISSUES**

While the sample size in this research project is clearly too small to draw nationally representative conclusions, a number of problem areas for the consumers of ICT goods and services seem to feature prominently. These include lack of network coverage in certain (mainly rural) areas, frequent dropped calls, poor quality of service and pricing. Validation of the results from the sample covered by this research, together with possible mandatory provision of complaints data and analysis by service providers to the regulator, would assist the regulator to identify priority areas for regulatory intervention to protect consumers.

9.5 **PUBLISHER CHANNELS OF COMPLAINT**

The research undertaken here has shown that few consumers are aware of how to complain, and in respect of what issues complaints are justified. It is clear, therefore, that a comprehensive national awareness campaign relating to consumer complaints would empower the sector regulator to protect ICT consumers. Such a campaign could cover not only the channels through which consumers can register their complaints and have them resolved and, if need be, escalated (and here it must be emphasised that the service providers should always be the first port of call, with the regulator acting as the complaints channel of last resort), but should also cover the types of issues in respect of which complaints may be raised. With the majority of consumers being mobile subscribers, the use of mandatory SMS messages from service providers to carry the campaign should be investigated. Also worth considering is mandatory point-of-sale provision of consumer protection information with starter packs and recharge vouchers.

9.6 **PUBLISH COMPARATIVE PRICING INFORMATION**

The interviews undertaken as part of this research suggest that there is considerable confusion in respect of the pricing of the various packages and services offered by the service providers. While operators clearly have a vested competitive interest in ensuring that their pricing is not comparable, a regulatory requirement to publish certain comparable benchmark data in a single location would greatly assist consumers properly to compare prices and hence empower them to choose the ICT services best suited to their needs at the most affordable price.

9.7 **FOCUS ON MOBILE CUSTOMERS**

As both this research and national subscriber statistics show, the overwhelming majority of consumers of ICT goods and services in Africa are mobile subscribers. It is therefore clear that any policy and regulatory interventions to protect and empower ICT consumers must focus on and target the mobile sector first and foremost. This does not imply that consumers of legacy fixed-line services or Internet services, whether via dial-up connectivity, ADSL or 3G services, should be ignored. But it does imply not only addressing the issues that affect mobile consumers as a priority, but also exploiting mobile as a channel of communication between regulators and service providers and their customers.
9.8 PRIORITISE RURAL CONSUMERS

It is clear from this research that the level of consumer awareness and the degree of customer empowerment are considerably lower in the rural areas. Furthermore, certain consumer issues such as poor network coverage and dropped calls disproportionately affect rural consumers. The concentrations of consumers in urban areas are, of course, vastly greater, and reaching them consequently much easier and more cost-effective. Conversely, policy and regulatory interventions to protect consumers may be more challenging and costly in rural areas, but, nevertheless, rural consumers and their issues should be seen as a priority.

9.9 INCREASE THE PROFILE OF THE REGULATOR

The research has shown that there is limited awareness of sector regulators and correspondingly little appreciation of their role or of the importance of their work in protecting consumers. It is therefore necessary for the regulator to consider how it can increase its profile among ICT consumers in order to empower it as an agent of consumer protection. Specific measures to achieve this on a cost-effective basis are beyond the scope of this report, but consideration should be given to the use of SMS and community media and point-of-sale information. The regulator needs to engage more effectively in marketing itself to the public, via a variety of channels (including but not limited to radio, television, SMS and its website), advertising its role and responsibilities in relation to those of government and the operators, and claiming greater public credit for its achievements and successes, particularly those in defence of consumer rights.

9.10 UNDERTAKE GENERAL CONSUMER EDUCATION

The low levels of consumer literacy and awareness revealed through this research suggest that consumer education, often at a fairly basic and general level is required, so that consumers can better understand how the ICT sector works, how they as consumers are affected by its dynamics, what the specific issues are that impact on them as consumers, and what their rights and expectations as customers of ICT goods and services should be. The development of customer service charters, along with a means of ensuring their widespread dissemination, for the various classes of service provider could be a useful step in this direction, along with the use of some of the channels of communication suggested above, such as SMS, point-of-sale information, community media and more.

9.11 INVESTIGATE SIM-SWAPPING

It seems clear that SIM-swapping is commonplace and that many consumers who can afford them, make use of multiple-SIM phones. It is worthwhile investigating exactly how widespread this phenomenon is, along with what incentivises consumers to engage in this practice. Problems relating to network coverage by respective service providers, or pricing differentials between on-net and off-net calls, may underpin this. If so, regulatory interventions to extend network coverage or to reduce mobile termination rates may work to disincentivise this trend. Multiple SIM use may also be a sign of an inefficient market because operators with network congestion are not punished by consumers moving to another network. Mobile Number Portability could be a strategy to address this issue.
9.12 REMAIN AWARE OF FUTURE TRENDS
While this recommendation does not emerge directly from this research, it nevertheless remains important to stress that the sector regulator continually needs to remain abreast of market developments and ongoing shifts in customer preferences and consumer patterns. As the ICT sector continues to grow and evolve, so too will policy and regulatory intervention need to look ahead and be proactive in order to protect ICT consumers.

9.13 SUPPORT FOR CONSUMER GROUPS
There should be support for the establishment of at least one association dedicated to the cause of consumers, to defending their rights, identifying and publicising their issues, and advancing the cause of the consumers of communications services. Such an association, able to interact effectively with the regulator and policymakers, can only serve to strengthen the cause of consumer empowerment.

9.14 SUPPORT FURTHER CONSUMER RESEARCH
The research undertaken here indicates the need for effective regulatory and policymaking intervention to be supported and underpinned by appropriate research. Some issues requiring research will be closely related to nationally contextualised issues, but others, such as an exploration of what underpins and drives consumer perceptions of operator services and customer issues, might be more generalised.

9.15 STRENGTHEN REGULATORY AUTONOMY
This final recommendation arises more as a corollary to the research, in support of the protection of consumers of ICT goods and services. Greater independence of regulators, and greater authority and autonomy for the separate regulatory functions, including in this case that of consumer protection (provided that this is backed by greater capacity building), can only serve to strengthen regulatory intervention and increase regulatory responsiveness.
10. APPENDICES

The Interview Protocol used in the field research is included here in full. The complete versions of other project reports and outputs, namely Consumer Best Practices in the Telecomms Sector, the individual country baseline reports, the individual country reports on the qualitative filed research, and the individual Regulatory Action Plans are available in .pdf format for download from the project website.

10.1. INTERVIEW PROTOCOL

10.2. CORE METHODOLOGY
The research will combine the following research approaches:
• In-depth, face-to-face, one-to-one interviews to explore in detail the issues outlined below (45 to 60 minutes).
• Focus groups to explore what might be done (in terms of choices) about the issues raised (90 to 120 minutes).

Both categories of interviews will be based on chosen selection criteria (see below). Please audio record all interviews, even those not conducted in English or French.

10.3. NUMBER OF INTERVIEWS
The methodology is qualitative and the number of interviewees and groups reflects the budget allocated for the task. Each of the country researchers will interview a minimum of 24 individuals. The selection of the interview sample is purposive, aiming to secure a reasonable demographic spread of the consumers of telecomms services. It should be based on the following variables (numbers are guidelines):

14 See http://link.wits.ac.za/projects/errea.html
Based on the findings of these interviews, the country researcher will bring together a focus group of six to eight people, largely drawn from the interviewees, to look at how the particular issues raised in the interviews might be tackled.

Using the literacy/illiteracy example, the focus group attendees might be asked to look at and comment on different solutions to tackling the issues raised that might be adopted by the regulator in partnership with consumer groups.

10.4. PROTOCOL FOR THE ONE-TO-ONE INTERVIEWS

The interviews will cover the following ground in each case:

10.4.1 SOCIO-DEMOGRAPHIC DETAILS

Those interviewed should be asked to provide the following details about themselves:

Please tick the age category the interviewee falls into:

18-24 [ ] 35-44 [ ] 55-64 [ ]
25-34 [ ] 45-54 [ ] 65+ [ ]

Gender of the interviewee:
Male [ ]
Female [ ]

Age finished education:
Below 15 [ ]
15 [ ]
18 [ ]
25 [ ]
Over 25 [ ]
10.4.2 QUALITATIVE CONSUMER INFORMATION

Interviewees will initially need to be asked to co-operate. The purpose of the research should be summarised, along with the value of their contribution. Anonymity should be guaranteed. Use a standard protocol to cover.

The substance of the interview is broken down into four main sections, namely:

A. Understanding of operators and their services:
This section asks interviewees to compare the different service offerings on the market. The focus is likely to be on mobile, given its market share, but other service offerings such as fixed, Internet access, etc, can also be covered.

1. What telecommunications services do you consume (Mobile? Internet? Fixed?) Who is (are) your service provider(s) (ie who do you see yourself as a customer of)?

2. Which service provider in your country do you think provides the best service to its customers? Why? Explain.
(Prompt: Quality of service (explain if necessary: dropped calls/call completion/voice quality etc)? Network coverage? Range of packages and offerings?) (Also record if interviewee does not know / does not have a view.)

3. Which service provider in your country do you think is the cheapest? Why? Explain.
(Prompt: Starter packs? Contracts? Recharge vouchers? Minutes?) (Also record if interviewee does not know / does not have a view.)

4. Which service provider in your country do you think provides the worst service to its customers? Why? Explain.
(Prompt: Quality of service (explain if necessary: dropped calls/call completion/voice quality etc)? Network coverage? Range of packages and offerings?) (Also record if interviewee does not know / does not have a view.)
5 Which operator in your country do you think is the most **expensive**? Why? Explain.  
(Prompt: Starter packs? Contracts? Recharge vouchers? Minutes?) (Also record if interviewer does not know/does not have a view.)

6 Where do your views come from? How do you know about the services of the operators and their quality of service/packages/pricing/coverage areas (as answered above)?


7 Have you switched from one service provider to another? If yes, why? If not, why not?

**B. Consumer issues raised**

This section is designed to allow consumers to identify the issues of concern to them as consumers and where intervention by the regulator might increase consumer protection. Allow the interviewee to come up with issues they raise first and note the order in which they appear. The intention is to both cover the full range of issues and to identify their prioritisation. Then take the list of issues below and prompt respondents on issues they have not already raised:

8 Would you say you are generally satisfied or dissatisfied with the service you receive from your service provider(s)? (See question 1)

9. What are the main **problems** you have with your mobile/Internet service? Please explain in each case.

   Prompt questions (if first answer is short/thin):

   - Is the cost of service a problem for you as a consumer? Are prices too expensive? Are you being charged too much for what you get? Are prices too expensive for certain aspects of the service, e.g., SMS?

   - Is the quality of service a problem for you as a consumer? Do you experience a lot of dropped calls? Do you have difficulty completing a call? Do you have difficulty calling from one network to another? Is the voice quality a problem? Do you find the network congested at certain times of the day? Are Internet service outages a problem?

   - Is network coverage a problem for you as a consumer? Is there a lack of network coverage in certain areas? Where exactly?

   - Are charging and billing a problem for you as a consumer? Are you being charged for things you think you ought not to be charged for? Are charges made sufficiently clear to you as the consumer? Is it easy to buy and load airtime?

10. Which one of the issues above would you single out as the most important/main problem (from the issues identified above)?

C. Consumer contact and complaints made
This section is designed to identify whether consumers are aware of when their rights as consumers have been infringed, whether they are aware of the channels of redress available to them, and if they have used these channels.

11. Have you ever used the customer help line of your service provider? If you have, why, and what for? If not, why not? Were you satisfied with how you call was dealt with?

12. Have you ever made a complaint to your service provider? If so, on what issue(s)? If not, why not?

13. What channel(s) did you use to pursue your complaint(s)?
(Prompt: if no complaint has been made, ask what channel they would use if they did have a complaint. Also record if they are not aware of any complaints channels.)

14. How was (were) your complaint(s) handled? Were you satisfied with the outcome? If not, what, if anything, did you do to escalate the complaint?
(Prompt: also record if they are not aware of any complaints escalation channels.)

15. What rights do you have as a consumer of telephony and Internet services? How do you know about these rights?
(Prompt: also record if they are not aware of any consumer rights.)

D. Who is doing what and what might be done
The interview can then be concluded by covering two related topics, identifying what consumers know about what is being done in respect of consumer protection, and what sorts of interventions they would like to see.

16. Are you aware of your country’s telecomms regulator? Do you know its name?

   If aware: What do you think the regulator does? How effective do you think the regulator is at carrying out these tasks?

17. What do you think the following organisations/groups can do to improve the experience of consumers?
   Please make specific suggestions.
   • Government?
   • Regulators?
   • Service providers?
   • Consumer groups?
   • Others?
18 What else do you think might/should be done to help consumers of telecomms and Internet services?

Conclude by thanking the interviewee for participating, and asking if they would be prepared to participate in the focus group (take their details if they are).

10.5. PROTOCOL FOR FOCUS GROUP

The purpose of the focus group is twofold:

• to explore in more depth and detail the major issues that have emerged from the interviews;
• to identify possible solutions that consumers are able to propose to the particular issues they have raised.

Overall solutions will come from several directions:

• ideas proposed by those attending the initial workshop;
• solutions identified and explored by consumers in the one-on-one interviews and the focus group;
• proposals discussed at the concluding workshop.

The members of the group are being asked to comment on and discuss the different ideas. The aim is to have a discussion that will allow participants to react to and modify the ideas presented to them and be able to add further ideas of their own.

Guidelines for conducting the focus groups will be sent separately to the country researchers at a later point, along with a methodology for analysis. A recording of the group is essential even if the language used is not English.

10.6. FOCUSED ISSUES TO BE PICKED UP BY PARTICULAR COUNTRIES

The issues for the focus groups are as follows:

• The impact of illiteracy: What do illiterate consumers know about their rights? Do they complain? If they do complain, how do they do it? How might processes be improved to help them complain?

• Gender difference: Are women more or less likely to complain? What barriers do women perceive that there are to making effective complaints? How might these barriers be removed?

• Rural and small town consumers: Are there particular issues that affect rural and small town consumers? How easy is it to complain in rural and small town areas? What practical steps might be taken to improve the situation?

• Urban consumers: What are the particular issues that affect urban consumers? What are the main channels of complaint and how effective are they? What practical steps might be taken to improve the situation?

• Low-income vs high-income consumers vs corporate consumers: What are the differences in attitude to consumer issues between these different groups? What practical steps might be taken to improve the situation?

15 In other words, those who have a phone or Internet account paid for by their work
11. REFERENCES


BCCSA (nd). About The BCCSA. Broadcasting Complaints Commission of South Africa, Johannesburg, available online at http://bccsanew.co.za/


