

Comments of the Polish Chamber of Information Technology and Telecommunications to the BEREC Report on contractual simplification

1. General statement

Contracts for the provision of telecommunications services are becoming more and more complex. The catalogue of information required by law to be included in the contract expands ever more. In result the contracts get ever longer and less comprehensible for customers. **Currently – both telecommunications regulations (Telecommunications Law) and consumer protection regulations (Consumer Rights Law), require almost 50 obligatory elements to be included in the contract. It means that telecommunications contracts are one of the most complicated patterns in B2C and B2B economic relations.**

The use of banking products is much easier, for example loan can be taken online, and the risks for both involved parties are significant. On the other hand, telecommunication service providers are obliged by a number of information obligations, that make the contract is extremely complicated. Finally 11% of Poles did not read the contract before signing it, 28% did not read the contract accurately¹.

This proves that for the sake of customers' interests the contracts should be kept as short and as simple as possible without including excessive number of compulsory elements that neither useful, nor comprehensible for a customer.

In terms of the form how the contract should be concluded / signed, the default form should be digital and ecological thus reducing volume of paper that is used for this purpose.

The European Electronic Communications Code extends the catalog of information that must be provided to the subscriber by the provider of the electronic communications service. Article 102 (1) of the Code introduces a number of information that must be provided before the consumer is bound by the contract. For instance information about latency, jitter, packet loss will be understandable only for a small group of users and in our opinion they do not constitute an added value for the consumer. The BEREC report shows that this information have been recognized as of minor importance for most NRAs. (*Figure 12: NRAs ranking of the importance of information on QoS for inclusion in a contract summary*). In our opinion, this type of information should not be included in the contract. Of course, the subscriber should be able to get information about such indicators, but they could be available, for example, on the website.

The summary of the contract provided for in Article 102 (3) of the Code provides for a specific catalog of information that should be included in it. Currently, many companies already use this kind of summary and, in principle, this idea is right. However, it should be remembered that adapting to the new regulations will require changing many processes and will be expensive.

The activities of both NRA and BEREC related to contracts should focus on simplifying them and ensuring flexibility, what should, for example, mean giving some scope of freedom to operators when choosing a graphical form of summary, because they best know the needs of their clients.

We also point out that in the case of pre-paid contracts, the customer is not bound by the contract, but only by the rules of service provision. Therefore, the Commission should clearly indicate that a summary of the contract should be available only when such a contract occurs.

¹ „Jak Polacy zawierają umowy i rola dziennikarstwa ekonomicznego” PBS on request Press Club Polska, Axa i Provident Polska, 2016 r.

In conclusion, we will support every BEREC activity that will make the contracts simpler, shorter and more consumer-friendly.

2. Detailed answers

Q 1: Do you have any comments or observations regarding the summary of NRAs initiatives and measures, set out in Section 2, to assist consumers to better understand their ECS contracts?

No comments

Q 2: Do you have any comments or observations regarding the summary of NRAs ranking of the key information elements, set out in Section 3?

No comments

Q 3: Do you agree with the NRAs views on the rankings of the key information elements for the summary template?

- The identity of the trader
- The main characteristics of each service provided
- The price for each service provided
- The duration of the contract and the conditions for its renewal and termination
- Quality of Service
- Compensation and refund arrangements
- Additional information elements, such as personal data processing, complaint handling procedures, etc.

The information identified by the NRAs are in principle the basic information that should be included in the summary of contract.

The primary purpose of the contract summary should be to help the consumer understand/identify the most important information contained in the contract.

Termination conditions shouldn't be placed in the summary due to the large volume of text (there is plenty of conditions for termination). Renewal is important only if it regards another definite period.

Summary shall be as limited as possible. We believe that if we provide too much information in a summary, most of consumers would decide not to read further documents.

Q 4: Do you have any views on how a contract summary should be drafted, addressing the following aspects in your response:

- a. Size and number of pages on which the summary should fit
- b. Font size and contrast of key information elements
- c. Layout or order in which the key information elements should be presented
- d. A single contract summary for each category of ECS or for multiple ECS
- e. Particularities that should be considered with regard to disabled citizens

1. Contract Summary (CS) should contain at the very most 2 pages (1 page is preferred).
2. Font size - no less than 8.
3. CS should presents the most important things from the consumer point of view:

2a. Single contract:

- a) the name of the offer/promotion,
- b) duration of the contract,
- c) the name of the tariff plan,
- d) all charges that consumer has to pay included one-time rate (for example activation fee) as well as monthly fee (for example subscription fee),any additional useful information for a consumer such as number of agreement, , the way of invoice delivery (paper/mail),
- e) service provider contact details.

2b. Multiple contract (bundle offer):

- a) all the information from 2a + short describe of the elements of the bundle (for example if bundle offer comprise of 3 offers: FBB + MV + TV – consumer should has an information about a maximum speed of FBB; information about where (in what document) consumer is able to find list of TV channels; what benefits consumer got in mobile voice offer and so on).
4. Information from a) to h) should be presented in a table form.
5. CS should also contains a dedicated website address for disabled people where they may find dedicated information for them. Customers with special needs should get a summary of the contract in an electronic version (eg PDF), which will allow them to read the document, using programs that enlarge the text or read the text. In addition bright colors should be avoided because they make it difficult to read for people with certain visual impairments.

f. Any other elements you consider important to be included in the contract summary.

Operators should have some scope of freedom as to the graphical appearance of the contract summary, for example the possibility of placing a logo or other information that identifies the brand.