

DRAFT BEREC REPORT ON THE HANDLING OF THIRD-PARTY PAYMENT CHARGES ON MOBILE PHONE BILLS

COMMENTS BY DEUTSCHE TELEKOM

General remarks:

BEREC's Report provides useful and comprehensive information on rules and best practice regulations relating to the handling of third-party payment charges on mobile phone bills in different European countries.

It states correctly that markets are developing and accordingly "third-party services" are interpreted in a broad sense and include both:

- Premium Rate Service (PRS), which are services offered via phone call (voice call) or text message (SMS/MMS) which are charged to the mobile phone bill at a higher rate than normal phone calls or text messages. The focus is on Premium Rate Services (PRS), and
- Direct Carrier Billing (DCB), which is used to charge digital content services, or other products or services directly to end-user's mobile phone bill – and which is increasingly popular.

The main focus of the report is for both use cases PRS and DCB on consumer protection issues, and on this the Report also provides useful and comprehensive information.

Overall, the Report serves as a useful information tool in search for best practices regarding third party payment charges on mobile phone bills.

Consultation Question 1.

Have you any specific observations in respect to the general overview of major issues as set out in section 3 of the report and split as follows:

1(a) Complaints and Enquiries in respect to Third Party Payments?

DT:

We propose to add information on "consumer profit" with regard to PRS and DCB. It is important to state that both use cases cover consumer requests to choose and use services from enterprises in different sectors in a simple way which includes to offer easy and suitable options to pay for these services. This includes for example to pay for parking tickets or tickets for public transportation via mobile phone bill.

1(b) The presence and sources of definitions for PRS and DCB?

No comment

1(c) Responsibilities regarding PRS Calls, SMS and DCB?

No comment

1 (d) Collection of Information in respect to PRS and DCB?

No comment

We propose to add that the collection of information in respect to PRS and DCB shall be proportionate and target oriented and accordingly strike the balance between regulatory objectives and data collection burden for market participants.

1(e) Are there any other major issues that have not been referred to in section 2 – 'General Overview' that should be considered in this report?

DT:

We propose to add information on the existence of consumer protection initiatives, established by market participants besides regulation.

It is important to be aware that mobile network operators as well as service providers aim to ensure safe use of services and to meet consumer interests regarding secure and transparent billing, as this is a precondition for PRS and DCB market existence and market development. Accordingly, market participants have implemented several voluntary measurements which are constantly developed and adjusted to keep markets clean,

These measurements also lead to a significant decrease of consumer complaints.

Consultation Question 2.

Do you have any specific observations on the consumer protection measures as set out in section 3? Please clearly reference the measure and paragraph number when responding to this question.

DT:

The presentation on the consumer protection measures as set out in section 3 is informative and comprehensive. Nevertheless, it is important to state that the report provides a helpful description of potential consumer protection mechanisms but should not be interpreted as prejudice for further regulatory measures.

Consultation Question 3.

3 (a). Are you of the opinion BEREC should add other European or International Reports/Studies /Position Papers to the literature list contained in Annex 1? If so, please specify the URL where they can be found.

No comment

3 (b) Are there any other relevant reports that should be referenced in the literature list as set out in Annex 3 and taken into account to enhance this best practices report?

No comment

Consultation Question 4.

4 (a). Are you of the opinion BEREC should amend, add or delete definitions contained in Annex 1? Please detail the changes you suggest and explain your answer.

No comment

4(b) Are you of the opinion BEREC should add other European or International Reports/Studies/Position Papers to the literature list contained in Annex 3? If so, please specify the URL where they can be found.

No comment