

Implementation of the European Electronic Communications Code (EECC)

October 2021





- This slide pack provides a high-level summary of <u>some</u> of the upcoming changes to our General Conditions (and associated guidance documents) as a result of implementation of the European Electronic Communications Code (EECC).
- Its purpose is to sign-post some of the key changes and provide links to the relevant documents which contain the full details. Therefore these slides:
 - do not constitute guidance from Ofcom as to our interpretation of the rules nor how we expect providers to comply with their obligations;
 - ➢ are not comprehensive and there are other changes to the General Conditions which are not referenced but which providers will need to implement.
- Providers therefore <u>must read the full details</u> set out in the relevant linked documents and ensure they have made the changes that are necessary to ensure compliance with the new rules by the relevant deadlines.

The European Electronic Communications Code (EECC)



- The EECC is an <u>EU Directive</u> that updated the regulatory framework for communications services.
 Although the UK has left the EU, under the terms of the Withdrawal Agreement the UK remained under an obligation to implement EU Directives into domestic law.
- The UK Government made clear that Ofcom should proceed to implement the end-user rights aspects of the EECC, and it made <u>changes to the law</u> to support this implementation.
- The EECC contains a package of measures designed to protect customers of broadband, mobile, pay TV and landline services in particular to ensure these customers can shop around with confidence, make informed choices, switch easily and get a fair deal.
- The new protections fall within a range of areas, including:
 - Provision of information in contracts;
 - Transparency, comparison tools and publication of information;
 - Quality of service;
 - Contract duration and termination;
 - Protections for end-users with disabilities;
 - Switching and porting; and
 - Bundled offers.

Implementing the EECC into Ofcom's rules



- We have implemented the new EECC protections through changes to Ofcom's General Conditions of Entitlement ('the General Conditions').
- The <u>General Conditions</u> are regulatory rules that communications providers must comply with when providing services in the UK.
- Our <u>October 2020 statement</u> set out our overall decision on the changes needed to our General Conditions and guidance to implement the end-user rights provisions in the EECC.
- There are two upcoming deadlines by which providers need to have implemented these changes:
 - 17 December 2021: the majority of the changes come into effect from this date; and
 - 17 June 2022: new rules on the provision of contract information, extended customer rights to exit and the provision of an emergency video-relay service come into effect from this date.
- We have also made a number of changes to the switching rules to implement the EECC. In addition, providers will be required to put in place a new 'One Touch Switch' process where residential landline and broadband customers will only need to contact their new provider to switch. The new rules relating to switching and porting, including those originally due to come into effect on 19 December 2022, and the One Touch Switch rules, will now all come into effect on 3 April 2023. The changes relating to One Touch Switch were confirmed in a statement here.



From 17 December 2021

New definitions



- The EECC introduced a number of new definitions which we have incorporated and set out in the revised General Conditions with effect from 17 December 2021 onwards.
- These include new definitions for different types of communication services, including 'Internet Access Services' and 'Number-based Interpersonal Communications Services' we refer to these in these slides as 'internet access' and 'phone services'.
- A summary of some of the key new definitions include:
 - 'Bundle': a contract, or two or more closely related or linked contracts, <u>at least one of</u> which relates to the provision of an internet access service or a number-based interpersonal communications service. The other services/contracts which may comprise part of a "Bundle" include content services or terminal equipment (such as mobile handsets). In our <u>October 2020 statement</u> we discuss some of the types of linked contracts that are likely to be seen as a Bundle, including where there are financial, technical or contractual dependencies involved (see paragraphs 4.15 4.31).
 - 'Microenterprise or Small Enterprise Customer': a business (that is not a communications provider) for which no more than 10 individuals work, whether as employees, volunteers or otherwise.
 - 'Not-For-Profit Customer': a body for which no more than 10 individuals work (whether as
 employees or otherwise but excluding volunteers), whose income is applied solely for charitable or
 public purposes and which may not distribute its assets to its members.
- See section 4 of our <u>October 2020 statement</u> for the full details of changes to the defined terms used in the General Conditions and the <u>December 2021 GCs</u> for the full definitions.

Summary – December 2021 changes



Areas of new or amended rules	Relevant GCs	Link to new GCs
Conditions and procedures for contract termination	C1.8	
Prohibition on handset locking	C1.9	
Contract duration	C1.11-C1.12	
Information on bundles in end-of-contract notifications and annual best tariff notifications	C1.23-C1.36	Annex 3: Revised General Conditions
Sharing information with third parties	C2.19-C2.21	(unofficial consolidated version) December
Publication of information	C2.3–C2.4 and C2.16	2021 (ofcom.org.uk)
Billing – providing up-to-date information and service usage notifications	C3.7 and C3.13–C3.14	
Providing communication materials in accessible formats	C5.15	

Conditions and procedures for contract termination



- The existing rule requiring that conditions and procedures for contract termination do not act as a disincentive to customer switching is being extended to bundles; and
- We've set out new guidance on the approach we will take when assessing whether linked contracts that have different end-dates ('non-coterminous contracts') are likely to disincentivise customer switching.

Rule summary & purpose:	Applies to	Relevant documents:
 General Condition: C1.8 Conditions and procedures for contract termination must not act as a disincentive against customers changing provider; Aims to ensure customers can switch provider without facing unnecessary barriers. 	 Providers of all communication services (excluding machine to machine); Customers who are Consumers, and Micro Enterprise, Small Enterprise and Not for Profit Customers (unless they have expressly agreed otherwise); and Bundles. 	 See Section 11 of our October 2020 statement. New guidance in paragraphs A10.25— A10.39 of the C1 Contract Requirements Guidance.



Handset locking

What's new?

 Mobile providers will be prohibited from selling locked handsets to consumers.

Rule summary & purpose:	Applies to	Relevant documents:
 General Condition: C1.9 No handset locking restrictions should be applied to any mobile device. Aims to ensure that locked devices do not act to disincentivise customer switching. 	 Providers who sell or provide mobile devices to Consumers as part of a bundle with any communications service (excluding machine to machine services). 	See Section 10 of our October 2020 statement.

Contract Duration



- The two year maximum on commitment periods is being extended to cover bundles (including terminal equipment) and microenterprise, small enterprise and not for profit customers; and
- Internet and phone providers will not be allowed to extend the duration of a customer's existing contract when they buy additional services, unless the customer gives their express consent.

Rule summary & purpose:	Applies to	Relevant documents:
 General Conditions: C1.11 – C1.12 Providers shall not offer contracts with a commitment period longer than 24 months (C1.11) 	 C1.11 applies to providers of all communication services (excluding machine to machine) C1.12 only applies to providers of 	 See paragraphs 7.23 – 7.99 in our October 2020 statement
 Contract durations should not be extended without a customer's consent when buying additional services (C1.12) 	 internet access and phone services Both rules apply to: Consumers, and Micro Enterprise, 	
 Aimed at helping ensure customer switching is not unduly hindered by being locked into long commitment periods. 	 Small Enterprise and Not for Profit Customers (unless they have expressly agreed otherwise); and Bundles. 	

Information on bundles in ECNs and ABTNs



What's new?

• End-of-contract notifications (ECNs) and annual best tariff notifications (ABTNs) sent to customers must include details of other contracts taken as part of a bundle.

Rule summary & purpose:	Applies to	Relevant documents:
 General Conditions: C1.23 - C1.36 Providers sending ECNs and ABTNs must tell customers about any other contracts they take in a Bundle, including the end dates of any commitment periods for those contracts. Aims to ensure customers are given useful and effective information in order to make informed choices. 	 Providers of all communication services; and All end-users of those communications services. Bundles, but limited to Consumers, and/or Micro Enterprise, Small Enterprise and Not for Profit Customers (unless they have expressly agreed otherwise) of those bundles. 	 Paragraphs 7.100 – 7.155 in our October 2020 statement Guidance (for residential customers) in paragraphs A10.63 to A10.112 here.

Publication of information



- The list of information that providers must publish on their websites is being extended to include additional details (e.g. on bundles, and on services for customers with disabilities).
- New requirements to publish in a machine-readable manner and accessible format.

Rule summary & purpose:	Applies to	Relevant documents:
 General Conditions: C2.3 – C2.4 and C2.16 The information must be published in a clear, comprehensive and machine-readable manner, and in an accessible format for those with disabilities Aims to promote transparency, helping customers compare different providers more easily and make informed choices. 	 Providers of internet access and/or phone services. All end-users of those communications services. Bundles, but limited to Consumers, and/or Micro Enterprise, Small Enterprise and Not for Profit Customers (unless they have expressly agreed otherwise) of those bundles. 	• Paragraphs 6.34 – 6.58 in our October 2020 statement

Sharing information with third parties



- Internet and phone providers must make information available to qualifying third parties, for the purposes of providing a comparison tool.
- The information must be available free of charge and in open data formats.

Rule summary & purpose:	Applies to	Relevant documents:
 General Conditions: C2.19 – C2.21 Providers must make available certain information relating to prices, tariffs and minimum quality of service levels (C2.21). Providers are encouraged to make the information available in a machine-readable format, such that software applications can identify and extract specific data from it easily. 	 Providers of internet access and/or phone services; and Consumers of those services. 	 Paragraphs 6.67 – 6.112 in our October 2020 statement
 There are a number of conditions third parties must meet to be a 'qualifying' comparison tool (C2.20). Aims to ensure consumers have clear and comparable information about communication services. 		

Billing – providing up-to-date information and service usage notifications



- Billing information made available to all customers must be "up-to-date".
- Consumers, micro/small enterprise and not for profit customers must be notified when a service included in their tariff plan is fully used up.

Rule summary & purpose:	Applies to	Relevant documents:
 General Conditions: C3.7 and C3.13 – C3.14 Providers must ensure up-to-date billing information is available to customers (C3.7). Notifications advising customers when a service has been fully used up must include information on the charges they will incur outside of the tariff plan (C3.13 and C3.14). 	 C3.7 applies to any person who provides phone services and/or internet access. C3.13 – C3.14 apply to persons that provide those communications services to Consumers and/or Micro Enterprise, Small Enterprise and Not for Profit Customers 	• Paragraphs 6.3 – 6.33 in our October 2020 statement
 Aims to help customers manage their consumption of communications services and avoid bill shock. 	(unless they have expressly agreed otherwise).	

Providing communication materials in accessible formats



What's new?

 Customers that need information in an accessible format because of their disabilities will be able to request that their provider makes its communication materials available, free of charge, in a format that meets the customer's needs (e.g. braille or large-print).

Rule summary & purpose:	Applies to	Relevant documents:
 General Conditions: C5.15 The rule covers all types of disabilities and all types of customer communications (excluding marketing material). 	 Providers of all communications services; and All end-users of those services. 	 Paragraphs 12.3 – 12.68 in our October 2020 statement
 Providers should discuss any request with the customer to identify a format that is reasonably acceptable to meet the needs of that customer. 		
 Aims to safeguard the interests of disabled customers and ensure they are given equivalent access to information about their communications services. 		



From 17 June 2022





Areas of new or amended rules	Relevant GCs	Link to new GCs
Contract summary and information	C1.3 – C1.7 & C5.16	Annex 4: Revised General Conditions (unofficial consolidated version) June
Contract modifications and rights to exit	C1.14 – C1.20	2022 (ofcom.org.uk)
Emergency video relay	C5.11 – C5.12	Annex 2: Emergency video relay statement

Contract summary and information



What's new?

Customers must be provided with a short summary of the main contract terms and a more detailed set of contract information, in writing, before entering into a contract. Customers with disabilities can also request to receive these documents in an accessible format.

Rule summary & purpose:	Applies to	Relevant documents:
 General Conditions: C1.3 – C1.7 & C5.16 Before they are bound by a contract, customers must receive a detailed set of contract information (see list in the Annex to C1), in a clear and comprehensible manner and on a durable medium. Customers must also receive a one page (or three page for bundles) contract summary in writing in a specified template. Customers can only give consent to enter into a contract once they have received the contract summary. Aimed at ensuring customers are given clear 	 Providers of all communication services (excluding machine to machine); Customers who are Consumers, and Micro Enterprise, Small Enterprise and Not for Profit Customers (unless they have expressly agreed otherwise); and The requirement to 	 Section 5 of our October 2020 statement Paragraphs A11.9 – A11.41 of our C1 guidance. Template for the contract summary is here as amended.
information about their communications services before they enter into a contract to	provide a contract summary also applies to	
help them make informed choices.	Bundles.	





What's new?

The existing contract modification rules are being extended to include:

- any changes to the agreed contract terms that are not to the customer's benefit; and
- any contracts forming part of a bundle.

Rule summary & purpose:	Applies to	Relevant documents:
 General Conditions: C1.14 – C1.20 Customers must be given one month's notice of any contract changes not to their benefit, and at the same time be given a right to exit those contracts without paying extra charges. Specific rules apply for mobile handset charges. Notice must be given on a durable medium and in a clear and comprehensible manner. Where a customer decides to exit, their 	 Providers of all communication services; All end-users of those services (except for machine to machine services where it is limited to customers who are Consumers, and Micro Enterprise, Small Enterprise and Not for 	 Section 8 of our October 2020 statement Paragraphs A11.81 - A11.116 of our C1 guidance; and also published additional relevant guidance (see next slide).
 contract must be terminated from the day before the change comes into effect (unless the customer agrees otherwise). These rules are aimed at protecting customers from changes to their contracts which are not beneficial to them. 	Profit Customers); andBundles.	

New guidance on price variation clauses



What's new?

In our new C1 guidance we explain:

- Providers should only use price variation clauses (i.e. those which specify that the
 customer's monthly price will increase by a defined amount at a specified time) where there
 is reasonable grounds to do so; and
- Providers using such clauses with reference to inflation should set out an example of how an inflation increase will impact the customer's monthly price.

Guidance summary:

- Where a contract specifies that the advertised monthly price will increase at a certain time by an amount linked to an inflation index (e.g. RPI or CPI), providers should include an example estimate of the impact on the customers future monthly price.
- Providers using such clauses are not required to give customers a right to exit under GC C1.14-20, provided the clause is made sufficiently transparent and prominent to the customer when entering the contract.
- Providers should only use such clauses where there is reasonable justification on practical grounds.
- We published a separate letter indicating that there may be reasonable grounds for using such clauses in relating to roaming charges, and setting out details of our expectations for how they might be used in these circumstances.

Relevant GCs & documents:

- <u>C1.3 C1.7</u> (slide 18);
- <u>C1.14 C1.20</u> (slide 19);
- paragraphs A11.22 –
 A11.27, and A11.102 –
 A11.105 of the C1
 Guidance; and
- <u>Published letter</u> in relation to price variation clauses for roaming charges.

Emergency video relay



What's new?

• A new rule requiring internet and phone providers to provide a free emergency video relay service that is available 24/7, via a service that has been approved by Ofcom.

Rule summary & purpose:	Applies to	Relevant documents:
 General Conditions: C5.11 – C5.12 This new requirement will sit alongside, and be in addition to, the existing requirements for provision of emergency text relay and emergency SMS. 	 Any person that provides Internet Access Services to End-Users Any person that provides a phone service, where it 	 Details on our approach to this new rule are in our June 2021 statement.
 The aim of this rule is to ensure that British Sign Language users can easily contact the emergency services to help prevent fatalities, allow quicker emergency responses and provide increased dignity and peace of mind for deaf end-users. 	is technically feasible to provide an Emergency Video Relay Service to End-Users.	
 We expect to confirm approval of one or more services by January 2022 and the provider(s) or the approved service(s) will need to determine the method of cost recovery with internet and phone providers. 		