Empowering Regulators
to
Protect Consumer Rights
in the
ICT Sector
Introductory Workshop, Lusaka, 13 August 2009

Charley Lewis
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University of the Witwatersrand
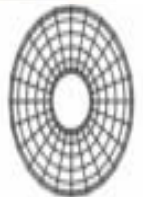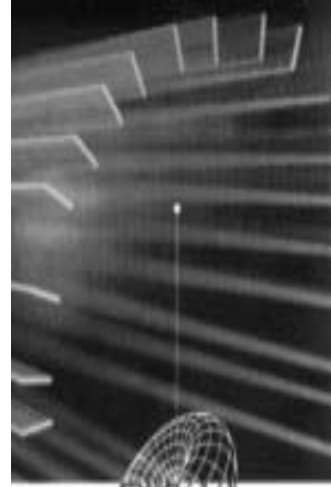Johannesburg, South Africa
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May 2009

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LINK CENTRE

Learning Information Networking and Knowledge Centre

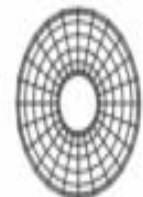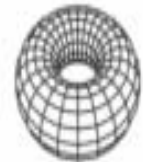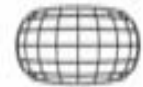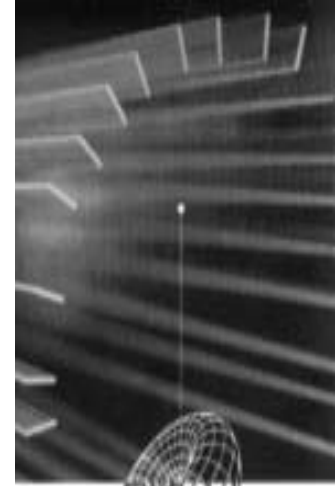Wits University Graduate School of Public and Development Management

Why regulate to protect consumers?

- Telecomms companies exist to provide services for consumers
- Asymmetry of power between operators and customers
- Consumer protection…
  - core 'public interest' mandate
  - legislated mandate
- Protect consumers from abuse by operators
- Empower consumers to speak for themselves
- Many consumers in Africa are illiterate, uninformed, poor and powerless, disempowered

Phase One

Assessing Consumer Activity in the Telecomms & Internet Sectors in Africa

Assessing Consumer Activity in the Telecomms & Internet Sectors in Africa
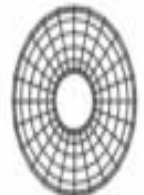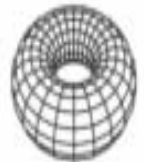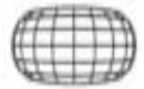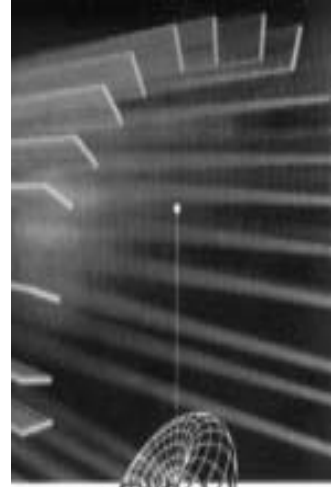## (Project Phase 1 – 2006)

- Support from IDRC of Canada
- Desk research (documents, web sites etc) & semi-structured interviews
- Survey of activities across 30 African countries
- 3 country case studies
  - Kenya, Senegal, South Africa
- 4 comparative case studies
  - price collusion in France, Nigerian mobile boycott, water utilities in Africa, e-complaints in India
- Southwood, R, Nguo, J, Sagna, O, Lewis, C (2006) Assessing consumer activity in the telecoms and Internet sectors in Africa, IDRC, Ottawa, http://www.afridigital.net/downloads/IDRCConsumerftV2.doc
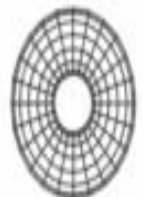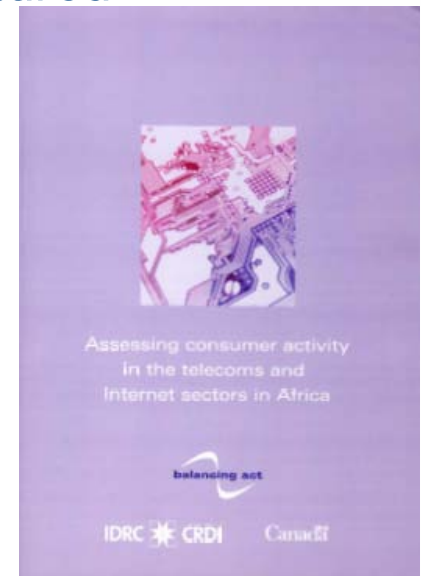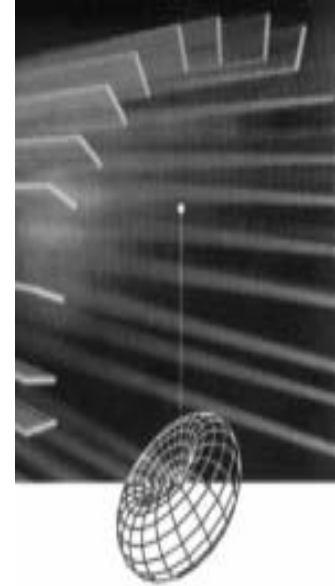
Research Questions
(Project Phase 1 – 2006)

- What consumer activity is happening in the Internet and telecoms fields?

- What impacts are different types of consumer activity having upon key stakeholders?

- How do key stakeholders view consumer activity?

Country Case Studies
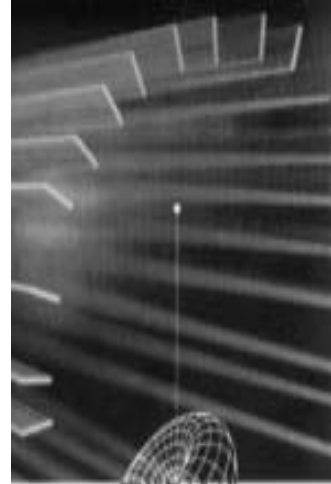## (Project Phase 1 – 2006)

- Legislative & self-regulatory frameworks
- Levels & types of complaints
- Processes in place to resolve complaints
- The role of the regulator
- Consumer organisations & related bodies
- The role of the media
- Policy & legislative input
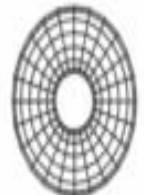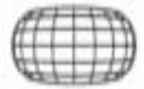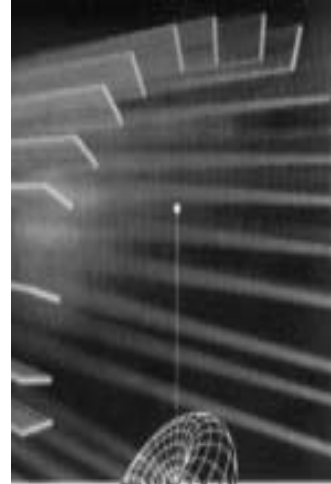
Overall Recommendations
## (Project Phase 1 – 2006)

- Identify key issues for consumers
  - Access, Quality of Service, Pricing
- Ensure a proper legal framework for consumer issues
  - Law, regulation, codes of conduct
- Provide transparent & accessible complaint resolution channels
  - Publicity & publication of outcomes
- Promote informed consumer choice
  - Publication of statistics & information to empower consumer choice
- Encourage an independent consumer movement
  - Both as vehicle for complaints & source of policy input
- Voice, Choice, Processes & Information
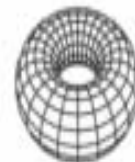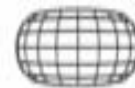
Phase Two
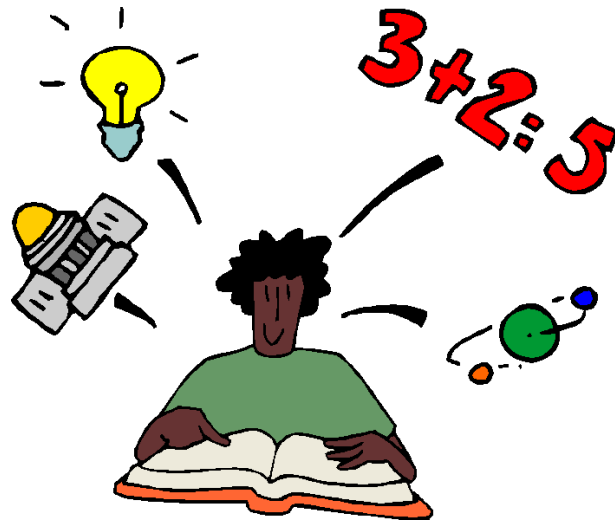
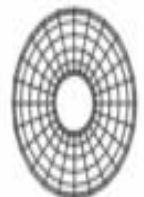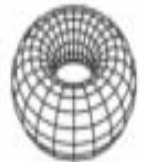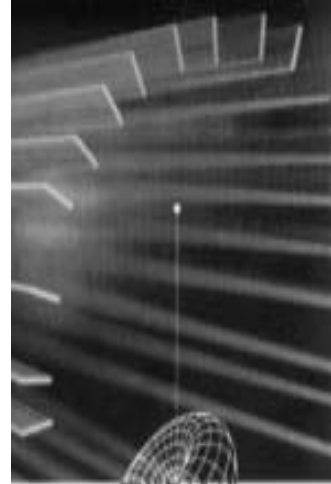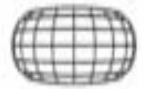# Empowering Regulators to Protect Consumer Rights in the ICT Sector
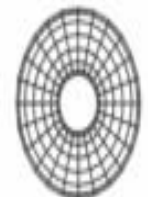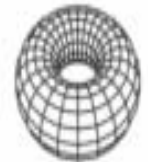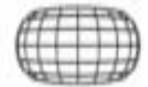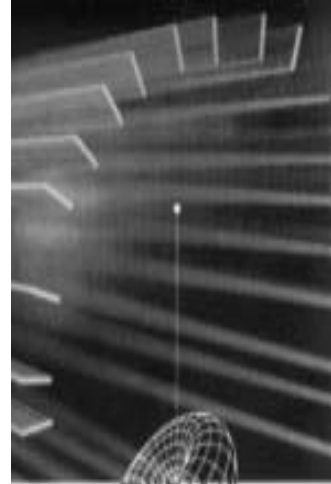
Background to Phase Two

- Based on earlier research
- Grew out of discussions with ARICEA and selected countries
- ARICEA AGM adopts resolution to support further work (March 2006)
- IDRC-funded
- Partners: Balancing Act, Link Centre, Consumers International
- 18-month applied research study
- Proposed 5 ARICEA countries
  - **Was:** Ethiopia, Kenya, Madagascar, Rwanda & Zambia
  - **Now:** Ethiopia, Mauritius, Rwanda, Uganda & Zambia
- Identify, implement and monitor best practice policy and regulatory interventions to protect consumer rights in the ICT sector
- Develop research-based regulatory action plans
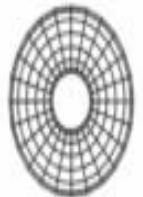
Project Breakdown

- Identify best practice consumer regulation
  - Desk research
  - Overview of global best-practice consumer protection policy & regulation
  - Current practice in selected ARICEA countries
  - Identify strengths, gaps, areas for improvement
- Identify current state-of-play of consumer protection regulation in each country
  - Update baseline position in five participating countries
- Identify consumer issues and demands
  - Interviews & focus groups
  - Identify issues consumers want policy & regulation to address
  - Assess consumer protection regulatory effectiveness
  - Recommend areas where regulator could best intervene
- Develop an action plan
  - Support national regulator develop an action plan to improve consumer protection regulatory interventions

Project Conceptual Map

| Zambia Consumer Protection Baseline Report | International Consumer Protection Best Practice Report | Zambia Consumer Research (Interviews /Focus Group) |

**Research-based Consumer Protection Action Plan (CAZ)**

In-country Research Methodology

- 24 in-depth, face-to-face **interview**s
  - Balanced sample: male vs female, old vs young, rich vs poor, rural vs urban, literate vs illiterate
  - Not representative, but designed to surface issues & trends
  - Consumer perception of operators & services
  - Consumer issues and complaints
  - Consumer view of policy and regulatory interventions
- **Focus group** of 6-8 people to explore issues, choices & priorities
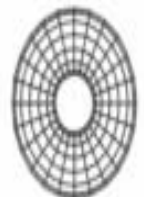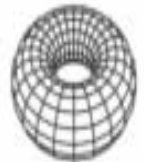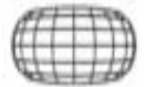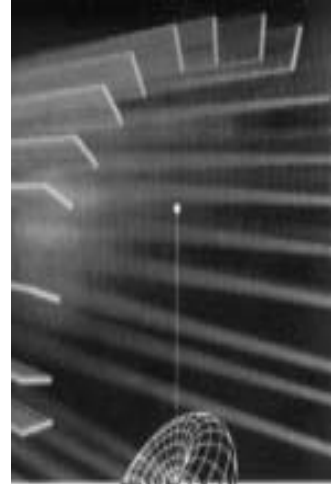
Cross-cutting issues

- Impact of literacy on consumer protection?

- Gender differences / engendered consumer issues?

- Rural consumer issues?

- Urban consumer issues?
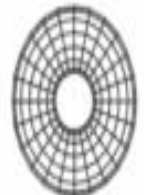
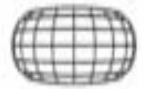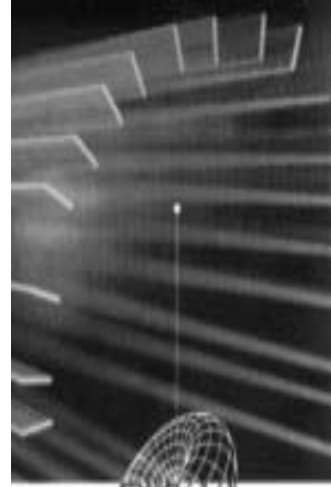- Rich vs poor vs corporate consumers?
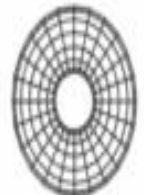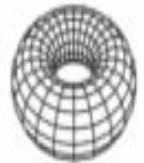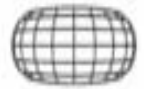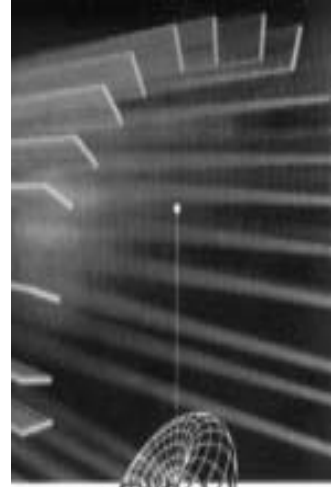
Project Phases

- Initial presentation to ARICEA
- International consumer best practice research report
- In-country preparatory workshop x 5
- Interviews & focus groups
- In-country action plan workshops x 5
- Final research report
- Feedback to ARICEA
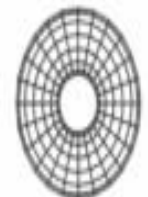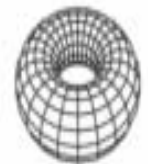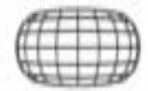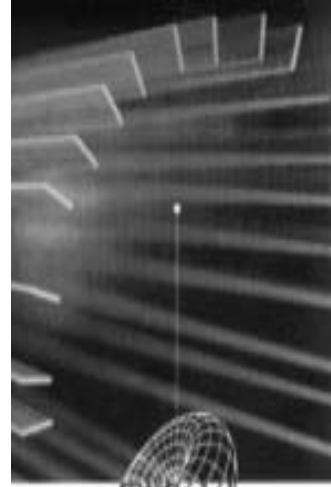
Project outcomes

- Methodology is replicable across all ARICEA countries
- Lessons learnt will improve understanding of consumer protection by African regulators
- Project will raise the profile of consumer protection issues and regulation
- From research to action plans
- Implementation owned & driven by NRAs
- Action plan implementation will guide other regulators seeking to improve consumer protection
- Primary beneficiaries - 5 actively participating target countries
  - Ethiopia, Mauritius, Rwanda, Uganda and Zambia
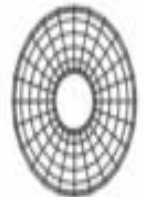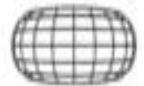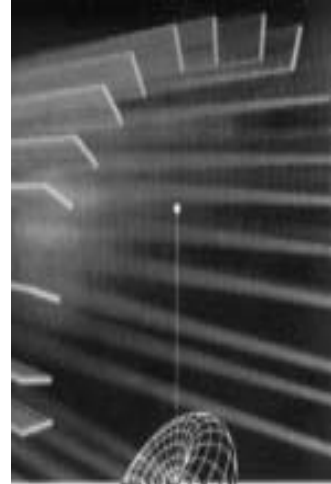- Long-term benefits to all African regulators

Thank you…

…questions????

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