

## **Policies and Initiatives Meeting Minute – 18/05**

### **Committee Members:**

#### **Present:**

Janaina Menegatti – TIMw.e.

Andréia Borges – Arvato Mobile

Ana Paula Lima – Spring Wireless

Renato Marcondes - Playphone

Rafael Pellon - CFLA

Suhail Bhat- MEF Global

Filipe Roup Rosa – MEF LATAM

Priscila Grison – MEF LATAM

#### **Agenda:**

- **MEF Positioning regarding auto-regulation and Term of Conduct (TC)**
- **Black List of affiliate marketers**

#### **Discussed Items:**

- **MEF Positioning regarding auto-regulation and Term of Conduct (TC)**

Suhail referred that there are many different ways in which MEF can position itself in the market. The association can enforce the code itself, can suggest government to enforce the code or even help operators to enforce the code. He also referred to how the situation happened in other countries in which MEF has activities and defended the idea of a straight forward approach. However, he points that the code itself will not solve the problems; it is a mean to protect the industry.

As a second step (after the code is ready) MEF needs to choose where it will position itself. He described MEF positioning in other regions.

Filipe Roup Rosa explained that the carriers are very worried about the situation in the country, TIM for example expressed that in an event where the carrier showed its action plan.

Suhail explained the situation in the UK, where it was registered an increase of 85% in the complaints related to subscription services. It was a massive problem and all the players got involved. In the UK, the code of practice was given to the regulator.

Rafael Pellon described the actual situation in Brazil. Councilors from the regulatory body (Anatel) are candidates in national elections this year. Anatel regulates telecommunication services, that does not involve VAS. Nowadays, the carriers are the ones regulating the market, but they don't want this role. In this scenario, auto-regulation would be necessary. Another factor is that Anatel is involved with a big project for Broadband, (PNBL) and because of that, MEF can't rely on Anatel now.

Suhail also referred to the Participative TV problem that happened in North America, where MEF helped to write the code of practice, which was signed by many companies. It was also designed an internal process for campaigns. He pointed that to have an established process is mandatory for the success of the initiative. For him, it is not feasible to MEF have this position in the short-term. To have this settled fast, to have an established process is needed.

Filipe Roup Rosa questioned about the role of the integrators. Nowadays, the carrier is the point of contact, to have integrators doing that, if it means that aggregators will need to have call centers. Suhail answered that this depends, since there are different approaches to that. The integrator can take care of the consumer but not give refund, for example. Another point arose was which player is in charge of paying refunds.

As it is nowadays in Brazil, the money the carrier gives back to the user comes from the aggregator account. In Europe, the aggregator pays back the user, which is part of the contract.

Carriers don't have ways to punish aggregators because they don't have enough information. Suhail believes this must be included in the code. Rafael Pellon added that carriers are working on the reports, and this is a priority to the carriers.

Another idea from other countries brought by Suhail is the database MEF is developing on the whole value chain with all the information users might need about services and who is who in the market.

Filipe Roup Rosa suggests that integrators could take this role of dealing with complaints, but that would take the visibility from operators.

Ana Paula Lima, from Spring Wireless, pointed that she does not believe carriers will leave to them this issues and that it would be complicated for them to deal with this process since they are not responsible for the content.

Suhail explained that consumers are not always complaining, sometimes they just have questions regarding the services. According to him, having a process in place. Now the process

is meeting with operators, integrators and aggregators and making sure the integrators are happy with this role.

Rafael Pellon explained the situation nowadays with the Codes of practice from the operators. According to him, there are four different ones, one for each operator, changing constantly the rules, without any kind of legal insurance.

Suhail suggests to have a unified code reviewed every 6 months in the first year and once a year after that, or any time a new service is created. The code must have minimal rules and maximum 10 pages, one code focused where the problem is, the subscription services, with very clear rules. After having the foundation you can start working on it and elaborating more. He remembers also that this process took more than one year in UK. The objective is to have this ready in Brazil in maximum 6 months.

He finished by saying that the situation in UK was similar, and the common understanding was that if the problem was not solved, it would bring the whole industry down.

- **Black List**

Rafael Pellon explained the problem related to digital agencies not certificated by operators that change the content of the ad, misleading users. Companies don't know what is being published, the idea is to create a blacklist of those companies.

Suhail explained that the problem with affiliate marketers happens everywhere, and no investigation is done. He does not advice MEF LATAM to have this kind of activity. As a different positioning, MEF could certificate affiliate marketers in the same way it is done in the UK.

## **Next steps**

Rafael Pellon will unify the Term of Conduct

Filipe Rosa will discuss the Term of Conduct with operators