

**PUBLICATION OF PERFORMANCE PLEDGES BY  
BROADBAND INTERNET SERVICE PROVIDERS**

**Statement of the Telecommunications Authority**

**20 January 2008**

In the Telecommunications Authority Statement “*Survey on residential broadband internet access services*” of 2 May 2007, the Telecommunications Authority (the “Authority”) reported the results of a comprehensive consumer survey of the residential broadband internet access services. The survey showed that the vast majority of residential users were satisfied with the services on offer, but that there were gaps in the public’s understanding and in the information available to compare services.

2. The Authority has continued to work with the industry on ways and means to improve the availability of meaningful information about the main service parameters of broadband services so that consumer choice is better informed. The environment in which broadband services are being provided in Hong Kong is however an intensively competitive one where each of the different service providers must distinguish themselves from their competitors by employing different technologies and different marketing strategies. Communications is also a field in which new technologies and new service applications are constantly emerging. Accordingly the Authority has been concerned not to endorse overly uniform or rigid consumer information requirements which might inhibit competitive individuality and innovation in the provision of services.

3. In recent months, the Authority has concluded individual discussions with five broadband internet service providers, Hong Kong Broadband Network Limited (“HKBN”), Hutchison Global Communications Limited (“HGC”), New World Telecommunications Limited (“NWT”), PCCW IMS Limited (“PCCW-IMS”) and Hong Kong Cable Television Limited (“HKCTV”)<sup>1</sup>. The discussions focused on

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<sup>1</sup> According to OFTA’s statistics these 5 operators together serviced 97% of the residential broadband customers in Hong Kong as at October 2007.

how in the circumstances of each of these operators, quality of service (QoS) information relevant to the consumers in the selection of an internet service provider could be made available to the public in a meaningful manner. Each of the five operators has now informed the Authority that they have developed specific performance targets or “pledges” for their particular broadband services which they are prepared to publish. Furthermore, they will also make available to the public, on a quarterly basis, reports of their actual performance against their published pledges.

### **Performance Pledges**

4. The individual QoS pledges being adopted by HKBN, HGC, NWT, PCCW-IMS and HKCTV for their broadband services will be made available at their respective websites at the following addresses from 25 January 2008:

- HKBN: [www.hkbn.net/bb1000/cc\\_pledge.htm](http://www.hkbn.net/bb1000/cc_pledge.htm)
- HGC: [www.hgcbroadband.com/per\\_pledge\\_eng.html](http://www.hgcbroadband.com/per_pledge_eng.html)
- NWT: [www.newworldtel.com](http://www.newworldtel.com)
- PCCW-IMS: [www.netvigator.com](http://www.netvigator.com)
- HKCTV: [www.i-cable.com/cs/announcement/e-content-service-pledge.html](http://www.i-cable.com/cs/announcement/e-content-service-pledge.html)

5. The performance targets are generally aimed at the following areas which were identified by the survey to be either very important or important to consumers when choosing an internet service provider:

- Network reliability
- Service restoration
- Customer hotline performance
- Customer complaint handling
- Technical Performance

6. The performance targets represent the “pledges” of these companies to their customers on the service standards for their broadband services. That means that the companies will make their best endeavours to ensure that their broadband services meet the pledged service standards. Although these performance pledges are not equivalent to service “guarantees”, they will give consumers an indication of the normal service quality level which they can reasonably expect to experience if they choose a particular broadband service.

7. The pledges are intended to provide consumers with meaningful information about the main service parameters of particular broadband services on offer for the time being. Therefore as the companies make enhancements to their systems and services, the pledges too are expected to evolve over time. The Authority expects the companies to keep the pledges under review, so that their content continues to be meaningful to consumers.

### **Publication of actual performance statistics**

8. To make the performance targets meaningful to consumers, the companies will also publish statistics of their actual performance against the targets on a quarterly basis. The Authority welcomes this arrangement because it will enable consumers to monitor performance and to verify whether the companies are meeting their pledged service standards.

9. Performance statistics will be published by the companies on their respective websites within one month after the end of each quarter (i.e. March, June, September and December). Some operators have commenced measurement with effect from 1 January 2008. Others will start with effect from 1 February 2008. Consumers can expect the first batch of performance statistics in April 2008. To enable consumers to monitor performance trends over a reasonable period, the companies will maintain the posting of statistics for the last four quarters (starting from Q1 of 2008).

### **Responsibility for the veracity of the information**

10. The performance targets and the actual performance statistics will be information published by telecommunications licensees. Pursuant to section 7M of the Telecommunications Ordinance, these licensees have the statutory obligation not to mislead or deceive in providing telecommunications services. Each of the companies will therefore be held fully responsible for the veracity of the information which it publishes from time to time.

### **Conclusion**

11. The Authority commends the cooperation which has been shown by HKBN, HGC, NWT, PCCW-IMS and HKCTV, in committing to the ongoing publication of

performance pledges and performance statistics for residential broadband services. The publication of these easy-to-understand performance pledges and actual performance statistics should provide part of the answer to consumer concerns about QoS and access to service performance information. The Authority will continue working with the industry on other initiatives to improve public awareness about the use of computers and internet services in the home.

12. The Authority is also encouraging all other internet service providers to follow the practice of the five main operators. If any company needs advice from OFTA in this respect, it is welcome to contact OFTA for assistance.

**Office of the Telecommunications Authority**  
**20 January 2008**