



An Coimisiún um
Rialáil Cumarsáide
Commission for
Communications Regulation

District Court Prosecution

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Information Notice

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Commission for Communications Regulation

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1. On 9 December 2021, the Dublin District Court heard two summonses issued by ComReg against Vodafone Ireland Limited (“**Vodafone**”) in relation to one count on each that Vodafone failed to ensure that conditions and procedures for contract termination do not act as a disincentive to a consumer to changing service provider. ComReg formed the view that the delay occasioned by Vodafone’s failure to provide customers with their mobile handset unlocking code (**Network Access Code or “NAC”**) in a timely manner amounted to a disincentive to switching to another service provider.
2. The prosecutions were brought under Regulation 25(6) of the European Communities (Electronic Communications Networks and Services) (Universal Service and Users’ Rights) Regulations, 2011 (“**the 2011 Regulations**”).
3. Pursuant to Regulation 25(6), each Service Provider is required to ensure that its procedures for termination of contracts do not act as a disincentive to switching providers. Regulation 25(6) provides that:

“(a) An undertaking providing electronic communications services shall not conclude contracts with consumers which mandate an initial commitment period that exceeds 24 months and shall offer users the possibility to subscribe to a contract with a maximum duration of 12 months.

“(b) Without prejudice to any minimum contractual period the undertaking shall ensure that conditions and procedures for contract termination do not act as a disincentive to a consumer to changing service provider.”
4. In late 2020 and early 2021, ComReg received a number of contacts from Vodafone customers and observed that some customers appeared to experience a considerable delay, lasting a number of weeks, in obtaining their NAC from Vodafone.
5. Following a review of relevant customer complaints, ComReg commenced an investigation. This investigation culminated in ComReg commencing District Court prosecutions against Vodafone for breaches of Regulation 25(6) as Vodafone had failed to provide the NAC in a timely manner and this acted as a disincentive to the customers in changing service providers.
6. Vodafone pleaded guilty to each count on each of the two summonses before the Court. Judge Halpin imposed criminal convictions for each count and ordered Vodafone to pay a total of €3,000 in fines. Vodafone also contributed to ComReg’s costs, as agreed between the parties.

7. ComReg will continue to monitor the complaints it receives from consumers and will continue to investigate matters arising in respect of Regulation 25(6) of the 2011 Regulations and other relevant regulatory obligations.
8. Every Service Provider has an obligation to ensure that their conditions and procedures for terminating a contract do not act as a disincentive to customers when switching Service Providers. It is ComReg's view that it is a disincentive to switch if customers who require their NAC when switching Service Providers suffer delays or are required to engage in complicated procedures in order to obtain it. Service Providers can most effectively ensure that the provision of NACs does not act as a disincentive to switch by automatically and promptly providing NACs to customers with locked handsets once the customer is eligible to receive the NAC.
9. ComReg will continue to monitor Service Providers' conditions and procedures for terminating a contract – including those related to NACs. ComReg will take appropriate action if it considers that conditions and procedures may be acting as a disincentive to customers when switching Service Providers. Monitoring may include analysis of contacts from customers to ComReg, seeking information from Service Providers about aspects of their conditions and procedures for contract termination and other techniques.