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Technology, Media & Telecommunications

New Mediation Scheme to Help Resolve Disputes with Telco and Media Service Providers

Introduction

Following a public consultation in 2018 on the Alternative Dispute Resolution scheme ("ADR Scheme") for the telecommunication and media sectors, the Infocomm Media Development Authority ("IMDA") issued its decision on 4 March 2022 and announced that it will launch the ADR Scheme which will help work out issues that customers are unable to resolve directly with their telecommunication providers. The Singapore Mediation Centre ("SMC") is appointed as the ADR operator to administer the ADR Scheme.

The ADR Scheme is expected to be launched in April 2022, and more information about the scheme will be made available on the IMDA website.

By way of background, in 2016, the Info-communications Media Development Authority Act 2016 was amended to provide IMDA with powers to establish or approve one or more dispute resolution schemes for the resolution of disputes between subscribers and declared telecommunication licensees and designated media licensees, arising from or relating to the provision of services by the licensees to the subscribers. To supplement existing consumer protection measures and provide Eligible Customers access to an alternative platform to resolve disputes with their telecommunication and/or media service providers ("Service Providers") in an independent, fair and effective manner, IMDA had proposed to establish an ADR scheme for the telecommunication and media sectors. Eligible Customers are individual customers and small business customers, with the latter defined as "a business or company that registers an annual revenue of up to S\$1 million, and with a spending (amount billed by Service Provider) of up to S\$5,000 over the past six months on all applicable services subscribed from the Service Provider."

The ADR Scheme will cover disputes of all issues in relation to an Eligible Service provided by a Service Provider that has occurred within the past one year, and which can be resolved through service recovery efforts or compensated in kind or monetary terms. The monetary value of disputes shall be capped at S\$10,000.

ADR Process under the ADR Scheme

(a) The ADR Scheme will comprise a two-step ADR process – mediation, then determination for disputes that are not resolved after mediation. For the avoidance of doubt, the ADR process is not an automatic one, i.e. Eligible Customers may choose whether to proceed with determination



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should both parties fail to resolve a dispute during mediation. They will also have the option to go straight to determination.

- (b) By default, the mediation process will be conducted using a chatroom accessed via the ADR operator's online system. The determination process will be documents-based.
- (c) Eligible Customers will be required to provide a 14-calendar day "notice of intention" via the ADR operator's online system to Service Providers before initiating the ADR process. Either party in a dispute may request to initiate the process before the 14-day notice is up, provided that the other party consents to it.

Scheme Funding and Fee Structure

The ADR Scheme will be funded through co-payment by Eligible Customers and Service Providers in the ratio of 10:90 for mediation, with fees paid by Eligible Customers subject to a minimum of S\$10. Should the dispute be escalated to the determination stage, the fees ratio for the determination stage by Eligible Customers and Service Providers will be 30:70. If Eligible Customers choose to go straight to determination, bypassing the mediation stage, the fees ratio for determination by Eligible Customers and Service Providers will be 50:50.

Mediation is a powerful platform for parties to resolve their disputes efficiently and confidentiality – about 70% of SMC's cases are settled with 90% of them resolved within one day, attesting to the effectiveness of mediation.

For more information, click <u>here</u> for IMDA's decision on the Telecommunication and Media ADR Scheme issued on 4 March 2022.

For more information on how mediation can be applied to your disputes, please contact our mediation specialists, <u>Jonathan Yuen</u> and <u>Devathas Satianathan</u>.

For further queries, please feel free to contact our team below.

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