



'creating a level playing field'

**POSTAL AND TELECOMMUNICATIONS REGULATORY
AUTHORITY OF ZIMBABWE (TELECOMMUNICATION
PROMOTIONS) GUIDELINES, 2017**

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Signed by 
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21 MAR 2017
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1. Title

These Guidelines may be cited as the Postal and Telecommunications (Telecommunications Promotions) Guidelines, 2017

2. Interpretation

In these Guidelines unless the context otherwise requires, these terms shall have the following meaning:

'Act' - means The Postal and Telecommunications Act [*Chapter 12:05*].

'Advertisement' - means any message, the content of which is controlled directly or indirectly by the advertiser, expressed in any language and communicated in any media to consumers with the intent to influence their choice, opinion or behaviour.

'Authority' - means The Postal and Telecommunications Regulatory Authority of Zimbabwe (POTRAZ).

'Discontinued service' - A service, promotion, or bundled service is considered discontinued when all terms and conditions associated with it are no longer offered.

'Operator/Licensee' - means any provider of telecommunications services licensed in terms of the Act.

'Promotion'- A promotion is a short term service offering that is offered for a limited time and perceived to have surplus value over the established price/value of a service offering which is designed to achieve immediate sales.

"Predatory pricing"- means the act of setting prices low in an attempt to eliminate competition.

'Short term' – means a period of 90 days and below.

'Tariff changes' – means changes to the price, and/or tariff structure of a promotion and/or bundle, used either as part of the promotion.

3. Effective Date

These Guidelines shall be effective from 21 March 2017.

4. Application

These Guidelines shall apply to all licensed telecommunication operators.

5. Background

These Guidelines are issued pursuant to the provisions of section 4 (1) (a), (c), (g), (h) and (i) of the Postal and Telecommunications Act which stipulates the following functions and powers of the Authority:-

- To ensure the provision of sufficient domestic and international telecommunication and postal services throughout Zimbabwe on such terms and conditions as the Authority may fix;
- To promote the development of postal and telecommunications system and services in accordance with practicable recognised international standards and public demand;
- To promote the interest of consumers, purchasers and other users, in respect of the quality and variety of postal and telecommunication services provided and telecommunication apparatus supplied;
- To maintain and promote effective competition between persons engaged in the provision of postal and telecommunications services and any activities connected therewith;
- To monitor tariffs charged by cellular telecommunication, postal and telecommunication licensees with a view to eliminating unfair business practices among such licensees.

In view of the above stated functions and in line with the provisions of Section 100 of the Act, the Authority has come up with these Guidelines to set out minimum standards and requirements for offering and discontinuation of promotions.

6. Scope and Objectives of Guidelines

The objectives of these guidelines include;

- (a) To ensure ethical conduct and acceptable standards for promotions.
- (b) To set clear and minimum requirements and standards for matters related to promotions.
- (c) Promote and protect the interests of consumers by ensuring that they are:
 - i) Not unfairly treated by service providers;
 - ii) Not manipulated to their detriment;
 - iii) Able to benefit from fair and vibrant price based competition.
- (d) To prevent any possible practices that prevent, reduce, limit or distort competition in the market that may be hidden in any promotional packages.
- (e) Ensure that information asymmetries relating to prices, which impact consumption choices, between service providers and consumers are minimized.

7. Notification of Promotions

- a) All Licensees shall submit an application to the Authority at least 30 days before the proposed or planned launch of promotions.
- b) Upon receipt of the application, the Authority shall respond to the licensee within 5 days acknowledging receipt of application and/or requesting for further clarification or rejecting the application.
- c) The Authority shall within 14 days upon receipt of clarifications to queries pertaining to an application, notify the concerned licensee on whether a proposal for a promotion is approved or rejected.
- d) The Authority shall not unreasonably refuse to approve an application submitted in terms of the minimum standards and requirements of these guidelines as set out below.

8. Minimum Standards and Requirements

All applications for promotions shall meet the following minimum standards and requirements;

- (a) All licensees shall in their application make detailed representations on the following:

- i. concerned goods and services that are to be promoted
- ii. the targeted consumers;
- iii. the start date and end date of the promotion;
- iv. customer options including Opt In and Out options;
- v. the applicable rewards in case of a loyalty or non-tariff based promotions;
- vi. the minimum number and nature of prizes to be won if the campaign is of a Spend and Win nature;
- vii. applicable restrictions like age, employees and their close families etc.;
- viii. other participating third parties if any;
- ix. any other relevant information relating to the promotion;

(b) All Licensees shall ensure that the proposed promotion will not:

- i. have a negative impact on service provision in general;
- ii. reduce quality of service standards to levels below the Quality of Service targets set by the Authority;
- iii. result in a compromise on the basic consumer rights and obligations including but not limited to safety, privacy, information and choice, all in the interest of transparency in service delivery;
- iv. have a negative impact on the viability of the operator's business;

(c) Where a licensee communicates certain categories and / or specific products services as rewards or potential rewards for partaking in a promotion, it must ensure that the specific items and or services portrayed and /or promised are not varied.

(d) The licensee shall be required to ensure that the proposed promotional tariffs are non-discriminatory.

(e) Any tariff changes or reviews on the promotion shall take effect after approval by the Authority.

9. Duration of Promotions

For purposes of ensuring effective and fair competition in the telecommunications industry:-

- (a) Each promotion shall not exceed a period of three months; and
- (b) No licensee shall conduct the promotion for the same product or service for more than two times within twelve (12) calendar months.

10. Discontinuation of Promotions

- (a) All licensees can discontinue a promotion if the terms and conditions associated with it are no longer offered after notifying the Authority at least fourteen (14) days before the intended discontinuation.
- (b) Where a promotion is discontinued before its original expiry date, licensees shall notify consumers of the intended discontinuation at least fifteen (15) days before discontinuation of the service and such notification should be given significant prominence in the press so that consumers make informed decisions.
- (c) Consumers are to be apprised of all possible effects of the discontinuation on their bills and possible reimbursements of pre-paid credit where applicable.

11. Revocation of Services

- (a) The Authority reserves the right to revoke its approval of any promotional offer if :-
 - i. it is deemed to be in breach of these Guidelines;
 - ii. it is in breach of the Act and licence conditions;
 - iii. it is necessary in the national and public interest; and
 - iv. It is deemed to have effects of predatory pricing.
- (b) The Authority reserves the right to revoke any promotions for reasons which include;
 - i. network congestion;
 - ii. poor quality of service and experience;
 - iii. genuine consumer complaints;

- iv. proved misrepresentation of any material fact in relation to the promotion;
 - v. contravention of specific approval; and
 - vi. Variation from submitted content and /or context.
- (c) Upon revocation, the licensee must discontinue such promotions with immediate effect subject to the terms of the Revocation Order.
- (d) The discontinuation must be communicated to the subscribers via SMS, website publication, newspaper publication or any other effective medium of communication.

12. Information Disclosure

Licensees shall provide clear and accurate information on all promotional offers, expiry or discontinuation of promotions to the public through advertisement in a widely read local daily newspaper, radio or television of nationwide circulation/coverage at least once every fourteen (14) days during the promotion period.

13. Comparative Advertising

- (a) Advertisements must not unfairly discredit, disparage or attack other products, services, advertisements or companies, or exaggerate the nature or importance of competitive differences.
- (b) No licensee shall imitate the slogans or illustrations of another advertiser in such a manner as to mislead the consumer.

14. Amendments

The Authority may amend these Guidelines from time to time.