

ETNO Reflection document - Comments on the Draft ECC Report 154 on the Evolution of geographic numbers



October 2010

Executive Summary

- ETNO welcomes the opportunity to comment on the Draft report 154 related to the evolution of Geographic Numbers.
- ETNO agrees that there are different country specific solutions to cope with scarcity of numbers. Therefore the scarcity of numbers is not a reason for removing requirements for geographic information.
- A specific need for nation-wide location number portability for geographic numbers should be assessed in the market before considering it as a reason to support location independent numbers evolution.
- Nation-wide location number portability or any evolution regarding national geographic number policies is a one way move which induces significant costs due to technical and business impacts. The decisions in this area must be preceded by large consultations with all stakeholders including operators and users representatives and can ultimately only be a part of a long term numbering strategy.
- ETNO believes that this draft Report highlights interesting points for possible geographic numbers evolution which might be unavoidable in the long term due to several elements such as e.g. the evolution of the market and the introduction of new technologies and services. However, further work is necessary to complete this analysis and reach a conclusion on this issue.

General comments

The Association of European Telecommunications Network Operators (ETNO)¹ wishes to thank the Electronic Communications Committee (ECC) and its working group Working Group Numbering and Networks

¹ The European Telecommunications Network Operators' Association (ETNO) is representing 41 major companies, which provide electronic communications networks over fixed, mobile or personal communications systems in 35 countries. ETNO is Europe's leading trade association. More information about ETNO can be found at: www.etno.eu

(WG NaN) for providing the opportunity to comment on the Draft report 154 related to the Evolution of Geographic Numbers.

ETNO agrees with the overall conclusions of the report, as expressed in the executive summary.

Particularly, ETNO notes that in the context of the removal or reduction of geographic requirements for the use of geographic numbers within a country, whether or not to offer location portability is in theory an optional decision by operators. However, in practice all operators would have to offer (nation-wide) location portability since service provider number portability is a regulatory requirement.

ETNO agrees that when a solution is needed for a situation of scarcity of numbers there are different country specific options which are different from removing requirements for geographic information.

The possible introduction of nation-wide location portability is only one option to address the scarcity of numbering. An assessment of impacts and costs by the market (services providers, users...) should be required before such an option is considered. Also the potential redundancy with non geographic numbers should be assessed before moving towards a complete location-independent evolution for numbers.

ETNO wants to note that competition was introduced 12 years ago (in 1998) and since then the majority of numbering plans have been restructured to accommodate the needs of numbering of the new entrant operators. Most of the numbering plans have been closed or reorganized by services (the first digit indicates the type of service) and in some cases, when appropriate, numbers have been allocated in smaller blocks.

The introduction of service provider number portability reduced further the need for geographic numbers.

More coherent guidelines toward a more efficient use of geographic numbers should be the main line of the report.

ETNO would also observe that changes made to geographic numbering policies may have a significant technical impact on IT systems and networks and specifically those based on TDM technologies.

ETNO believes that this draft Report highlights interesting points for possible geographic numbers evolution which might be unavoidable in the long term due to several elements such as e.g. the evolution of the market and the introduction of new technologies and services.

However, further work is necessary to complete this analysis and reach a conclusion on this issue.

Detailed comments

Introduction

ETNO does not believe that mobile telephony will become the only communication means for customers nor that this trend will have a major impact on long term on the need for fixed numbers. The fact that in some countries there is a growing consumption of numbers for fixed telephony cannot be explained only by inefficiency in the use of these numbers.

Fixed and mobile numbers correspond to different category of usage and most customers need both.

4.2 A Brief History of Geographic Numbers

The report indicates that the centralization of switches changes the overall cost structure within a service provider network. ETNO would here also consider the major impact of providing first, second and third mile network connectivity.

4.4 Geographic numbers and tariff transparency

The report indicates that *"if the geographic information is removed it will only be possible to have a single tariff independent of distance if tariff transparency is to be maintained"*

This statement should be turned around: a prerequisite to remove the geographic information is that there is a single tariff independent of distance. Therefore removing the geographic information might have a major impact in those countries where distant dependant pricing is applied.

5.1.2 The influence of efficient use of numbers

Starting from openness of European Telecommunication market to competition, national numbering plan structures and assignment

procedures in the different European Countries have already been modified to support new operators numbering needs.

Indeed, since numbering plans have been evaluated during last ten years to make numbering spaces available for new operators with significant impacts and costs on all Telecommunication actors and toward end users, ETNO do not see an actual critical numbering scarcity or numbering barriers to enter in the market for new operators.

In our experience, the need for geographic numbers for new operators has already been solved over recent years with appropriate evolution of national numbering plans. Today ETNO does not consider that there is a general issue with regards to geographic numbering consumption or scarcity; a more efficient use of available geographic number is usually enough to manage possible local shortage. Besides service provider number portability has diminished the needs for new geographic numbers.

In some countries there is a need for geographic numbers for essential network routing purposes.

Furthermore a number of national numbering plans already define specific location independent numbering, for instance for nomadic telephone service that enables to match essential transparently requirements for end users and the operators.

7.1.2 Effect on competition

ETNO does not agree that removing geographic information could result in strengthening of the position of large operators.

Networks equipments of new operators are recent; therefore technical constraints to adapt to this evolution should be lower compared to operators that installed their systems and network a long time ago. The cost for a large operator will be much higher because he has to offer this possibility nation-wide but the benefits are likely to be limited e.g. to specific areas.

7.1.4 Economic effect on the end-user side

ETNO agrees that with the removal of geographic information, a high demand could arise for numbers in number areas with "vanity area codes". This could cause or increase a scarcity of numbers in specific parts of a national numbering plan.

7.1.2 Impact on operators

ETNO disagrees that removing or reducing geographic requirements from the numbering plan does not immediately affect operators.

In a competitive environment it is unlikely that any operator will not immediately take advantage of this removal and assign numbers under the new rules.

Such evolution in the use of numbers will have a large impact on both networks and on information systems as current systems and routing mechanisms are structured since long based on the existing geographic areas.

As number portability is a requirement, operators will have to take into account this evolution.

Such evolution has a strong impact both on networks and on information systems.

8.2 Description of scenarios for removal of geographic information from numbering plan

ETNO agrees that the scenarios for removal of geographic information depends on the national situations and on the potential effect.

As this is a one way move, the decisions in this area must be preceded by large consultations with operators and users representatives and can ultimately only be a part of a long term numbering strategy.

ETNO agrees that basic numbering policy must facilitate natural market developments and this policy should not itself influence such market developments. Any numbering policy should take account of the cost for all parties when changing a numbering plan compared to the potential benefits. Changing a numbering plan in this way remains a challenging operation that requires a thorough analysis and justification.

9- Conclusions

“The technology needed, though is the same as for service provider portability”.

In our opinion the technology is completely different since the service provider remains the same, but the location of the user changes. A more precise assessment of technical impacts should be considered before expressing such a conclusion. Such evolution will have a large impact on both networks and on information systems as current systems and routing mechanisms are structured since long based on the existing geographic areas.

“In this context it may be appropriate to introduce a common service provider portability and location reference database containing all numbers.”

In our opinion this is not correct or at least a premature conclusion, since the number portability central reference databases for geographic numbers (in the Countries where they are implemented), are just able to maintain the indication of the current recipient operator and related routing information to associated Points of Interconnection. There is no possibility to maintain also information on the physical locations of the end users, considering that it is not clear which other information different from geographic numbers could identify end users location inside the networks as well. Therefore the resulting needs for changes in routing mechanisms and signalling within networks and between network operators have to be considered very carefully before it's possible to say which information has to be provided.