

Consultation on IRG/ERG Draft Work Programme 2010

Submission from the International Telecommunications Users Group (INTUG)

Summary

INTUG generally welcomes the IRG/ERG draft work programme for 2010, but notes that such a full programme will need significant prioritisation of the planned work items.

INTUG is keen to maintain involvement in determining these priorities and in individual items. This submission focuses on the issues of most concern to business customers.

Seamless International Business Services

INTUG especially welcomes ERG's acknowledgement of the need for separate analysis of the business market, and of the international dimension of competitive service provision. Business customers need consistent seamless products and services, for fixed and for wireless markets, that operate efficiently and effectively across Member State borders. They are concerned that some sub-national segmentation may result in an inconsistent environment of services which are both regulated and unregulated within a Member State.

There is increasing concern that after a decade of liberalisation, competition has begun to stagnate, and in many cases reverse, with incumbents maintaining, and even increasing, already dominant market shares. This now needs a sectoral enquiry by DG Competition.

Next Generation Charging Mechanisms

INTUG considers that the review of charging mechanisms for Next Generation Networks is appropriate at this point, given the rapid migration to all-IP converged services. Business customers are less concerned about the technology used, and more concerned about the capability, functionality, total service quality and value for money of services. The charging mechanisms must facilitate rather than obstruct mixed service provider interoperability.

Roaming Charges and Termination Rates

INTUG welcomes the continued and maintained focus on price regulation to address the market failures of international roaming and termination rates. INTUG recommends that ERG ensures that its review of these regulations also covers unintended consequences which are already arising from reactive price increases in other areas by operators.

INTUG is particularly concerned to note from emerging evidence that operators are shifting excessively high margin pricing to unregulated areas, such as non-roaming international

calls and SMS, where prices in some cases are now exceeding roaming prices, and even exceeding some national prices.

Overall Economic Analysis

INTUG recommends that market analyses include impact analysis of the total economy, not just the telecommunications industry. This philosophy should also apply to funding of extended Universal Access (aka Service) Obligations and regulation of state aid for NGA. The supply chains of business customers of telecommunications represent 35% of EU GDP, more than 10 times the size of the telecommunications industry itself.

Wireless Co-ordination and Harmonisation

INTUG strongly supports greater collaboration between ERG and RSPG, to improve harmonisation and consistency in approval and authorisation procedures for spectrum allocation and licensing. This will enable more cross-border services (eg via MVNOs), and facilitate more Single Market contract consolidation. It should aim to improve efficiency of spectrum use and re-use (including via spectrum trading), and also to maximise welfare at EU level from the Digital Dividend, arising from released analogue TV frequencies.

Protection of Customer Internet Access

INTUG recommends that ERG monitors implementation of the now agreed compromise text concerning remedial action in response to alleged illicit file sharing, to ensure that it is not interpreted by any Member State in a way which would place essential public or private business services at risk of operational disconnection. The legitimate concerns of owners of content IPR must not result in denial of the fundamental right of access to services.

New Framework Transposition

INTUG encourages ERG to use its transformation into BEREC, and the consequent obligations regarding the need to take utmost account of regulatory recommendations, to ensure consistency, completeness and timeliness of transposition into national law. This should include harmonising some accounting treatment of incumbent fixed assets. BEREC must be resourced with sufficient independent and qualified regulatory staff.

Confidentiality

Nothing in this submission is confidential. The contents may therefore be considered as in the public domain, and available for distribution to interested parties. The views are based on regular consultation by INTUG with its member associations and their members, and the circulation of draft documents prior to submission.

Comments on this submission should be addressed to:

Nick White, Executive Vice President
International Telecommunications Users Group (INTUG)

Nick.white@intug.org

Tel: +44 20 8647 4858

Mobile: +44 77 1009 7638

About INTUG

The International Telecommunications Users Group (INTUG) represents the interests of business users of telecommunications globally. These include some of the world's largest financial institutions, car manufacturers, pharmaceutical companies, fast moving consumer goods enterprises, and retail and distribution companies. They also include small and medium enterprises, who are increasingly dependent on telecommunications services.

The INTUG community includes user associations in many large Member States, including Belgium, Denmark, France, Germany, Italy, Spain, the Netherlands, Sweden and the UK, and the multinational user group EVUA. Each represents public and private business customers of telecoms operators, both directly and indirectly through service providers. INTUG is an association established in the Netherlands, governed by an elected Board.

INTUG was established in 1974, and has links to user groups throughout the world, in countries as diverse as Australia, New Zealand, Hong Kong, India, Korea, Mexico, Norway, Switzerland, and South Africa. INTUG also has a signed Memorandum of Understanding with the Commonwealth Telecommunications Organisation (CTO).

INTUG has permanent observer status at the ITU, participant status in APECTel and CITELE, and is an expert group within the OECD/CISP.

INTUG engages actively with the European Commission and Members of the European Parliament, and has made submissions to many EU regulatory consultations and events.