

Ofcom consultation and interim guidance on New Voice services

Response from Cable & Wireless

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CABLE & WIRELESS

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1. Executive Summary

Cable & Wireless welcomes the opportunity to provide feedback to Ofcom through the consultation on the future regulation of voice services. For over twenty years, specific regulation has required all public voice telephony service providers to offer high quality, feature rich voice services. The emergence of new fixed line operators offering cable and fixed wireless access methods during that time has taken place against a backdrop of clear and well-defined regulation.

In this consultation Ofcom proposes to remove the clarity from the regulation framework and replace it with a variety of obligations where individual providers will take responsibility for deciding which are applicable, how to comply and how to ensure consumers are adequately informed. At its best this will further facilitate dynamic and innovative competition, however there is a risk that consumer protection framework will be excessively confusing and will have no bite.

To ensure consumers are protected, or at least understand where they are not protected, Ofcom must proactively run a consumer awareness and information campaign, outlining the changes to the regulatory framework and the need for customers to take responsibility for understanding the capability of the voice service being provided.

We also urge Ofcom to address not only competition and consumer aspects of voice regulation but to work with other regulators and government departments to look at all aspects of sector specific regulation such as data protection, national security requirements and the level of overall emergency service provision. Although not necessarily Ofcom's direct responsibility, to date these policies have been consistent with each other and any change by Ofcom will have a consequential impact. If Ofcom does remove regulation in the areas under its span of control, this could impact for instance the quality of the service provided by the telecommunications industry to the emergency services. Equally, by removing many of the obligations relating to PATS providers defined in the Electronic Communications Directives while not recognising that data protection obligations are still applicable, there is a risk that these may be ignored.

These and other issues are addressed in the following sections.

2. The Policy Challenge

The emergence of new technology and the opportunity to create new and innovative services creates a dilemma for the ongoing regulation of voice services. Do we continue to centrally set minimum standards, recognising the economic and social importance of ubiquitous telephony services, or do we create an environment where consumers are provided with sufficient information to make informed purchasing decisions? Whilst neither approach necessarily results in a perfect balance between innovation and protection, these disparate requirements require a careful assessment of the solutions that are available.

Policy Change

For more than 20 years Ofcom and Government approach to voice regulation has been to set high levels of minimum standards required for market entry. Providers have been required to offer as standard a variety of features in their voice services, or alternatively be in breach of their PTO licence. PTO licences, European Telecommunications Directives and latterly Electronic Communications Directives have all required a high minimum level of service to be provided by the market.

The consultation paper on the regulation of new voice services suggests a different approach. Instead of ensuring a uniform safeguard, Ofcom's proposals will require providers to offer more information to consumers about the services being supplied and in return allow

providers to offer a variety of services, including functionality that could be in effect barred, if services were subject to the traditional regulation.

This is a dramatic shift in regulatory policy, and accordingly consumers must be educated to be aware of it. For example consumers today do not have to check whether 999 access is provided as part of their voice service, it is generally and correctly presumed to be always included. However, should a provider of a voice services be required to ensure that consumers are aware that 999 access is, or is not provided (or provided to a less reliable level) with a particular service, it will be necessary for consumers to understand the significance of this information.

We urge Ofcom to set the framework for this information by taking a proactive stance in informing consumers that regulatory safeguards are changing and ensuring service providers give consumers and potential consumers sufficient information to make informed choices.

Compliance and Enforcement

Ofcom's traditional approach to regulatory compliance has been fairly passive, taking action where necessary but not seeking to proactively intrude in businesses where no complaints have been received or problems recognised. This approach has been a non-intrusive method of regulation. Ofcom has taken action where necessary, for instance in personal numbering and premium rate service markets, implementing new regulations such as number portability or providing services for the disabled. However this has been predicated on Ofcom's knowledge of those providers in the market (licensees) and a consistent approach to interpretation of obligations.

However, in the future where the application of regulatory obligations is specific to the individual party in question, it will be nigh on impossible for any enforcement to take place without difficult and intrusive investigations by Ofcom.

Additionally, this approach creates a corporate risk for companies involved – does a company comply with relevant obligations and expose itself to the additional costs, potentially to an uncompetitive level, or do we ignore them, with minimal risk of sanctions but creating corporate governance issues? This risk assessment tends to play against larger, listed players who necessarily have to be far more risk averse.

Ofcom's proposals around removal of certain guidelines around what constitutes and acceptable level of compliance (e.g. in the area of network integrity) introduce a particular level of regulatory uncertainty, and risk. Should a provider interpret the General Conditions in a rigorous manner, hence imposing costs but avoiding regulatory risk, or interpret them in a lax manner, hence gaining competitive advantage but at the risk of downstream regulatory intervention? Effectively, providers are being invited to participate in a game where the rules are unknown.

Infrastructure Ownership

Ofcom's proposals appear to discriminate between infrastructure-based service providers and non-infrastructure based providers in so far as network integrity provisions are applied. Ofcom implies that network integrity provisions will not be applied to non-infrastructure PATS providers. Whilst this may be a practical solution, this discriminates against those who are investing in infrastructure (such as recent investment in LLU) and suggests a lack of consistency with policies emerging from Ofcom's Strategic Review of Telecommunications where infrastructure investment appears to be valued.

Social and Economic Policy

There is some significant risk that Ofcom's consumer and competition policies will not align with such policies owned elsewhere in Government and other public policy. For instance:

- Cabinet Office is working with network providers on planning activity relating to network infrastructure in the event of a national security risk. This assumes the availability of diverse networks of a given, highly engineered standard. Ofcom's proposals, which give greater control to network owners about their own network engineering standards, must be factored in. The upcoming Civil Contingency Bill attempts to clarify the industry's role by classifying Telecommunications Operators as Category 2 responders in civil emergency.
- The Information Commissioner has responsibility for enforcement of data protection obligations. Telecommunications network operators have specific, more onerous obligations than other industries. Industry guidelines designed to interpret the legal obligations as technical specifications make assumptions about the structure, size and location of industry and networks. These will require reassessment based on evolving business models.
- The Home Office, ODPM and Emergency Authorities as well as Network Operators and Emergency Services jointly provide access and response to 999 calls at a given, high standard. Whilst consumers may be happy to accept on a case-by-case basis a reduction (or theoretical reduction) in the quality of service that is provided, an overall degradation in the quality of service provided to emergency authorities may be insufficient to provide service at a level that is acceptable to the UK as a whole.

These issues must be addressed within Ofcom's policy review so that a consistent view of voice communications regulatory policy is provided to industry and consumers.

Intrusive regulation

Ofcom states in its consultation document that the least intrusive level of regulation is sought. One assumes what is meant is the least regulation necessary to deliver a required outcome. We believe this is a desirable approach, however not one without penalty or drawbacks. In this regard, Ofcom seeks a solution that would require industry to take up the role of educator and provider of consumer advice. This is a role normally reserved for regulators.

Whilst industry may have a role to play in ensuring consumers are aware of the possibilities open to them, we should not mistake this liberal approach for non-intrusive regulation. Requiring operators to provide information may not be as obstructive of certain business practises as imposing rules that would forbid them. However, it does place a burden on individual businesses and across the industry more broadly. This approach should not therefore be seen as a method of reducing regulation; it merely replaces one set of regulations with another.

3. Implementation

Implementation will be the key to the success of Ofcom's approach to consumer protection regulation. Fundamental to the success of Ofcom's policy is the need for consumers to recognise that they need to ask more questions when buying voice services and that more information will be provided. This is not a message that can be solely provided by industry collectively or by providers separately, it must be delivered in part by Ofcom.

Recent market liberalisation measures have appeared to be muddled and failed to take account of consumers' needs or concerns. It is not clear whether the reduction in the size of the DQ market following the introduction of 118 services is due to the explicit pricing information made available by providers or the confusion caused by the withdrawal of a clear and well understood number (192) and replacement by a variety of services most of which have been subject to a variety of reports about their quality and value for money. We should recognise that what may be perfectly obvious to *well informed* stakeholders, such as industry members is not necessarily as straightforward to all stakeholders.

Regulatory intervention to further liberalise telecommunications markets in line with Ofcom's wider competition policy is a positive move, especially where markets previously suffered very high barriers to market entry. However this implies a transition from a situation of high safeguards, to one with a reduction in safeguards but with greater choice. This change must be executed in a manner that leverages opportunities and does not just create risk.

For instance, Ofcom suggests that the Network Integrity guidelines could be withdrawn. We do not believe their withdrawal will offer any benefit to providers or consumers and are more likely to make the obligations unenforceable apart from in extreme circumstances. The guidelines should be retained and updated where necessary.

4. Ofcom's specific questions

Question 1: What types of new voice services do you envisage becoming available in the future and what characteristics will they have that distinguishes them from traditional voice services?

Ubiquitous IP technology and interworking are likely to enable a variety of voice services and business models to emerge. The emergence of carrier grade IP equipment coupled with fixed and wireless broadband access allows voice services to be created and offered in a variety of circumstances that differ from the traditional fixed home phone in the hallway and the ubiquitous mobile services that are currently provided.

The most obvious result is that such services can be offered without the need for negotiated access to existing voice delivery services (such as mobile or BT's fixed wireless networks). Accordingly, market entry (and by definition, exit), could be much easier. It will therefore be much more feasible to offer services to the market without having to factor in long-term investment and negotiations with access providers: this could create a more dynamic and potentially innovative industry.

A variety of services are already emerging, such as voice provided over the broadband access connection and voice targeted at communities of interest, which, whilst often just a small network of friends, can be geographically disparate and relatively nomadic. Such services, whilst not necessarily falling within the current scope of regulation, i.e. the definition of PATS would make existing provisions such as network integrity obligations and location information for calls to emergency services difficult to comply with. The benefit of the introduction of these types of services would need to be weighed against the costs associated with removal or non-compliance with these regulatory obligations.

Question 2: What are the main policy challenges raised by the introduction of new voice services for consumer protection and regulation?

The emergence of new technologies, while able to facilitate new business models creates challenges and tensions with existing regulatory policy. The most obvious policy challenges raised by the availability of new voice services is to establish a framework for consumer and competition regulatory policy that

- Balances the needs of consumers and market players;
- Creates an environment of regulatory certainty that can be, and is, effectively enforced and is supported by a clear compliance policy;
- Does not discriminate between providers or technology and
- Is consistent with broader social and economic policy.

There is a long established tension between protection and choice. On the one hand consumers are well protected and provided with a robust service, however opportunities for and the ability to innovate have often been reduced by such restrictive policies. Ofcom now suggests an approach which will facilitate innovation, however appears to provide consumers

with a much reduced and unclear level of protection. If this approach is to work it must be fairly applied across all providers of a given service on a technology neutral basis; it must be consistent with policies affecting telecommunications networks and service applied by other regulations and Government departments and to create the right incentives, it must be effectively enforced where necessary.

Question 3: Do you agree with the initial top-level aims identified by Ofcom?

We do not disagree with the top-level aims listed by Ofcom, however as previously discussed we do believe that these aims should be extended to take account of the wider context in which these services sit.

Question 4: Are there other aims and criteria that Ofcom should consider?

As previously discussed we believe that the aims of any regulatory strategy for new and existing voice services should be widened so that it

- Balances the needs of consumers and market players;
- Creates an environment of regulatory certainty that can be, and is, effectively enforced and is supported by a clear compliance policy;
- Does not discriminate between providers or technology and
- Is consistent with broader social and economic policy.

Question 5: Are there other key policy questions that Ofcom should be considering?

Ofcom mentioned in the consultation paper the linkage between this consultation and the Strategic Review of Telecommunications and Universal Service Obligations. Ofcom goes on to state that these are separate initiatives. However, we believe that the outcome of the Strategic Review will have a bearing on the regulation of voice services and the outcome of the review of regulation on voice services will influence the debate on Universal Services. We urge Ofcom not to review voice regulation in absence of the wider Telecommunications Review and to ensure the conclusions and policies resulting from that review are fed into the voice services consultation.

Question 6: Do you agree with Ofcom's initial view that it is not necessary for all voice services to provide the same standard features as traditional telephone services, and that we should instead focus on enabling consumers to make informed decisions?

We do not disagree with the approach suggested by Ofcom, however implementation of this policy and in particular the transition from existing protection based policies is the key to its success. In this regard we would encourage Ofcom to take a proactive position in informing consumers of the change in consumer protection policy, advising them of the key questions to ask of their supplier and the possible range and implications of answers. Leaving such education to the market will inevitably result in mixed messages and a lack of understanding of responsibilities of each of the parties. Our views are shaped by experiences from the introduction of DQ services on 118 numbers and the withdrawal of 192.

Question 7: Do you agree with Ofcom's initial view that it is not desirable to draw a distinction between the regulation of services that look like traditional services and those that do not?

At a high level a technology neutral approach to regulation should be applied. In practice this may or may not mean there is a material difference between a voice service that is used with equipment that has been traditionally employed, compared to say a PC and a headset.

However in the customer's mind there may be an assumption about the service they are buying if the terminal equipment is the same, or looks very similar.

We sympathise with Ofcom's view that the 'traditional handset test' is not a good determinant for the application of regulation. However we must also be sympathetic to consumers who will define the service they are buying through the equipment they are using. We should therefore ensure that we do not make assumptions or lead consumers to make assumption about services that are available and the features available with those services based on the terminal equipment that is used. We would highlight that the usage of terminology such as "features" and "services" could mislead the general public into a belief that the capabilities in question are of a value-added nature so perhaps not important. In reality, in the particular case of 999, the capability relates to safety of life issues so of course is of critical importance.

Question 8: Do you agree with Ofcom's initial view that a distinction should not be drawn between the regulation of 'second line' services and 'primary' services?

We do not believe that a distinction between primary and secondary line would be useful. As IP based voice services become more widespread it will be possible to provide voice services independently of a network access method. Therefore the use of primary and secondary line differentiators in the application of regulation will have little meaning in the future.

Question 9: Do you think that a threshold should be set at which new voice services should be required offer the same features as traditional voice services? If so, how should the threshold be set?

Yes, we believe that any voice service that is defined as PATS should be subject to PATS obligations. Any service that is competing with a traditional voice service should be subject to the same obligations. To enable it to compete without complying with such obligations would be discriminatory and be in breach of both Ofcom and European policy on the application of regulation across electronic communications markets.

Question 10: Do you agree that most providers would want to offer at least a basic form of access to 999?

Cable & Wireless cannot comment on what most providers would want to offer.

Question 11: Do you agree with Ofcom's initial view that consumers sufficiently value having access to 999 in order for them to wish to retain at least one means of 'high quality' (very reliable) access to 999 at home?

Based on the market research presented by Ofcom we agree that consumers currently value a 'high quality' 999 service. It is not clear whether in the future the same value is placed on the service, especially if voice services that include such functionality are more expensive than other services. We believe that Ofcom is being optimistic in its belief that consumers will look at two competing voice services, determine whether each provides access to 999, then analyse whether any pricing differential is justified. We therefore cannot agree with Ofcom's conclusions that consumers will continue to retain a high quality 999 service in the future: a more likely outcome is that many consumers will simply opt for lower cost services, then turn to the telecommunications industry and Emergency Authorities to provide that very same service that they chosen not to purchase. We are concerned that should a fatal incident happen as a result of low quality or absent 999 access, obligations to provide high quality 999 access will be placed across industry thereby jeopardising Ofcom's proposed approach.

Question 12: Do you agree with Ofcom's initial view that not all voice services should be required to offer access to 999 but that decisions about subscribing to and using such services must be properly informed?

This is consistent with Ofcom's policy to balance protection and information provided to consumers. However we query how consumers will be given adequate material to make an informed choice, presented in a manner that is suitable for interpretation by the general public. Too much information (such as quoting statistics about network availability) will not enable informed decision-making by consumers. We must also be mindful of the history of regulation of these services, where consumers have been provided with a high level of service, often without contractual guarantee or specific service levels defined and without a specific cost attached to this capability.

Question 13: Do you agree with Ofcom's initial view that given some new services may not be able to offer the same degree of reliability for emergency calls as traditional voice services, it is better that these services are able to provide less reliable access to 999 rather than preventing them from offering any access at all?

We should ensure that any information provided to customers is clear and facilitate informed decision-making. We believe that providing a 'grey' level of emergency calls access could in fact cause more confusion than comfort (will it be reliable enough when I want to use it?). We therefore believe that although it may appear to be desirable to have available *some* level of 999 access that may or may not be useful when required, if that service material differs from the level of service generally made available, customers may not find it particularly useful.

Cable & Wireless provides Emergency Call Handling Services throughout the UK. We are therefore experienced in working with Emergency Authorities and other Access providers in ensuring the end-to-end quality of the 999 service. We have grave concerns that a policy decision to allow service providers to enter the market without attempting to provide access to emergency services which is engineered to be as resilient as possible, will require a significant amount of work to support the ongoing work of call handling agencies and the emergency authorities.

Emergency service access which is not engineered to the greatest practical level may result in substantially increased handling times for Call Handling Agencies because of the lack of infrastructure for dropped calls, subscriber details, location information etc.

Additionally there would almost certainly be a significant impact on Emergency Authorities; for example, misroutes would be likely to increase, particularly for dropped calls, where location information is not provided or is incorrect. It is also possible that hoax calls could substantially increase, as it would be very easy to set up an auto-dial to 999 from a PC. Call Handling agents and Emergency Authorities would need to develop new processes for (a) barring that IP address and (b) identifying the perpetrator. Much good work has been done over the last few years to improve identification and handling of hoax callers and it would be counter intuitive to give hoaxers a new route to abuse the service. To ensure the equivalent level of response to hoax calls from landlines and mobiles, ISPS would need to provide 24hr access to facilitate barring and to obtain information about the caller. It is highly likely (given the nomadic nature of services) that many of these hoax calls could originate overseas.

Similar processes would need to be required for dropped calls, where initial voice contact is made, but the caller then drops out.

"Less reliable" services could also cause an increase in indirect calls, where someone calls their friend or neighbour and asks them to make a 999 call on their behalf. These are time-consuming to handle and often involve the Emergency Authority passing the call to another Emergency Authority.

Overall, by reducing the level of service provided to the Emergency Authorities and Call Handling Agencies by the Voice and Emergency Services Access Provider, the cost of providing call handling and Emergency Services will increase overall. This will be paid for by those parties who opt into full provision of access to these services.

Question 14: Do you agree with Ofcom's assessment of the costs and incentives for providers offering PATS?

We agree with Ofcom's assessment of the costs and incentives of providing PATS in so far as they are listed. Obligations on network integrity and provision of location information to emergency services are rightly given priority in the assessment of costs and ease of compliance across the board. However this suggests that other obligations such as metering and billing and the provision of services for the disabled can be easily met. In dismissing the cost of complying with these obligations, Ofcom appears also to dismiss their value.

In particular we understand that obligations relating to the supply of services to disabled persons stem not from telecommunications regulation but from Disability Discrimination Act and accordingly cannot be swept aside by Ofcom. We seek clarity on this issue, if indeed 'opting out' of voice regulations (albeit with the number portability penalty) becomes a possibility.

Question 15: Do you agree with Ofcom's understanding of the implications of the definition of PATS contained in the Directives?

Yes we agree with Ofcom.

Question 16: Do you agree with Ofcom's understanding of the implications of this alternative approach?

Yes.

Question 17: Are there policy initiatives in other areas related to new voice services that Ofcom should be considering?

Yes, Ofcom's strategic review of telecommunications is looking at future technology, services and investment in telecommunications and is setting out broad policy in response to this review. This will naturally impact new voice services and we should ensure that policies are harmony. For instance the strategic review sets policy that rewards infrastructure investment, we would expect voice regulatory policy to reflect that and ensure its approach does not create incentives that are contrary to the broader Ofcom approach.

Question 18: Although Ofcom is not consulting on its interim position, it would welcome your views on its interim policy to forbear from enforcing PATS obligations against new voice services which offer access to 999.

Interim policies are never useful as a tool to facilitate investment or market entry. However it does provide a useful indicator of Ofcom's thinking and approach.

Question 19: Is it reasonable to have different network integrity requirements for nomadic services compared to services at a fixed location, and how should consumers be made aware of this difference?

We understand that network integrity obligations were put in place to ensure that

- Consumers obtain good quality services
- UK business is provided with tools to trade and
- The UK is provided with infrastructure consistent with its global economic position.

Traditionally the provider of PATS services has also owned the underlying Public Telephony Network to which network integrity obligations have applied. This will not necessarily continue to be the case, and indeed Ofcom describes one example of nomadic services that may have a home location but can also be provided elsewhere. Continuing to apply network integrity obligations to network and location independent services provided over a third party network would not create incentives in line with original objectives. We therefore agree with Ofcom's views that in such a scenario these obligations should not apply.

Question 20: Do you think that it is better for Ofcom to:

- 1. Retain the Essential Requirements Guidelines in their current form;*
- 2. Re-issue the Essential Requirements Guidelines, incorporating additional guidance in relation to Voice over Broadband and Next Generation Networks; or*
- 3. Withdraw the Essential Requirements Guidelines, and apply the 'reasonably practical' test set out in General Condition 3*

Cable & Wireless firmly believes the Essential Requirements guidelines should be retained. It is our understanding that the guidelines were recently reviewed to take account of the new legislation and emerging technologies. However if they require further review then this should take place, led by the appropriate technical body (NICC). Deleting guidelines, which were created by relevant technical experts to facilitate compliance, does not appear to be a particularly helpful development.

Question 21: Do you think that there are reasonably practical measures that providers at a fixed location can take even if they do not directly control the underlying network?

Yes, as is currently the case providers of services that are subject to regulatory obligations can pass these obligations in full or in part in via contractual terms with their supplier. Where services are provided independently of that underlying infrastructure there may not be a contractual arrangement between the infrastructure owner and the voice service provider. In such instances, these services should not be considered to be PATS and therefore should not be subjected to these obligations. However this assumes that the obligation continues to be required and remains viable to apply and enforce. If Ofcom believes that this is not the case then the obligation should be lifted from all parties.

Question 22: What in practice should the roles of the network provider versus the service provider be for network integrity when the network provider has no control over the services offered over their network?

The network provider should not be obliged to provide any particular level of network integrity for a third party unless he has contractually agreed to do so. We agree with Ofcom's view that no obligations should be placed on the network provider which arises from third party use of his network without his explicit agreement to provide a network which conforms to those obligations.

Question 23: Do you agree that it is likely to be reasonably practical for analogue telephone and ISDN2 services to provide line powering but not other services?

It is quite possible that analogue telephony and ISDN2 services, using current technology can be provided with line powering, and are commonly provided with such. In these circumstances the current obligation adds to the overall degree of service integrity as line powering is provided regardless in most circumstances.

Question 24: What are your views on the technical feasibility of providing location information for nomadic services, both now and in the future?

For nomadic services, the only truly effective means of providing reliable location information is via the use of GPS (or similar) receivers in the equipment being utilised. However, this is not at all economically practical, so other measures must be sought.

In theory, it could be part of the dialogue of a customer logging into such a roaming service that they confirm their location. However, in practical terms human nature dictates that users would simply use the mechanism that requires least key strokes, e.g. when roaming click on the option to say that they're at their home address to save the hassle factor of typing in their current location.

In principle, it may be possible to agree a process/technical mechanism such that when logging in, the IP address of the terminal is logged and tied back to a physical location. However, this would only work in certain scenarios, because when e.g. DHCP is employed, there may not be a reliable mechanism to tie the IP address to a location. Indeed, use of NAT devices may well mean that the public IP address seen by the voice supplier bears no resemblance to the actual IP address being used by the customer.

For services that provide nomadicity via customers roaming from terminal to terminal (as opposed to taking their terminal with them), there may be a solution whereby in the context of CLI, the Network Number, i.e. that seen by emergency services, would relate to the physical terminal (hence be at a known address), whereas the Presentation Number, i.e. that seen by users, would relate to the identity of the roaming subscriber. However, it is our understanding that equipment vendors are not able to supply this capability at present, and in any case the approach would be suitable only for a very limited approach.

All of this leads to the conclusion that it is not possible to provide reliable location information for nomadic services. The best that can be done is the providers of such services should make best efforts to identify the location of the user (via the techniques above), but a requirement be placed that in the relevant 999 databases, the records against CLIs of customers who have such capability have a note that the location information supplied may not be reliable.

Question 25: What approach for emergency location would take account of current technical limitations, whilst ensuring that technical advances bring benefits to emergency organisations in the long run?

Emergency organisations are aware of the limitations in the provision of location information for calls originating, for instance on mobile networks and as technology has developed solutions have been put in place. There are extremes of nomadicity, at one level an employee of a company may be able to 'log on' to any phone workstation in his office or his company and retain his phone number. At the other extreme of nomadicity, a service could be used over any public Internet connection from anywhere in the world. Different solutions are likely to be required in each of these circumstances. In the near term, we should ensure through whatever means that false location information is not passed to the emergency authorities. The industry, together with equipment manufacturers, standards bodies and relevant public bodies, perhaps through the management of the 999 Liaison Committee should address this issue in a focused way taking account of the existing limitations in technology.

Question 26: Do you agree that consumer information is required where services look and feel like traditional telephone services but not where services are clearly different (e.g. PC based services)?

We believe that consumers are likely to require information in both scenarios. In particular, where customers could make assumptions about the service that is being provided, such as where the terminal equipment remains the same or similar, providers should ensure that consumers are fully informed of the level of service that is offered.

Question 27: Do you agree with a two stage approach to consumer information, first to ensure the purchaser is aware of the nature of the service at the point of purchase, and second to ensure all potential users are aware the service does not provide access to 999 at the point of use?

No, we think consumers need more than just point of sales and point of use information. We believe Ofcom has an important role to play in establishing and advising on the new framework for voice telephony regulation.

Question 28: If consumer information is required to ensure that consumer interests are protected, which of the above frameworks, if any, is appropriate to ensure it is successful?

We believe that Options 2 and 3 are most likely to succeed in ensuring that all providers are involved in preparing and agreeing information for consumers. However as previously indicated, Ofcom must take a proactive position in communicating the changes in regulation which are bring about the changes in services being provided. Options 2 and 3 will enable Ofcom's role to be integrated where necessary with industry.

5. Summary

Ofcom's proposals to further open the voice telephony market by allowing providers to choose to opt out of the provision of PATS create opportunities for service differentiation. However the creation of such differentiation could also be the source of customer confusion and ambiguity unless consumers are prepared for the changes in the market place. Ofcom has an important role to play in ensuring that consumer understand the context of market developments and new services.

We urge Ofcom to ensure that its proposed policies are consistent with the outcome of its own wider review of the telecommunications market and policies and legislation owned by other Government and independent agencies. In this paper, Ofcom makes no mention of the data protection obligations applicable to telecommunications, nor the NISCC owned work on network integrity in times of national emergencies. We believe Ofcom's policies will only successfully lead to more vibrant and diverse voice telephony market if they are consistent with policy and legislation owned by other Government and public bodies. Without such a positive outcome, Ofcom's market liberalisation initiatives will only deliver confusion and uncertainty.

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