

info-b1@cec.eu.int

Date
2004-08-30

Page No.
1 (5)

Contact
Claes-Göran Sundelius
Claes-Goran.Sundelius@teliasonera.com
Tel: +46-8-50455292

Identifier
HkJ /C-G2004

Your reference
VoIP

Comments by TeliaSonera on the VoIP consultation document

TeliaSonera welcomes this opportunity to comment on proposals and questions in the Commission staff working document relating to the regulatory treatment of services based on Voice over IP (the Document).

Summary

TeliaSonera's main points are the following.

- While the Document's distinction between Publicly Available Electronic Communication Services and Publicly Available Telephone Service is possible, TeliaSonera would like to introduce a possible alternative distinction
- TeliaSonera suggests that a VoIP based publicly available voice service that offer access to and from the public telephone network should be PATS
- A pragmatic and "light touch" regulatory attitude will be necessary in relation to VoIP based PATS. Only the most important and pressing of the existing regulatory provisions for telephony services under the EU framework should apply in order not to hinder the evolution of innovative new services
- TeliaSonera suggests that a distinction is made between regulatory provisions that only apply to "PATS at a fixed location" and provisions that apply to all PATS (i.e. also mobile telephony services and "nomadic" VoIP based telephony services)
- TeliaSonera suggests that a VoIP based publicly available voice service that only offers access to, but not from, the public telephone network should not be defined as PATS, but rather as a publicly available ECS with limited rights and obligations in accordance with the directives

The Document's sections 1 - 3, General comments

TeliaSonera has noted and finds it reasonable at this stage of VoIP development that the Commission will issue only non-binding Guidelines, as indicated in the Document. VoIP based commercial services and business models are still at an early stage and the VoIP technology, functionalities, services and market are immature. Many VoIP based services provide both voice telephony functionality and advanced value-added functions where voice, data, video and computer applications are integrated. These

Head Office
TeliaSonera AB Head Office

SE-106 63 Stockholm
Reg. office: Stockholm
Reg. No. VAT No. SE556430-0142

Visiting and Delivery address

Sturegatan 1

Contact Information

Fax: +46-8-946470
www.teliasonera.com

new features are not exclusively applicable to VoIP but they are not easily incorporated in traditional PATS. It is clear that telephony will increasingly only be one application, although important, among several IP applications integrating voice.

These developments mean that it actually might be more reasonable to talk about CoIP (Communications over IP) rather than VoIP. There are good reasons to assume that we have only seen the beginning of services and applications based on CoIP. In order not to hinder the evolution of innovative new services only the most important and pressing of the existing regulatory provisions relating to publicly available telephony services should apply to these services. A pragmatic and "light touch" regulatory attitude will be necessary, while at the same time safeguarding the users' fundamental interests as well as the need for a level playing field for intra-territorial and extra-territorial players in line with the EU regulatory framework.

Obviously, the crucial issue will be to identify to what extent existing regulatory provisions should also apply to various voice services based on IP. The Document is a good starting point for that process and a useful basis for further discussions among operators and regulatory authorities. It is clear from the Document that while the regulatory framework is meant to be technology neutral, the underlying technology affects the services and business models. Thus this interrelation cannot be disregarded and the application of the technology neutrality principle becomes more difficult. However, it is important that this principle is applied to the largest extent possible in any regulatory approach.

TeliaSonera welcomes that there is no proposal for a formal, rigid classification of different publicly available VoIP service offerings. However, TeliaSonera suggests that the basic criterion to be taken into account when characterizing a publicly available service should be if access to and from telephone numbers in a national numbering plan is possible. If such access is possible the service should be regarded as a publicly available telephony service under the directives irrespective of the underlying technology. In TeliaSonera's opinion there should not be publicly available telephony services where such access is limited.

When using a service that has the "look and feel" of a publicly available telephony service it should be possible to get access to and from any open telephone number, be it geographic, non-geographic or a service number (like 112). This is a fundamental principle for a national telephony numbering plan and should be protected in the interest of users. TeliaSonera would advise against introducing a regulatory category of the publicly available telephony service (defined in the Document as publicly available ECS for regulatory purposes) that does not fulfill this basic criterion.

TeliaSonera would prefer that a VoIP based publicly available voice service that only offers access to, but not from, the public telephone network would not be defined as PATS, but rather as a publicly available ECS with limited rights and obligations in accordance with the directives.

While respecting that the basic criterion for PATS above should be mandatory it should, however, be possible to introduce new types of services into the market, without them being immediately subject to the full set of other regulatory obligations relating to PATS. Many of these have evolved in the course of providing services with

already very mature technology (meaning mainly public switched telephony in this context). A reasonable precondition for this introduction would be an open and fair communication of possible limitations in the service. This would leave the choice to the customer and it would provide the service provider with possibilities to introduce new services

The Document's section 4

In sections 4.2 and 4.3 there is a comparison between publicly available ECS and PATS and it is foreseen that there might be publicly available telephony services that offer access to and from telephone numbers but not to and from emergency services numbers. As stated above TeliaSonera would advise against such a development in the interest of users.

In the Document two broad regulatory approaches are identified: one is to impose traditional PSTN obligations on all new telephone-like services; the other is to ensure that consumers are fully informed and can make their own choices, while encouraging suppliers to find new technical solutions. TeliaSonera would like to suggest a combination of the two approaches and that possibly not all traditional PSTN obligations are imposed on VoIP based publicly available telephony services.

When defining regulatory provisions applicable to VoIP based publicly available telephony services, TeliaSonera suggests that a distinction is made between provisions that only apply to "PATS at a fixed location" and provisions that apply to all PATS (i.e. also mobile and "nomadic") under the EU regulatory framework. The Document addresses this distinction, but does not provide a comprehensive analysis.

Some of the existing provisions for "fixed PATS" were not intended to be applied to VoIP based publicly available telephony services taking into account technical limitations and that the services often are, or easily could develop into becoming, "nomadic". TeliaSonera suggests that the Commission staff should make a thorough analysis into what provisions for fixed PATS, if any, that should not apply. The conclusions should be included in the Guidelines. Such provisions can e.g. be found in relation to fixed telephony services under Universal service obligations (USD, chapter II).

On the other hand, provisions that apply to all PATS, like e.g. number portability and the right for subscribers to be included in public telephone directories, should reasonably also apply to "nomadic" VoIP based publicly available telephony services. In addition, the general provisions in the directives that apply to publicly available ECS should of course be applicable. In this way, as level a playing field as possible will be guaranteed without any hampering of service development.

In the Document it is proposed that:

- NRA's could consider providing, on request, a standardised declaration to those suppliers that undertake to provide *publicly available telephone services* in accordance with the applicable conditions in the general authorisation.

TeliaSonera supports this proposal and suggests that the basic criterion concerning access to and from open telephone numbers should be included in the declaration as

well as other regulatory provisions that should apply to VoIP based publicly available telephony services. As a complement NRAs could be encouraged to publish on their web sites information on VoIP based publicly available telephony services, highlighting the most important general characteristics and regulatory provisions. Information on other VoIP based publicly available voice services of a non-PATS nature could also be published.

The Document's sections 5 - 7

TeliaSonera would like to comment on some of the issues identified in sections 5 - 7.

- *On Article 23 of the Universal Service Directive (Integrity of the network):*

Even if the provisions in this Article only apply to "fixed PATS" a shared responsibility between the network provider and the VoIP service provider seems reasonable. This issue requires further careful analysis.

- *On in-line powering of terminals:*

The increasing usage of cordless terminals in homes and offices for traditional PATS needs to be taken into account when considering regulations and information in this area. There will also most likely be more terminals with back-up battery functions available in the market.

- *On Emergency Services:*

As have been stated above, it should be mandatory for all VoIP based publicly available telephony services (i.e. offering access to and from the public telephone network) to offer access also to and from emergency services. TeliaSonera would advise against introducing a regulatory category of the publicly available telephony service with only limited access to and from open telephone numbers. It should be possible, also in the future, to make and receive emergency service calls from all "telephones".

The obligation in USD Art. 26 on Member States to ensure that *location information* is provided for calls to 112 when technically feasible should be adhered to. Member States should be encouraged to ensure that all providers of fixed, nomadic and mobile publicly available telephony services, i.e. also VoIP telephony service providers, provide caller IDs and location information. While the organisation of emergency services is a national matter, market players should be encouraged to consult and cooperate with emergency authorities in these matters to find practical and economical solutions. The results from on-going international standardisation activities will be important for this development.

The Document proposes that different obligations in relation to *routing* of emergency calls should apply to different kinds of VoIP based publicly available telephony services. TeliaSonera does not agree with this proposal. It would be disproportionate at the present stage of development to impose such obligations on any VoIP provider. The matter is closely related to the location information issue and should be treated similarly.

- On Privacy and Lawful interception

In general TeliaSonera agrees with the Document that the privacy and security rules in the EU regulatory framework apply to all services, incl. VoIP based publicly available telephony services. Compliance with these rules by all market players is necessary in order to protect fundamental rights of users and to have a level playing field. However, Member States and NRAs should be encouraged to reasonably take into account the privacy and security characteristics of VoIP based service offerings. As indicated in the Document, VoIP based services are more vulnerable to data protection problems. It is important that any regulation in this field is not too detailed in order to be able to adapt to a changing environment. It is also important that market players are given adequate tools to satisfy their security obligations, like e.g. allowing measures to protect against spam, viruses and denial-of-service attacks.

In relation to lawful interception of VoIP based publicly available telephony services TeliaSonera agrees with the Document that it would be advisable for Member States to agree on common standards to keep costs down.

- On Numbering

It should be possible to use geographic numbers both for "fixed" and "nomadic" VoIP based publicly available telephony services. It should also be possible to use non-geographic numbers, incl. specific number ranges, for VoIP based publicly available telephony services with nomadic functionalities. In accordance with the USD Art. 30 all subscribers should have a right to port numbers (geographic and non-geographic) between traditional PATS and VoIP based publicly available telephony services. Only in this way, the subscribers' interest can be safeguarded and a level playing field be achieved for all market players providing publicly available telephony services.

Claes-Göran Sundelius
VP Regulatory Affairs
TeliaSonera AB