



INTERNATIONAL TELECOMMUNICATION UNION  
TELECOMMUNICATION DEVELOPMENT BUREAU

**Global Seminar on Quality of Service and Consumer Protection**  
Geneva, Switzerland, 31 August-1 September 2006

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### **Chairman's report**

The Global Seminar on Quality of Service and Consumer Protection was held in Geneva, Switzerland, on 31 August and 1 September 2006. The Seminar attracted 117 participants from 43 countries representing Regulatory Authorities, Policy-makers, the ICT private sector and other stakeholders.

The meeting was opened by Mr. Hamadoun I. Touré, Director of the Telecommunication Development Bureau (BDT) of the International Telecommunication Union (ITU). Mr. Touré noted that consumer protection and quality of service impacts our daily life as citizens and ICT consumers. He further added that consumer protection is also a requirement for the development of the Information Society. The World Summit on the Information Society (WSIS) called for governments to develop and update their domestic consumer protection laws to respond to the new requirements of the Information Society. He drew delegates' attention to the fact that two out of the six Doha Action Programmes – Regulatory Reform and Addressing ICT Infrastructure Development – contained Quality of Service elements.

The Seminar was chaired by Mr. Ewan Sutherland, Senior Telecom Expert. In his opening remarks, Mr. Sutherland noted that the telecommunications world has moved from a simple world to a complicated model that is experiencing a lack of competition in some parts of the market and information asymmetry (uneven access to information). It is a world where it is easier to compete on price rather than on quality.

#### **Day one presentations highlights:**

The first day was devoted to quality of service discussions, and presentations were made by regulators from various regions and industry representatives. The first session started with a presentation from Ms Nancy Sundberg, Telecommunication Regulatory Specialist of the BDT, highlighting regulatory trends in QoS and consumer protection. By 2006, there were 142 independent regulators and that the Quality of Service (QoS) responsibility was held mainly by regulators (77% of respondents) or the appropriate sector Ministry (17%). There was a growing pattern of protective consumer legislation but implementation varied considerably. She pointed out that the infoDev/ITU ICT Regulation Toolkit<sup>1</sup> had a specific section devoted to these issues.

Mr. Robert Milne, Partner, Antelope Consulting, presented the findings of the background paper on ICT Quality of Service Regulation: Practices and Proposals. He said that the regulator first had to decide what things needed measuring, then assess what the measurements showed and then make decisions about whether to stop measuring this particular element or to increase the frequency of its measurement. The danger was to simply keep adding measures that the operators had to meet. In Brazil, for example, the number of

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<sup>1</sup> The online toolkit is available at: <http://www.ictregulationtoolkit.org/>

measures per operator that had to be submitted doubled to 100. However after consulting stakeholders, this number was halved to less than 50. He stressed that a large numbers of measures are not always effective as they may not be easy to understand, assess or make it possible to make comparisons between operators.

He summarised the role of the regulator in guaranteeing quality of service in the following ways:

- Helping the consumer make informed choices.
- Checking claims by operators.
- Understanding the state of the market (to ensure competition).
- Maintaining or improving QoS in the presence of competition.
- Maintaining or improving QoS in the absence of competition.
- Helping operators achieve fair competition.
- Making sure interconnected networks work well together.

Mr. Karel Peeters, Engineer-Advisor, Belgian Institute for Postal Services and Telecommunications (BIPT) indicated that BIPT has defined 17 QoS measurements and selected subsets of them for each of 32 services. He added that while some services need no measurements, others (for example PSTN) need many. He explained that there are no targets and that BIPT may at some stage publish a summary of the results. There is an attempt to have consistency between the measurements for different services. He added that with a plethora of services in a Next Generation Network (NGN) environment, BIPT may need to resort to “generic” measurements rather than service specific ones. He concluded by saying that the format and time of publication is specified by BIPT but the operators publish on their own web sites.

Mr. Claude A. Griffith Executive Manager Technical Services and Development, Telecommunications Authority of Trinidad and Tobago (TATT) explained that in his country QoS measurements are defined for both retail and wholesale services. The measurements are technology-neutral, with nothing special for VoIP. There are 18 wholesale measurements. The intention is to have a minimal set of measurements. There are targets for all these measurements, with different values for different classes of licences. Part of the regulation requires a form of record keeping. He explained that the regulator carried out a consultation process on quality of service regulation.

Mr. Stéphane Hayat, Mobile Telephony and GSM/UMTS Frequencies Manager, *Autorité de Régulation des Communications Electroniques et des Postes (ARCEP)*, France, presented the QoS survey for mobile network services ARCEP carries out annually. The mobile measurements have been evolving for several years, in consultation with the operators. There are no targets. Mobile operators have up to now always met their QoS obligations. The measurements deal with pedestrian and train-borne calls as well as car-borne ones. Measurements are technology-neutral; for example, multimedia messaging and web page navigation are treated as such even when iMode is used in delivery, and GSM and UMTS are not distinguished. He stressed that the system only applies in metropolitan France. One of the objectives in doing this is to provide users with information. He added that ARCEP can assess how well the frequency allocations are used, and operators get to understand the market better.

Mrs. Rosalind Stevens-Strohman, Consumer Policy Manager, Office of Communications (Ofcom), United Kingdom shared Ofcom's experience with QoS indicators. She explained that the scheme for fixed operators needed to be made compulsory. While the EU Directive indicates that if consumers are not interested in the information it need not be published, nonetheless the operators may find the data useful. The group running the scheme has both Ofcom and consumer entity involvement. Mrs. Stevens-Strohman presented two new online initiatives launched to inform consumers on quality of service of mobile (<http://www.topnetUK.org>) and fixed voice providers (<http://www.topcomm.org.uk>).

She explained that the mobile scheme remains voluntary, with an expectation that the fifth operator will join in. Measurements are performed by an independent third party under a three-year contract with the operators, but the operators do not see the measurements until they are published. The group running the mobile scheme has no Ofcom involvement or consumer involvement. She concluded by saying that helping informed customer choice by providing information was the primary objective.

Mr. Abdelali Madani, Head of Department, *Agence Nationale de Réglementation des Télécommunications* (ANRT), Morocco, reported on the role of ANRT with regard to QoS and consumer protection. He mentioned that the annual survey of mobile performance publishes the results of third party tests in a collective manner (not operator-by-operator) and that individual operators get the results. ANRT supervises the third party, choosing the routes, times, locations and numbers of calls and the measurement definitions. He further explained that ANRT can also do spot checks on the information provided by operators. In a separate exercise, ANRT has, with the aid of a third party, conducted an operational audit of the ADSL systems (which were causing many complaints) and produced a Service Level Agreement (SLA) between the incumbent and ISPs to improve the quality of ADSL. The SLA has achieved this.

Mr. Luis Cardoso, Chair Quality of Service Development Group (QSDG), ITU-T Study Group 2, from Portugal Telecom indicated that in his view regulators should keep their hands off QoS, or at least NGN QoS. He further emphasized that policy decisions concerned with cutting prices affects quality: regulating mobile termination charges produces by-pass call paths and poor quality, and SIM gateways interfere with other operator frequencies and “illegally intercepted calls”. He explained that a subjective measure of Quality of Experience (QoE) had been developed. He looked at the complexity of QoS issues in relation to IP-TV. He questioned the kind of delay that is acceptable on channel changing as this is not instantaneous as with terrestrial TV. He explained that consumers often didn’t realise that response times slowed down when a phone call was being made on the same line. He noted that the user terminal affects the quality and needs to be discounted somehow.

Mr. M. C. Chaube, Advisor of the Telecom Regulatory Authority of India (TRAI) stressed the need for QoS to be regulated to stop it from getting worse. He indicated that in India there are targets as well as measurements. He explained that TRAI prefers encouragement over enforcement, with publication of QoS measurement results on its own website. The measurements for fixed and mobile services overlap, but there are also some that are specific to the type of network. Operators make some of the measurements. In addition, TRAI employs a third party to do drive tests, audit operator measurements and perform customer surveys. Customers were less satisfied with mobile services than with fixed ones, because the rapid growth had put pressure on POIs, billing systems, switches, etc. He concluded by stressing the need to facilitate affordable rural communications of voice and other media through an NGN. Long distance will drive the deployment of NGN in India first.

Mr. Scott Marcus, Consultant, WIK Consult GmbH, Germany, indicated that differentiated QoS at points of interconnect may not happen very often. This is not because it is difficult technically but because it requires co-ordination between many operators in end-to-end channels, with monitoring devices, dispute resolution procedures and SLAs. He compared this to multicast and IPv6, which have also yet to happen on any large scale, though they are hardly new. There is little case for differentiated QoS in core networks either (access networks are a different matter). In fact one-way services are even fairly resilient to long delays, except for channel surfing.

Mr. Dave Mustill, Chief Technology Office, British Telecom, United Kingdom noted that simple interconnection patterns let voice over IP have eminently reasonable quality. However, complex interconnection patterns, such as exist with [the UK implementation of] number portability, carrier selection, etc cause problems because of delay. He stressed that operators

should not feel constrained to produce PSTN-quality voice all the time: some people want less and some people want more.

In the question-and-answer session, an active debate ensued and participants raised issues such as the accuracy and the comparability of the QoS parameters measured the importance of the regulator in carrying out QoS activities, and the need to also involve manufacturers, designers and engineering offices in QoS consultations. Claude Griffith of the Telecommunications Authority of Trinidad and Tobago pointed out that operators were often not designing networks for the real level of attempted customer use and that this inevitably led to performance problems.

### **Day two presentations highlights:**

The second day focused on consumer protection in a digital age. The first morning session started with a presentation by Ms Alessandra Pileri, Acting Head ITU-D Study Groups of the BDT, on the activities of Study Groups related to consumer protection.

Russell Southwood, CEO, Balancing Act presented the second of two background papers. He argued that there were four cornerstones to consumer protection: consumer rights law, competition law, specific telecoms and Internet law and self-regulatory frameworks (like Codes of Practice). In terms of protecting the consumer, the regulator had four different functions:

- *Voice* (allowing the user to be heard and being responsive through consultation and redress mechanisms);
- *Choice* (ensuring plentiful choice in terms of the nature, quality and amount of services);
- *Representation* (preventing dominance by large industry interests through consumer councils or committees);
- *Information* (allowing consumers to make well-informed choices).

Mr. Southwood said that regulators cannot act alone on behalf of consumers. There were a number of consumer bodies that might act on the consumers' behalf: generic consumer bodies (dealing with all types of issues) and those focused on telco and Internet issues. There were also international bodies like Consumers International and ISOC. He suggested that if regulators were not already doing so, they partner with bodies of this kind to achieve some of their consumer protection objectives.

The second session looked at mobile roaming charges.

Eng. Al Raghy, of Egypt's National Telecommunication Regulatory Authority (NTRA), presented the study that the Arab Regulators network had carried out and how it had concluded that roaming charges were too high. He further noted that high charges were caused by absence of real competition.

Mr. Heinrich Otruba, Adviser to the DG INFOS of the European Commission, explained how the EC had approached the task of tackling European roaming charges in its recent study. He said there are 147 million roaming customers in Europe: 37 million individuals and 110 million business customers. He further explained why retail regulation is essential: to guarantee results for the consumer, to ensure pass-through of price reductions from wholesale to retail and to avoid political risk of 'not delivering' on EU citizens' expectations.

Jeanine Vos, Public Policy Analyst of the GSM Association explained that European roaming charges had been falling. She also argued that the price cap was anti-competitive, would reduce competition and that it ignored fundamental differences in market conditions.

This session raised an interesting debate. Participants welcomed the work carried out by the European Union and indicated that if roaming charges are being reduced in Europe, it will help other countries as well to reduce these costs. In addition, participants noted that in the European Union, mobile operators had launched a website that enables consumers to compare prices. In the Arab region, an operator code of conduct was initiated that covered the charges that will include transparency measures. However as one participant observed, it seemed that operators had responded to investigations rather than lowered roaming prices of their own accord.

The following sessions and discussions focused on consumer protection in an IP NGN world: how this new environment will affect the role of regulators, dispute resolution and enforcement measures.

Mr. Cleophas K. Rutabingwa, Executive Secretary of the Tanzanian TRCA Consumer Consultative Council, presented TRCA's approach to giving consumers a voice. He explained the genesis of the creation of the Council and noted that this initiative was the first of its kind in Tanzania for consumers. He added that the vision of the Council is to become a well-established and effective organization for advocating consumer rights and harmonizing business relations between key players in the regulated communications goods and services industry by 2010. He presented the results of the work accomplished so far, the challenges and the way forward.

Mr. Bashir Gwandu, Executive Commissioner of the Nigerian Communications Commission, described its Consumer Parliament and showed a short television clip of it in action. Both operators and regulators were questioned by members of the public and needed to be able to provide answers. He mentioned that the role of NCC will not change with the advent of an IP-based environment as it will, among others, continue to promote the introduction of innovative services and practices. He concluded by highlighting the regulatory issues related to IP technology.

Ms. Sharizan Abdul Aziz, Head of the Consumer Protection Department at the Malaysian Communications and Multimedia Commission explained that in Malaysia (as from 2003) non-compliance can lead to a prison sentence. The number of non-compliance cases since 2003 gone down.

She explained that an NGN Working Group was created in 2005 under the Malaysian Technical Standards Forum to address the standards and police issues of IP services. She also explained that development of NGN is in the planning process for mobile and in the procurement phase for the fixed line incumbent. She added that the current licensing regime supports the introduction of NGN.

Ms. Fleur Régina Assoumou, Head of Department, *Agence des télécommunications de Côte d'Ivoire* (ATCI), explained what ATCI is doing in the area of consumer protection. She specifically explained how it handles consumer complaints, raises consumer awareness and cooperates with consumer associations. She mentioned that consumers are an essential issue for the regulator. She noted that since 2003, the relationship between ATCI and consumer associations improved greatly, and that ATCI provide them with advice and support. She noted that the number of complaints has decreased significantly since then.

Mr. Siddarth, Legal Consultant of India's Telecom Disputes Settlement & Appellate Tribunal (TDSAT) described the role of TDSAT in protecting consumers. He indicated that 4 million new telephone subscribers were added each month and that quality of service was under threat due to this rapid expansion. He explained the reasons for the creation of a Telecom Tribunal (TDSAT) and noted that TDSAT, with regard to consumers, can adjudicate disputes between a group of consumers and licensors or service providers. He concluded by saying

that the number of filings from this group (consumers) as been low compared to the total number of cases.

Ms. Ana Luisa Azevedo de Mello, Counselor Advisor of the Agência Nacional de Telecomunicações do Brasil (Anatel) explained the functioning of Anatel. She reported on the inspections and sanctions processes. She explained that Anatel arbitrates conflicts among operators and consumers, and between operators. She added that all bureaus perform enforcement and that Anatel acts as an administrative tribunal.

The meeting concluded with remarks from Hamadoun I. Touré who explained that this meeting was organized in response to a request from our membership and as part of BDT's implementation efforts of the decisions of the World Summit on the Information Society (WSIS) which recognize consumer protection as a prerequisite for the development of the Information Society. He further noted that the interesting debate of the two days demonstrate that these issues are of great importance to all regions of the world and to both developed as developing countries.

He concluded by thanking all speakers, participants and last but not least Mr. Ewan Sutherland, for his very able leadership of this meeting.

The background papers, as well as all the presentations are available on the event's webpage at: <http://www.itu.int/ITU-D/treg/Events/Seminars/2006/QoS-consumer/index.html>