

Review of Non-Geographic Numbers

Submission of the Competition and Consumer Protection Commission to the Commission for Communications Regulation

- 1.1 The Competition and Consumer Protection Commission (CCPC) is pleased to respond to the Commission for Communication Regulation (ComReg) consultation document ‘Review of Non-Geographic Numbers’ (the Review).
- 1.2 We note the extensive consultation and research that has informed the options for reform contained in the Review and the consideration that ComReg have undertaken to reach their preliminary views on those options. We further note the preliminary view of ComReg in favour of a Preferred Option of a ‘Geo-linked’ tariff, consolidated Non-Geographic Number (NGN) class and measures to support transparency and consumer information outlined in Chapter 6 of the Review. The CCPC supports ComReg’s objectives in respect of the Preferred Option and we provide our reasons below.
- 1.3 It should be noted that the CCPC takes an interest in this matter both as a statutory agency charged with consumer protection and as a service provider which provides a helpline service using an NGN.
- 1.4 We welcome the clear identification in the Review of an evidence base, particularly relating to consumer detriment and the subsequent objectives identified to address that detriment. We note the findings in the report that a significant number of consumers do not know how NGN calls are charged under the various telephone subscription packages available and/or do not know the different designation of each of the five classes of NGNs. We further note the findings that a significant number of consumers do not know, or cannot reasonably estimate, the retail tariff for any NGN call in advance. We agree with the findings of the Review that if consumers do not know the designation of each class of NGN then the potential for consumer harm through the use of NGNs is much greater, and that the resultant reduced level of consumer utilisation of the NGN platform and consequential reduction in accessing of services provided by Service Providers (SPs) through NGNs is to the detriment of consumers and SPs. In general, better informed consumers provided with an easier to comprehend tariff

structure, and a consolidated NGN range, will be aided in making better decision in respect of using NGNs. As recognised in the Review this will be dependent on an effective information campaign to raise consumer awareness.

- 1.5 We note the proposals in the Preferred Option for a ‘Geo-linked’ tariff which would replace the current retail tariffs applying to the range of NGNs and the view of ComReg that it should lower prices for consumers in general as they increasingly avail of in-bundle NGN calls. We also note that ComReg’s view is held notwithstanding the potential for recovery by operators of lost revenue, on the basis that the amount of revenue to be recovered is sufficiently small as not to be anticipated to raise prices for consumers.
- 1.6 We additionally note the consideration in the Review of retail competition. We note the expectation in the Review that competition between originating operators will increase if NGN calls are ‘in-bundle’ with consumers better able to make informed choices based on more easily comprehensible call charges..
- 1.7 As stated above, through our provision of a consumer helpline the CCPC is a SP. The experience of the CCPC supports the findings of the Review. Having noted the research and evidence presented in the Review, and the potential for consumer detriment, the CCPC is planning to review its use of an NGN and our decision in that respect will be based on the outcome of the Review. An effective and broad ranging communications campaign will be important in addressing the identified gaps in consumer understanding. While it will be important for ComReg to take a lead in this regard, operators and SPs should be obliged to communicate the changes as clearly and consistently as possible. We believe that the proposal to phase in the consolidation of the NGN range over 2 – 3 years is a sensible approach which should improve the ability of consumers to identify and avail of NGNs of relevance to them.
- 1.8 We anticipate that SPs will require significant time to prepare for any increase in call volumes alongside the required cost of communicating any change in NGN to consumers. In regard to this we welcome the consideration in the Review of the potential for an increase in cost to service providers arising from the proposed changes. We note that a separate ComReg consultation will focus on the wholesale NGN call origination rates to include an assessment of any impact the Preferred Option may have on wholesale call origination rates.

1.9 We note the intention of ComReg to update the Regulatory Impact Assessments conducted as part of this Review exercise based on the feedback received during the consultation. On the assumption that the Preferred Option is implemented as described in the Review it will be important to evaluate the regulatory interventions post-implementation to assess their effectiveness against a clear set of criteria. It may be of assistance to ComReg to consult with SPs on the operation of their customer-facing phone lines in evaluating the impact of the reforms.

ENDS