

INTUG

OECD TISP Mobile 4 December 2000

www.INTUG.net

Mobile telecommunications re-filing and tromboning

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INTUG about us

- Members
 - national associations
 - corporations
 - individuals
- influencing policy for more than a quarter of a century
- working with ITU, OECD, EU, CITEL, APEC TEL

INTUG contents

- international accounting rates
- what users want
- market deficiencies
- regulatory deficiencies
- tromboning
- roaming
- conclusion

INTUG accounting rates

- antiquated regime
- bypassed in many ways
 - re-filing
 - call-back
 - voice over IP
- no global consensus to replace them
- they will soon be dead
- new debate on ICAIS

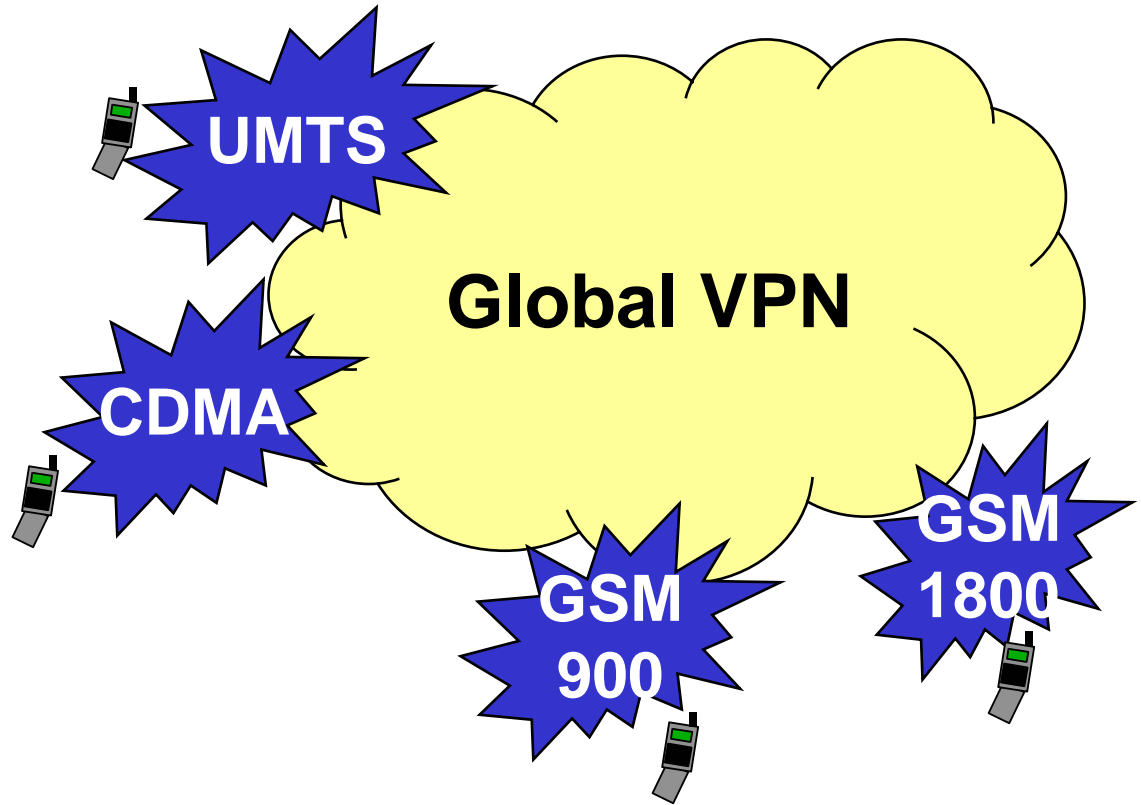
INTUG users want unified service

- one global service chosen from a competitive market
- one point of contact
- one billing interface with flexible subdivisions
- maximise their buying power
- an end to roaming charges
- integration with VPNs

INTUG VPN + GSM

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dynamic allocation of a domestic mobile number
buying only transit over mobile networks

INTUG market deficiencies

- high termination rates
- high roaming rates
- national oligopolies
- beginnings of a global oligopoly

INTUG operator tactics

- obstructing mobile number portability
- creating inordinately complex tariffs
- offering “free” handsets
- exploiting roaming prices
- cross-subsidising from termination
- pricing calls at accounting rates and roaming rates which are "on-net"

INTUG regulatory deficiencies

- specifically created national markets
- delays favouring incumbents, notably in introducing competition (e.g., MNP, MVNOs, CPS)
- antiquated accounting rates
- protracted delay in the regulation of mobile termination rates
- refusal by mobile operators to deal with non-licence holders

INTUG consumer confusion?

- differential settlement rates lead to different prices
- regulation is much better than non-competitive markets

INTUG roaming

- divide and conquer strategy
- very hard to find information
- denial of responsibility
- outrageous prices and profits
- beyond competition
- beyond regulation

INTUG France to Belgium

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	Buoygues	Itineris	SFR
Belgacom	1.40	-	2.72
Mobistar		2.18	2.18
KPN Orange	1.35		2.72
non-roaming	0.72	1.19	1.01

Fixed prices: Call-box 0.29-1.15,
France Telecom 0.40 and Viatel 0.20
March 2000

2'15" call

INTUG conclusion

- need to drive down costs
- need to recognise realities of emerging market structures for 2.5G and 3G
- need to introduce new players