

National Telecommunications Regulatory Commission St. Vincent and the Grenadines

Ref. No.COR/ECTEL

August 3, 2011.

Mr. Embert Charles Managing Director ECTEL Vide Boutielle P. O. Box 1886 St. Lucia

Dear Mr. Charles,

Policy Recommendations for the Adoption of Number Portability in ECTEL Member States

The Commission, having reviewed the Consultation on Policy Recommendations for the Adoption of Number Portability in ECTEL Member States, wishes to comment as follows:

- 1. That ECTEL should explore the possibility of using the existing system that was put in place for number portability in the USA for such service in the OECS or even the wider Caribbean. This is not unprecedented. With the increased connectivity speeds available in the region, such service can be implemented with no service degradation to the service providers or customers of our region. We already are part of North American Numbering Administration (NANPA) and we in the Caribbean also use existing systems/databases from the NANPA for some of our numbering requirements such as the LERG for routing and billing of calls to and from our region. This was done with the sole reason of reducing costs to our member states and which is one of the main obstacles for implementation of number portability in our member states.
- 2. Is there a real need for number portability in our market? Our Commission is of the view that we should not pursue services where no (or little) need exists. Regulators on their own cannot decide that such a need exist; feedback must also be sort from customers (both residential and business) of fixed and mobile. What might be the market situation and solutions in some countries may not apply to our situation. We had a market of low fixed line penetration and even lower mobile penetration prior to competition. The first phone most persons had was a mobile and then a substantial number had two mobiles in a market of two providers. We will need to find out how many of our customers have two mobiles since such customers will already have the benefits of what number portability will offer. This consultation document provided some data on this for business customers but not for the larger market. Our market

P.O. Box 2368 Upper Bay Street Kingstown St. Vincent and the Grenadines Phone: 784 457-2279 Fax: 784 457-2834 Email: ntrc@ntrc.vc Website: www.ntrc.vc does not have four players which will require four handsets or number portability in operation to allow persons to benefit from the options available from number portability. With two providers, one only needs two phones to achieve more than what number portability can give.

3. The following in our opinion, are four categories of customers that can be affected:

	Residential service	Business service
Fixed customer	Existing fixed line	Existing fixed line
	customers might want to	customers might want to
	change service to another	change service to another
	fixed line provider or	fixed line provider or
	mobile provider. Reasons	mobile provider. Reasons
	for changing service might	for changing service might
	be for quality of service	be for quality of service
	issues or rates. Existing	issues or rates. Existing
	number (for incumbent	number (for incumbent
	service) is listed in the	service) is listed in the
	directory.	directory.
	What can be done without	What can be done without
	number portability:	number portability:
	 Move service and 	 Move service and
	get a new number.	get a new number.
	Notify persons who	Notify persons who
	normally call you	normally call you
	that you have a	that you have a
	new number. Can	new number. Can
	be done by email,	be done by email,
	social media, or by	social media, or by
	calling. Notify	calling. Notify
	Utilities of new	Utilities of new
	number. Pros: no	number. Pros: no
	additional cost for	additional cost for
	getting a new	getting a new
	number. Customer	number. Customer
	able to receive desired service	able to receive desired service
	from a competitor.	
	Medium exists for	from a competitor. Medium exists for
	informing old	informing old
	contacts of new	contacts of new
	number. Cons:	number. Cons:
	Some persons	Some persons
	might have initial	might have initial
	difficulty finding you	difficulty finding you
	on the new	on the new
	number. No	number. Need to
	directory listing for	update/change
	fixed line	letter heads,
	competitor.	business cards etc.
	2. Can maintain	No directory listing
	existing	for fixed line
	number/service	competitor

while acquiring new number and service from competitor. Pros: Able to access benefits of both services. Cost of getting additional new service not prohibitive. With mobile prepaid service, there is no recurring charge. With fixed line alternative, there is a fix fee but calls on network are free. Additional cost for two services might be compensated by the value gained from having two services. Cons: additional cost of two services might be a burden for some customers

2. Can maintain existing number/service while acquiring new number and service from competitor. Pros: Able to access benefits of both services. Cost of getting additional new service not prohibitive. With mobile prepaid service there is no recurring charge. With fixed line alternative, there is a fix fee but calls on network are free. Additional cost for two services might be compensated by the value gained from having two services. Cons: additional cost of two services might be a burden for some customers.

Mobile customer

We do not believe there is any demand for mobile residential customers to want to switch service to a fixed line provider. As such, the scenario that will need to be examined is switching from a mobile service to another mobile service. There is no directory existina for mobile numbers. What can be done without number portability:

> 1. Move service and get a new number. Notify persons who normally call you that you have a new number. Can be done by email,

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number portability:

1. Move service and get a new number. Notify persons who normally do business with you that you have a new number. Can be done by

- social media, or by calling. Notify Utilities of new number. Pros: no additional cost for getting a new number. Customer able to receive desired service from a competitor. Medium exists for informing old contacts of new number. Cons: Some persons might have initial difficulty finding you on the new number.
- 2. Can maintain existing number/service while acquiring new number and service from competitor. A number of people already do this in our market Pros: Able to access benefits of both services. Cost of getting additional new service not prohibitive. With mobile prepaid service, there is no recurring monthly charge. Additional cost for two services might be compensated by the value gained from having two services. Cons: additional cost of two services might be a burden for some customers.
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- 3. A number of businesses utilize many service providers for their communication needs especially for outgoing calls and

even for incoming calls in recent times. Businesses save money on outgoing calls since incoming calls are free in our market. They use providers licenced in our markets as well as those that are unlicenced. The important takeaway is that businesses already use more than one number for incoming calls and as such, the issue of number portability to them may not be that important. The important issue to them is saving money on calls which occurs on outgoing calls and which they already have various options to use.

- 4. Finally, we have to look at the impact of convergence on number portability. We cannot just look at the past and the present but need to look at where the market is going as it relates to the impact of convergence on technology and services. Businesses are already using more than one number and technology for their customers to contact them. So the idea that a business wants to have one number only is no longer valid. A number of businesses (especially those online) now list both their legacy (PSTN) number and a Skype number/name on their websites and business cards. As such, they are using these IP base systems for both outgoing (which they have been using for some time) and for also incoming calls. This practice is not only restricted to foreign businesses but local businesses as well. One of our radio stations now uses a US number for their talk shows so persons in the Diaspora can call for free using their Skype and Magic Jack systems. They have no problem advertising different numbers for the same station. With the web, it is easier to see all the numbers of a business and use which ever is convenient. The cost of implementing such variations in telecom services is less that what businesses see that they can gain in value.
- 5. Before we even decide to explore any further options for number portability whether using an existing system or creating our own for the region, we need to be clear that the cost of implementing such a system is less than the revenue that might be recovered from persons willing to port their number and pay for it or other benefits such system could provide to the market. Someone has to pay for the system; and either everyone will be required to pay (all customers) or only those wanting the service. This is an important issue that must be

addressed in any survey. Some persons will want to have something but may not have the same need if they are now required to pay for it.

The Cayman Islands are now in the final stages of implementing number portability. We should wait until such a system is operational for a year and see what the costs were to implement the system and what have been the results before we proceed to make any decision on our own. One must note that number portability only gives you the option to change a provider but still remain with one provider at a specific point in time. With the number of calling options now available in the market both from physical as well as virtual service providers, persons and businesses need not to be able to switch providers but use which provider is best for a particular type of call. This is best done via virtual providers (software base). Going forward, we will all have just a data (Internet) connection from a service provider (be it from a fixed or mobile network) and voice calls will be done via an application (such as Skype, Magic talk, Google talk, etc). In short, voice will become just another service such as email that you can access from any internet connection.

Our Commission is of the view that our regulations crafted for what will occur in the market over the next five years at a minimum, noting the impact of new technologies and services to our market. If we do otherwise we will be regulating past issues and could also put undue burden on our service providers who will only pass these burdens onto our citizens via higher rates or lower quality of service. The Commission respectfully asks ECTEL to carefully examine this issue with our context and pay careful attention to the potential benefits weighted against the potential cost.

Sincerely yours,

Apollo Knights Secretary/Director

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