



CEPT/ECTRA

ECTRA/REC(99)01 - E

**CEPT - European Conference of Postal and Telecommunications Administrations
ECTRA - European Committee for Telecommunications Regulatory Affairs
ETO - European Telecommunications Office**

CEPT / ECTRA Recommendation of 3 March 1999

on Use of Special Network Access

(ECTRA/REC(99)01)



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As Chairman of the European Committee for Telecommunications Regulatory Affairs (ECTRA), I hereby confirm that this recommendation was approved in Madrid on 3 March 1999 at the XXVIIIth ECTRA Plenary Meeting.

Frédéric Riehl
ECTRA Chairman
05.03.1999

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BACKGROUND & GUIDELINES

1 - Special network access

- ◆ Special network access (SNA) is a regulatory provision specified in Article 16 of the Voice Telephony directive¹.
- ◆ The concept has been introduced to enable those organisations providing telecommunication services, to gain access to the telecommunication networks of organisations with significant market power, at network termination points other than the more commonly provided network termination points such as for instance the typical range of user-network interfaces for PSTN and ISDN.
- ◆ SNA may be facilitated via a technical interface between service provider organisations requesting such access and those organisations which are obligated under the directives to respond to requests for its provision.

2 - Access

- ◆ “Access” as distinct from “special network access” is specified in article 4.2 of the interconnect directive². Organisations with significant market power providing public telecommunication networks and services as set out in Annex I of this directive are required to respond to all reasonable requests for access at points other than network termination points offered to the majority of users.
- ◆ Whilst the definitions of SNA and access in each directive appear to be similar they are not identical. Access may for instance be considered to be wider than both interconnection and SNA but its exact interpretation is a matter for NRAs.

3 - Aim of SNA or Access

- ◆ The broad aim of introducing SNA or access provision is to facilitate the growth of the service market in Europe particularly in respect to services which have a high level of creative and innovative content and which are primarily driven by market demand.
- ◆ The demand for SNA or access is expected to come primarily from service provider organisations wishing to offer a package of telecommunication services over one or more networks in one or more countries. SNA provision may therefore be requested on one or more networks across Europe.

¹ Directive 98/10/EC of the European Parliament and of the Council of 26 February 1998 on the application of ONP to voice telephony and on universal service for telecommunications in a competitive environment

² Directive 97/33 of the European Parliament and of the Council of 30 June 1997 on interconnection in telecommunications with regard to ensuring universal service and interoperability through the application of ONP

4 - Authorisations for SNA or Access

- ◆ The requirements for authorising those organisations which request SNA or access, including rights and obligations, will be subject to the specific NRA rules prevailing in CEPT countries. It will be up to the NRAs to decide which organisation may fall under SNA or under general access provision or even whether such a distinction is necessary.
- ◆ Authorisations will need to reflect the general policy conditions prevailing in CEPT countries relating to encouragement of competition in infrastructure and services.

5 - Market Demand

- ◆ So far with the exception of a few countries there has not been a large demand for special network access from the service provider community. However the opening up of the network and service markets is likely to change this situation in the near future as many more organisations wishing to provide telecommunication services will wish to seek access to network capabilities.
- ◆ There is also an initiative currently in train to establish a Service Provider Interest Group within Europe and this is likely to have an impact on future market demand for access.
- ◆ The ETP (European Telecommunication Platform) have established a working group which is developing a Code of Practice for SNA agreements.

6 - Which Organisations can request SNA or Access

- ◆ In the voice telephony directive (art 16.1) telecommunication organisations providing telecommunication services (it makes no limitation on type of organisation) can reasonably request SNA facilities from organisations with significant market power in the provision of fixed public telephone networks.
- ◆ In the interconnect directive (article 4.2), organisations can make reasonable requests for access to those organisation with significant market power listed in Annex 1. However there is no stipilation in article 4.2 of the Interconnect directive as to the type of organisation which can request access.

7 - What is a Reasonable Request

- ◆ The voice telephony directive article 16 stipulates that requests for provision of SNA should be reasonable and this implies that its provision should be both commercially and technically viable and that the resources required to facilitate such access is appropriate to meet the terms of the request.
- ◆ Although technical and commercial arrangements are a matter for agreements between the parties involved, the NRA may intervene either on its own or in accordance with a

request from either party and set conditions which are fair, non discriminatory and reasonable and which offer the greatest benefit to all users.

8 - Types of Requesting Organisations

- ◆ Those organisations requesting SNA or access provisions may include a broad spectrum of service providers such as those who own and operate infrastructure³ as well as those who do not own and operate infrastructure but nevertheless wish to offer services to their customers by means of SNA or access.
- ◆ Service provider organisations would typically access specific network functions or capabilities via the SNA or access interface such as for instance receipt of CLIs, charge information, conveyance services etc. These functions would then be utilised as part of the service provider offering to its customers.
- ◆ The type and range of services offered by organisations through SNA or access will depend on the market demand and the ability of service providers to meet this demand through an attractive commercial offering. Such an offering may for instance encompass enhanced telephony solutions, innovative Internet services, hybrid services combining features of Internet and PSTN and future broadband multimedia.

9 - Main Conditions of Access

- ◆ The voice telephony directive requires that SMP organisations offering SNA should follow the principle of non discrimination. This means that SMP organisations shall provide SNA facilities to requesting organisations under the same conditions and same quality that they provide for their own services or subsidiaries.
- ◆ The voice telephony directive also requires SMP organisations providing fixed public telephone networks and services to follow the basic principles of cost orientation when tariffing usage of its network and services.
- ◆ This implies that under the voice telephony directive service providers could expect to receive network functions or capabilities on the same terms and conditions as what SMP operators offer to their own service arm. It will be a matter for NRAs to decide what capabilities can be reasonably made available via the SNA should there be commercial disputes.
- ◆ The Interconnect directive requires that SMP organisations identified in Annex I of the directive follow the principle of non discrimination, transparency, cost orientation and unbundling when responding to requests for interconnection to their public telecommunication networks and services.
- ◆ The above regulatory conditions stipulated in the interconnect directive cannot automatically be applied to SNA since SNA is not defined as being equal to

³ Infrastructure is assumed to include transmission links and switches for example network operators are considered to be infrastructure providers

interconnection. However as mentioned in section B2 the exact interpretation and hence implementation of article 4.2 (interconnect directive) will be a matter for NRAs.

10 - Technical Requirements of Access and Interconnection

- ◆ Technical specifications for the SNA or access interfaces will need to be developed if network capabilities are to be offered via such access. The need for European or global SNA technical standards will however depend on the market demand as perceived by the key players.
- ◆ In some instances it may be appropriate to use national proprietary standards where the demand is not great and the focus is on limited niche national markets. In other cases where the perceived demand is likely to include a European or global component then it may be appropriate to develop standards in ETSI and ITU.
- ◆ The SNA interface(s) standard will need to take special account of network integrity requirements as outlined in the CEPT recommendation on Network Integrity. This will be particularly important for example if the SNA interface is required to facilitate access to the SS7 (signalling system no 7) of the public telecommunication networks which is the traditional point of entry and exit for interconnecting network operators.
- ◆ The candidate areas for standardisation are related to the network functions or capabilities that are available via the SNA or access interface. The service package offered to customers by service provider organisations is clearly in the commercial domain and is therefore not a candidate for standardisation.
- ◆ From a technical perspective the issue of whether SNA interfaces are similar to or the same as traditional interconnect interfaces (e.g. network to network interfaces based on SS7) really depends on the functional requirements of the service providers which are seeking access as well as on existing interface provisions. The specific technical characteristic of SNA or access interfaces is therefore a technical decision by standards or national bodies or between the parties involved.
- ◆ The specific network capabilities delivered to the requesting service provider via the SNA or Access interface will be subject to commercial negotiation between both parties with regulatory oversight as per the directive.



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The European Conference of Postal and Telecommunications Administrations,

CONSIDERING

- a) that special network access (SNA) or access¹ is one of the key enablers to the growth of the emerging service market.
- b) that service provider organisations² will need to have clear guidelines on the technical, commercial and regulatory aspects of SNA or access provision.
- c) that a key ingredient for achieving effective competition and user choice is the degree of value included in the commercial offerings of service providers.
- d) that for the service market to flourish, those organisations negotiating with SMP (significant market power) organisations for SNA or access provisions should not be hampered with unwieldy and burdensome commercial negotiations.
- e) that the current market demand for provision of services via SNA or access whilst still at an early stage in most countries is expected to grow over the next few years.
- f) that demand for SNA or access provision throughout Europe may necessitate the development of technical interface standards.

¹ see Background and Guidelines sections 1 and 2 for description of SNA and access

² see Background and Guidelines section 7 for broad description of types of service provider organisation

- g) that lack of standards for SNA or access should not constitute a reason for refusal of its provision by SMP organisations.
- h) that SNA or access interfaces are not necessarily limited to current standards or specifications.
- i) that SNA or access provisions may be sought by organisations providing infrastructure and those who do not provide infrastructure.
- j) that the initial demand for SNA or access is likely to come from organisations which do not provide infrastructure³.
- k) that infrastructure providers such as for instance incumbents may also seek SNA or access in other countries where they do not own infrastructure.
- l) that ETSI has already started a work programme aimed at identifying and defining technical interface requirements for emerging service providers.
- m) that the technical specifications for SNA or access will need to take account of Network Integrity requirements and on the functional needs of the service provider organisations seeking such access.
- n) that standards for SNA or access may incorporate elements of SS7 interconnect interfaces including intelligent network functions.
- o) that standards for SNA or access should be based on the functional requirements of the service provider community and on the economics of its provision.
- p) that the commercial offering of service providers and network operators is not in itself a candidate for standardisation.

TAKING INTO ACCOUNT

- i. that the regulatory principles of SNA are specified in the Voice telephony directive (Directive 98/10/EC of the European Parliament and of the Council on the application of ONP to voice telephony and on universal service for telecommunications in a competitive environment of 26 February 1998) and those of Access are specified in the Interconnect directive (Directive 97/33/EC of the European Parliament and of the Council of 30 June 97 on interconnection in telecommunications with regard to ensuring universal service and interoperability through application of the principles of ONP).
- ii. that in EC member states the obligations (contained in the above directives) to respond to reasonable requests for SNA and access fall on organisations with

³ Infrastructure is assumed to include transmission links and switches for example network operators are considered to be infrastructure providers

significant market power (SMP) whereas requests to non SMP organisations will be subject to commercial negotiations without regulatory intervention.

- iii. that whilst SNA agreements are a matter for commercial negotiations, NRAs in EC member states may intervene on their own initiative at any time to ensure the agreement meets the criterion of effective competition and can if requested by either party set conditions which are non discriminatory, fair and reasonable to both parties. Such conditions should be published in accordance with article 11.2 of the voice telephony directive.
- iv. that NRAs will determine the regulatory means by which SNA or access provision is to be introduced and implemented in each country under the general principles of the voice telephony directive and interconnect directive.

RECOMMENDS

- 1. that NRAs facilitate the provision of SNA or access on request in accordance with the principles outlined in the voice telephony directive and interconnect directive referenced above. Where appropriate account may need to be taken of national policies on infrastructure provision and service competition.
- 2. that where appropriate NRAs should encourage use of ETSI standards in the provision of SNA or access taking into account the demand for SNA or access, the functional needs of service providers and the need to maintain network integrity as outlined in the CEPT recommendation.
- 3. that NRAs should ensure SMP organisations do not deny requests for SNA unless there are special or exceptional cases such as inappropriate costs to facilitate the interface or that other types of access which are both technically and commercially viable already exists.
- 4. that NRAs (in accordance with art 16.9 of the voice telephony directive) take the necessary steps to request those parties involved in the SNA agreement to make available the relevent information contained in the agreement. NRAs should also consider if this procedure should be further strengthened by ensuring that at least in the early stage of SNA deployment that information on all SNA agreements are made available to NRAs on an automatic and timely basis.