



**Number Portability Consultation
Operator Responses and Commission Assessment**

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Turks & Caicos Number Portability Consultation

Operator Responses and Commission Assessment

The Commission has received comments from three respondents to its consultation on the introduction of Number Portability (NP) into the Turks and Caicos Islands (TCI) telecommunications market. After careful review and analysis of the comments received the Commission provides the following balanced assessment of the respondents' comments and responses.

The Commission would like to thank all respondents for providing their responses and comments to the NP consultation document.

Digicel – Overview

Digicel opposes NP being introduced in TCI on the basis that the Digicel assessment suggests the benefits do not justify the corresponding costs and investments. Digicel urges the Commission to focus on initiatives that in Digicel's opinion generate the better returns for TCI. Digicel believes that TCI does not have the scale of economy, investment, technical resourcing to justify NP. Digicel's reasoning and the Commission's position is as follows:-

NP vs high speed broadband?

Digicel suggests that investing in high speed broadband has a strong positive impact on economic development, especially urging regulatory support and action to encourage the roll-out of high speed mobile broadband through LTE technologies, through the allocation/ awarding of usable spectrum. The Digicel statements relating to the economic benefits of rolling-out high speed mobile broadband technologies in TCI are interesting but are not relevant to the arguments leveled against NP. High speed mobile broadband and NP are two separate regulatory matters, and the Commission is currently doing consultations on both.

Implementing NP into jurisdictions such as TCI is to address a fundamental consumer right to be able to move their service to the provider who best satisfies the consumer's needs. This principle is widely accepted by regulators across the world, for instance the consumer right to NP is the foundation of the EU NP regulations. The TCI mobile market has reached market saturation, and legitimate competition is constrained without NP in many ways. For instance, existing providers effectively hold customers to ransom, the imperative on service providers to constantly exceed consumer expectations is reduced, and the barriers to new market entrants remain high, hence discouraging external investment and innovation into TCI.

TCI does not have sufficient scale?

Digicel quotes that only Gibraltar (which has only launched NP) is of a similar size to TCI, but countries such as Jersey, Guernsey, Cayman Islands, Isle of Man, all operate NP services and the populations/scale are comparable with TCI, i.e. populations sub 100,000, with similar economic/ market profiles.

NP in TCI costs \$000s per port?

Digicel has made striking estimations of the per port costs related to the implementation of NP running into thousands of dollars per port without providing the supporting analysis and calculations on which these estimates are based. Some of the key assumptions that Digicel has provided are uncertain in nature, for instance :-

1. Digicel has restricted its assessment to specific market segments, which form only a small part of the overall TCI market, ie only 20,000 Low Value Subscribers (LVS) and 5,000 High Value Subscribers (HVS). Whereas, the TCI mobile market alone has over 100% penetration of services across a population of approximately 40,000 people. The overall porting market size is likely to be between 50,000 and 70,000 mobile users (2009 est. 67,115 mobile subscribers) when considering private and business customers, plus a further 7,000 to 12,000 fixed users (2009 est. 7117 fixed subscribers) across both private and business sectors.
2. Digicel has under-estimated price reductions due to the competitive impact of NP to be only 3% for the HVS sector only. Experience from other countries shows that the competitive impact of NP drive prices down by at least 15% to 20%, which in turn results in a corresponding increase in consumer usage, thereby minimising the erosive impact on the overall market revenues.
3. Digicel has not provided supporting information to validate its so-called “port option value” metrics for HVS and LVS.
4. Digicel has estimated the operating expenditure for NP across the TCI market will be an extra \$3 million over five years. Evidence from similar jurisdictions shows that the only incremental operating costs for providing an NP service is the annual clearinghouse provider fees, which typically average around \$200,000 per year across all operators. Thus, the operating figure is not \$3 million/ 5 years but \$800,000/ 5 years.

Digicel’s estimated porting rate of 6% per annum appears to be a reasonable when compared with other jurisdictions.

However, Digicel estimated capital investment across the 3 operators of \$3 million is not unrealistic. It is this figure that should reflect the true cost of introducing NP to the TCI market. If the capital investment of \$3 million plus the clearinghouse provider operating fees are taken together, then the actual cost impact of NP to the TCI market over a five-year period is less than \$1 million per annum. The Commission believes that the cost of \$1 million per annum will be more than offset by a 15% to 20% improvement in value to TCI consumers caused by the competitive benefits of NP. Assuming that Digicel’s share of the investment and operating costs is equal, then the overall cost impact to the local Digicel unit will be around \$1.25 million to \$1.5 million over a five-year period.

Introducing NP does not benefit small jurisdictions?

Digicel challenges the Commission's statement that evidence suggests that NP can benefit small jurisdictions, such as TCI. As previously explained, introducing NP into small jurisdictions does have a positive impact on small markets, since there is clear evidence that NP:-

1. Encourages existing operators to enhance consumer value, for instance, through reduced pricing, improved tariff/ bundle content
2. Increases consumer demand and service usage
3. Differentiates through innovation, operational delivery and service excellence
4. Reduces barriers for new entrants and encouraging further investment into the telecoms market

These benefits have been positively seen in similar small jurisdiction markets, such as Channel Islands, Isle of Man, Malta, Cayman Islands, Panama etc. Indeed, in some markets, such as Jamaica, positive competition benefits the local market once NP is announced even before its introduction.

Many of the benefits derived from NP are intangible and are difficult to quantify, which is why most regulators abandon the legacy cost benefit analysis approach to supporting decisions to introduce NP.

Consultation does not include a cost benefit analysis?

Digicel criticises the Commission for not providing a full cost benefit analysis within the consultation, but the objective of the consultation is to solicit feedback from stakeholders to the concept of introducing NP into TCI and the key functional requirements of a potential NP service. The consultation document does clearly explain the Commission's legal obligations under the relevant legislations, including assessment of the fiscal impact of NP. However, it is common practice for regulators to undertake fiscal impact assessment of NP as a separate and parallel activity to the stakeholder consultation process.

NP only benefits high value consumers?

Digicel states that NP only benefits high value corporate and private users, specifically post-paid, but Digicel provides no evidence to back up this statement. However, evidence across the world, and in particular African and Indian markets with high proportions of low value users, shows that porting propensity between post-paid and pre-paid users and high and low value users is similar. In fact low value users often have lower loyalty to their service provider and actively use NP to secure the best value service for their use.

Digicel further states that market prices could actually likely rise following the launch of NP as operators try to recover NP related investments. But, in virtually every market, both large and small, there is a discernible and significant reduction in market pricing in the

run up to the launch of NP and the corresponding competitive effects drives increasing consumer value as more users port their numbers requiring operators to work harder to retain or attract subscribers.

MNP revisited when E.164 Number Mapping (ENUM) standard available?

Digicel states that Mobile Number Portability (MNP) alone will result in economic losses of 10's millions of dollars, yet the assumptions in the Digicel NP calculations suggests that the total cross-operator investment will be around \$3 million.

Furthermore, Digicel states that MNP can only be viable if MNP includes ENUM porting. However, ENUM porting has been discussed for many years, but the Commission is not aware of any country across the world that to date successfully offers significant scale of ENUM porting. The fact that TCI has a saturated mobile market with 100%+ mobile penetration demonstrates the fundamental consumer right for NP. Without NP new entrant operators will find it virtually impossible to gain market share and consumers are forced to obtain a new number if they wish to change service providers, with the inconvenience and issues that this forces consumers to undergo.

FNP requires alternative fixed line infrastructure?

Digicel suggests that the introduction of fixed NP requires alternative fixed service delivery infrastructure to be established, possibly through an alternative island-wide fixed line network or Local Loop Unbundling (LLU). The Commission agrees that fixed NP can only be effective if competitor operators in the TCI market are able to deliver fixed line services to customers. Ideally, alternative fixed line service delivery could be provided through:

- a) alternative fixed line networks;
- b) effective regulated wholesale fixed product framework; or
- c) via wireless/ mobile technologies/ services.

Currently the Commission has the incumbent fixed line services provider under a price caps pricing arrangement, and last year the Commission has taken steps to deal with providing effective competition in this sector of the market by licencing Digicel to provide fixed services through its mobile network.

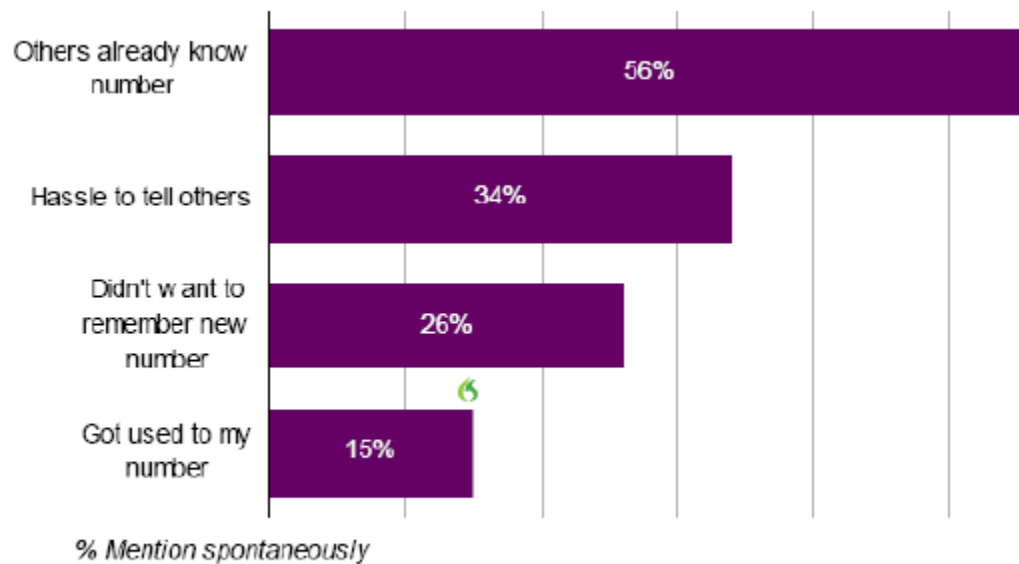
Finally, in Cayman Islands and Panama, both countries in which Digicel operate, despite the absence of LLU, fixed NP has been introduced successfully.

Customers change/ churn without NP

India is a market notorious for high churn between operators. Within months of launch of MNP the regulator reported that porting

demand had significantly reduced traditional churn therefore proving the value of NP to consumers. Whilst some sectors of the market do not value their number and are prepared to change providers, evidence shows that the majority of customers do value their number and are not prepared to change without NP due to the hassle, inconvenience and disruption to their lives/ businesses of notifying contacts etc. In some countries before NP is launched, new entrant operators have tried to offer users from other networks the same mobile numbers without the network code and in all cases there has been no consumer interest, for instance, the Channel Islands. However, once NP is available, users from all sectors have readily moved their numbers through porting, for instance, Channel Islands, in 4 years, over 20% of subscribers have ported their numbers, including governments and major corporate customers.

Furthermore, Digicel challenges the consumer interest in number portability by citing the example of Ireland, where porting is free and fast, yet, according to Digicel, consumer interest in porting is apparently low. The Commission does not have information about the number portability situation in Ireland, however, OFCOM's consumer research from the UK market in 2006 showed that 90% of consumer respondents would prefer to keep their number when changing operators and that the prospect of needing to change a number when moving operators was a major deterrent to consumers. The OFCOM research showed that consumers had various reasons for wishing to port their numbers, as shown in the figure below:



Source: Ofcom (2006) Review of General Condition 18 – Number portability

Thus, the Commission concludes that the OFCOM research in the UK whose market conditions are similar to those in Ireland tends to contradict statements made by Digicel and since the UK market is evenly balanced between post-paid and prepaid subscribers, then it

is reasonable to assume that consumers in TCI are likely to hold similar views about NP.

NP does not impact the quality of telecommunications services?

Digicel contradicts the statements made in the consultation document that NP can be a positive driver for the improvement of the quality of telecommunications services provided in a jurisdiction. Evidence from across the world shows that the consultation document statement is correct and that in the run-up to the launch of NP, operators noticeably and actively focus on improving both their network and customer service quality, either to meet basic hygiene standards for the market or as a key differentiator against competition.

For instance, in Nigeria, the regulator's key and publicly stated objective for introducing NP is to drive significant improvements in operator network quality of service through competition pressure. In addition, in the Cayman Islands, a market in which Digicel is present, there has apparently urgency for both Digicel and LIME to introduce leading-edge 3G and 4G technologies into the market to act as a differentiator ahead of the launch of NP and to date the Commission have received applications from all mobile operators for additional spectrum to provide 4G LTE services.

NP does not promote the interests of consumers?

Digicel argues that NP will not deliver the consumer benefits that have been outlined in the consultation document. Digicel states that NP is likely to either increase market pricing or at the very least delay existing competition driven price decreases, yet Digicel has failed to provide any supporting data for their statement. Evidence from across the world contradicts these comments, and across the world, introducing NP, not only catalyses price reductions and increased consumer value, but also generates corresponding increases in consumer usage of telecoms services, resulting in overall market value remaining relatively stable. For instance, following the launch of NP in the Channel Islands, market pricing dropped around 20% and this level of reduction has also been seen in recent African implementations in Ghana and Kenya. Jamaica has recently announced its planned introduction of NP towards the end of 2012, which has apparently resulted in the escalation of aggressive pricing competition between Digicel and LIME.

Digicel's response suggests that capital investment by operators will be delayed or diverted away from more beneficial projects. Whilst implementing NP undoubtedly will involve operators committing capital investments of around \$1 million each, whether such investments are diverted from other projects is surely a matter for each operator to consider. However, evidence from other jurisdictions in which NP is introduced suggests that operators invest significantly ahead of the launch of NP to address basic market hygiene factors such as coverage, quality of service etc, as well as establishing key differentiation demarcation through brand, innovation and technology etc. Whilst the potential diversion of investments is seriously considered by the Commission, it must be demonstrated that such investment diversion will be applicable across all operators and will have a direct detrimental impact on the TCI telecoms market, otherwise it is unlikely this will be a critical blocking factor for NP considering the level of investment required for NP versus the overall value of the TCI market.

Digicel further states that they are concerned that introducing NP will be a significant burden on the engineering and operational resources, which would be otherwise use more efficiently on other projects. The Commission agrees that introducing and supporting

NP will involve significant resourcing from all operators, since the main players, Digicel and LIME, both have very recent and detailed group experience of implementing NP, from Panama and the Cayman Islands and thus the impact on their local TCI units could be minimised. In fact, both Digicel and LIME appear to be considering or moving towards centralised operating models for their Caribbean operations whereby the key routing activities could be supported from a central routing platform capable of providing ACQ routing across multiple jurisdictions. The impact of implementing NP is likely to be greatest on smaller stand-alone operators such as Islandcom. However, experience from the Cayman Islands shows that the investment impact can be mitigated by enabling the key ACQ routing of traffic to be performed for smaller operators by the larger operators, via a commercial arrangement.

Whilst Digicel has provided a variety of different potential objections to the introduction of NP into TCI, Digicel has not provided adequate supporting data for its statements and in many cases their statements contradict the actual evidence from successful NP implementations across the world. It is the Commission view that Digicel objections do not present sufficient reason for the Commission to abandon its considerations to introduce NP to TCI telecommunications industry.

Islandcom – Overview

The comments and observations raised by Islandcom are focused on the relative size of the TCI market, the ability for Islandcom to fund the implementation activities and the difference in per capita income when compared to other NP jurisdictions in the Caribbean, such as the Cayman Islands. Islandcom's reservations stem from genuine concerns about funding and benefits. However, some of Islandcom's assumptions appear to be not warranted specifically in relation to the implementation cost and market size.

Islandcom acknowledge that its entry into the TCI market is result of the Commission's policy to encourage sustainable competition, since a duopoly often results in competitive stalemate and limited benefits for consumers. However, since entering the TCI market, Islandcom has not been able to make significant gains in market share. A key factor could be the saturated state of the TCI mobile market and the absence of NP to encourage consumers to join the Islandcom network. On this basis, introducing NP will be a significant opportunity for Islandcom to grow market share and secure a return against the significant investments in the Islandcom TCI operations. However, Islandcom seems to suggest that the TCI market is not saturated since it estimates that there are only 25,000 subscribers out of a population of 40,000. However, mobile penetration was significantly above 100% by 2009, 67115 mobile subscribers were reported to the Commission and the Commission estimates that over 50,000 mobile subscribers exist in the market today.

Islandcom recognises that small size and scale are no longer barriers for introducing NP into a small jurisdiction such as TCI. However, Islandcom is concerned that the lower per capita income in TCI when compared to incomes in similar NP jurisdictions, such as the Cayman Islands, could be a significant factor to constrain porting demand, since Islandcom is of the understanding that porting is only attractive to high value customers. The experience from other jurisdictions shows clearly that the propensity to port a number is universal across all market sectors, postpaid and prepaid, high-value and low value. In fact, low value customers for whom price and value are critical purchasing factors, often use porting as a mechanism for securing the best value services for their needs.

Islandcom is also concerned that having already incurred significant additional costs in migrating their mobile network spectrum, that the business investment/funds could be constrained to be able to support the implementation of NP in TCI. Islandcom believes that implementing NP will cost the business around \$2 million based on estimates provided by Digicel and LIME.

However, experience in similar jurisdictions would suggest that this figure is overstated and that Islandcom's maximum investment would be estimated around \$1 million. Furthermore, following the example of the Cayman Islands, the Islandcom NP investment could be significantly reduced by the adoption of third-party ACQ routing through Digicel or LIME. Third-party routing would require support from the Commission, and agreement with either Digicel or LIME.

Finally, Islandcom believes that the marginal cost of implementing NP in TCI should be less than or equal to the marginal benefit that is attributed to NP. As the new entrant and smallest operator in TCI, the Commission believes that Islandcom is a stakeholder for whom NP will provide the greatest benefit and opportunity.

LIME – Overview

LIME did not provide a separate preamble to the consultation response and LIME's comments and views are covered by the specific responses to the individual consultation questions below.

Summary of Operator Responses to NP Consultation Questions and Commission Assessment

TCI Telecommission NP Consultation Question	Digicel Consultation Response	Islandcom Consultation Response	LIME Consultation Response	TCI Telecommission Response
<p>Question 1. <i>NP should be restricted to service provider number portability, specifically porting between mobile to mobile and fixed to fixed numbers only. It is not proposed to offer hybrid fixed to mobile and mobile to fixed NP in TCI. In the case of fixed NP, it is intended to allow porting of fixed numbers within the same local exchange and local call areas only. Please provide your comments and views regarding this proposed approach.</i></p>	<p>Portability should be possible only for service provider portability for mobile to mobile and fixed to fixed numbers only.</p>	<p>Ideally, Islandcom would like to see the hybrid version of mobile and fixed number portability but, if the cost of implementing such a system starts becoming even greater then Islandcom would be satisfied with the conventional method of mobile-mobile and fixed-fixed only.</p>	<p>Location portability should be mandated at the Local Charging Area only after a technical assessment has been done of the ability of the companies to provide the service. Since the customers would be porting within the same network and Local Charging Area, LIME is happy to augment the services offer to its customers if the provision of location portability is feasible. Without prejudice to any other issues that may exist, LIME notes that location portability is only feasible if all operators limit portability to the smallest local charging area offered by any one of the operators.</p>	<p>Digicel and LIME both appear to support the Commission's proposal that hybrid porting between fixed and mobile numbers should not be permitted.</p> <p>Islandcom supports the concept of hybrid porting but if the additional implementation costs for hybrid porting are excessive, Islandcom has stated they will except the conventional porting approach of mobile – mobile and fixed – fixed only.</p> <p>LIME further suggests that fixed or location portability should be mandated at the local charging area level, but only after a technical assessment has been completed to verify that competing operators can support this service. LIME further notes that location portability should be limited to the smallest local charging area that can be supported by one or more operators.</p> <p>The Commission concludes that there is general support for the proposal that porting should only</p>

				<p>be allowed between mobile to mobile and fixed to fixed numbers, and that hybrid porting of fixed and mobile and vice versa should not be permitted.</p> <p>The Commission notes the suggestion that further assessment should be undertaken to verify the feasible charging areas for which fixed or location portability will be permitted.</p>
<p>Question 2. <i>The NP process of moving a customer’s number from one provider to another provider can be achieved by either Recipient Led (the customer requests porting through the new Recipient operator) or Donor Led (the customer porting approaches their current operator to seek permission to leave). Please state your preference and outline your reasoning?</i></p>	<p>Recipient led.</p>	<p>As pointed out in the document, “Recipient led porting is viewed as being much more customer friendly and efficient, since the recipient as beneficiary in the porting process is responsible for driving the smooth transfer of number to their network. Consequently, recipient led porting is seen to offer faster porting timeframes, much lower porting rejection rates and simpler porting processes.” It appears that recipient led porting is best for the customer.</p>	<p>In establishing porting processes, it is common for these processes to be Recipient Led. This arises from the thinking that the Recipient Operator, who is gaining a customer, would be eager to complete the porting while, on the other hand, the usually-unsubstantiated expectation is that the Donor Operator, who is losing a customer, may not act with the same urgency. In LIME’s view, whether the process is Donor Led or Recipient Led, the customer’s instructions to port should be fulfilled in the agreed timeframe.</p>	<p>All respondents have indicated their support for Recipient Led porting.</p> <p>LIME recommends that the proposed porting process should ensure that all porting requests are fulfilled within an agreement specified timeframe.</p> <p>The Commission concludes that there is broad support for a Recipient Led porting process.</p>
<p>Question 3. <i>It is proposed that NP is to be managed and operated in TCI through a centralized NP system which will track all TCI numbers, manage the porting process</i></p>	<p>Use a centralised system.</p>	<p>Islandcom concern is ensuring the customer has the best experience at the cheapest cost. Given that as the basis and without intimate</p>	<p>LIME agrees with the approach proposed by the Commission to manage and operate NP in TCI through a centralized NP system which will track all TCI numbers, manage the porting</p>	<p>Digicel and LIME both support the Commission's proposal that a potential porting service should be managed and operated through a centralised NP system/clearinghouse.</p>

<p><i>between recipient and donor operators and provides some ancillary administration functionality. This approach enables a standardized porting process to be operated across all TCI providers. Please provide your comments and views regarding this proposed approach.</i></p>		<p>knowledge of each provider's network it may be that a peer-to-peer solution is a feasible solution.</p>	<p>process between recipient and donor operators and provide some ancillary administration functionality.</p>	<p>Islandcom raises a concern that the porting service should deliver the best customer experience at the cheapest possible cost and thus a peer-to-peer solution may be appropriate.</p> <p>The Commission concludes that there is general support for a porting service which is managed and operated through a centralised NP system. The Commission understands that whilst peer-to-peer systems may be less expensive, they are more complex to manage and offer a less efficient and consistent customer experience.</p>
<p>Question 4. <i>By proposing to adopt the centralized driven NP approach, it is proposed that the successful provider of the NP Clearinghouse will be licenced by the TCI Telecommunications Commission to provide NP services and will be required to contract directly with the licenced TCI operators. Please provide your comments and views regarding this proposed approach.</i></p>	<p>Enable NP clearing house provider to contract directly with licensed TCI operators.</p>	<p>A licenced NP clearinghouse would be of concern to Islandcom. Another provider of services entering the market will not be providing these services at cost. It must be that no additional cost burden be placed on the consumer.</p>	<p>LIME agrees that the provider of the NP Clearinghouse must contract directly with the service providers. LIME submits that the Commission has not provided an adequate rationale for its proposal to licence the NP Clearinghouse provider, and therefore there is an insufficient basis for LIME to comment on the proposed approach.</p>	<p>Digicel and LIME both support the Commission's proposal that a potential NP clearinghouse provider should be required to contract directly with the TCI operators/ service providers.</p> <p>Islandcom expresses concerns that a licensed NP clearinghouse provider may place an additional cost burden on the porting service, which could ultimately be borne by the consumer.</p> <p>LIME comments that the Commission has not provided sufficient justification for the proposal to licence a potential NP clearinghouse provider and thus is</p>

				<p>not able to confirm their position with regard to a proposed licensing approach.</p> <p>The Commission concludes that there is general support for the basic principle that a potential NP clearinghouse provider should be required to contract directly with the licensed TCI operators.</p> <p>The Commission accepts that the agreed porting charges levied by a potential NP clearinghouse provider should be reasonable and benchmarked against best practice.</p> <p>The Commission is mindful that a potential NP clearinghouse provider tendering process is designed to ensure that porting charges are minimised and a commercial model is developed that best meets the needs of the TCI market.</p> <p>The Commission notes the operator comments regarding the licensing of a potential NP clearinghouse provider and will give further consideration to the most appropriate licensing/regulation of such a service that meets the needs of the TCI market.</p>
<p>Question 5. <i>It is proposed that the NP Clearinghouse may be either operated from TCI or hosted overseas. Please</i></p>	<p>From Digicel’s perspective the main concern, other than ensuring the system works as efficiently as</p>	<p>The Commission recognizes that there are several concerns with either approach.</p>	<p>Where the NP Clearinghouse is located is a commercially-driven decision. LIME’s concern is that a competent,</p>	<p>The respondents have expressed no specific preference for the operation/hosting of a potential NP clearinghouse service from within</p>

<p><i>provide your comments and views regarding this proposed approach.</i></p>	<p>possible if implemented, is the cost of implementation. Therefore anything that reduces the cost including foreign operation is preferable. We recognise however that the Commission may have wider concerns other than solely cost considerations in terms of the location of the central system.</p>	<p>Islandcom’s concern is that whatever Clearinghouse option is chosen that the Commission indemnifies the network provider against any loss of customer privacy information.</p>	<p>database vendor provide the service. In other Caribbean countries like the Cayman Islands, an RFP was published, proposals were received and a vendor selected according to the criteria established in the RFP. Any vendor, whether domestic or overseas, could submit a proposal.</p>	<p>the TCI or hosted offshore.</p> <p>Digicel comments that providing a proposed NP clearinghouse solution is demonstrated to be reliable and secure, then a key consideration will be the minimisation of porting service costs and charges.</p> <p>Islandcom suggests that whichever location is selected for the provision of a potential NP clearinghouse solution, that the Commission indemnifies operators against any loss of customer confidential information. The Commission does not believe that the Islandcom suggestion for indemnification is a feasible since the Commission may not be part of a commercial contract for the provision of the NP clearinghouse services. However, the Commission notes the concern provider, and proposes that a potential NP clearinghouse contracting framework includes robust data protection measures and indemnity provisions to be underwritten by a successful NP clearinghouse provider.</p> <p>The Commission concludes that there is no strong preference for a potential NP clearinghouse solution to be based on operated from TCI and thus, the Commission proposes</p>
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				<p>that a potential NP clearinghouse tendering framework allows potential vendors to offer either TCI located or offshore hosted solutions.</p>
<p>Question 6. <i>It is proposed that all fixed and mobile traffic to ported and non-ported numbers originated and terminated in the TCI will be directly routed by the originating network to the terminating network using the All Call Query approach. All Call Query direct routing is widely used in NP implementations across the world and is considered to be the most operationally efficient and reliable form of routing in NP jurisdictions. Please provide your comments and views regarding this proposed approach.</i></p>	<p>Use all call query. Please advise on who the Commission believes should be responsible for the database queries if traffic is being transited</p>	<p>While Islandcom concedes that ACQ is operationally efficient, the concern remains about the cost-benefit analysis of using this methodology. The actual costs are yet to be ascertained with each of the methodologies, and while Onward Routing may be less efficient the cost of implementation may well make up for the inefficiency.</p>	<p>LIME shares the Commission’s understanding that All Call Query direct routing is widely used in implementations of NP around the world. An advantage of this call routing scenario is that the Donor Network is not involved in any way in the routing of calls to telephone numbers ported to the Recipient Network. This call routing scenario also lends itself to the implementation of a central routing database. However, LIME also understands that there are different ways to implement central databases supporting All Call Query, and reserves its rights to further comment on this.</p>	<p>Digicel and LIME both appear to support the Commission's proposal that all fixed and mobile traffic to ported and non-ported numbers originated and terminated in the TCI should be directly routed by the originating network to the terminating network using the All Call Query approach.</p> <p>Islandcom has queried the cost and corresponding benefits of the more efficient ACQ routing approach when compared to the less efficient indirect onward routing approach.</p> <p>LIME notes that there are different approaches to the implementation of the central database infrastructure supporting the ACQ routing approach.</p> <p>The Commission concludes that since there is general support for a proposed ACQ direct routing approach, which is considered to be best practice and has been successfully implemented in similar small jurisdictions, that a potential porting framework for TCI should include direct routing using the ACQ approach. The Commission notes that there are different</p>

				approaches to implementing ACQ direct routing and will give consideration to the different approaches should a decision be made to introduce NP into TCI.
<p>Question 7. Introducing NP is likely to enhance competition and choice in the TCI telecommunications market. Please provide your comments about this statement.</p>	<p>Overall implementation due to the scaling issue (cost versus benefit for an island with the population of TCI) will lead to one or a combination of the following:</p> <p>a. higher prices on average for consumers than would otherwise be necessary. Prices would be reduced most, or be least high, for high volume fixed line users and to a lesser extent for the highest volume users of mobiles. Predominantly these will be businesses and the most wealthy citizens. Prices would increase most, stay as they are or reduce least for the majority and poorest citizens. This is because competition naturally focuses on users with the highest telecommunications spend. Effectively the poorest citizens will end up subsidising businesses and the wealthiest citizens and</p>	<p>Islandcom does think competition would be slightly increased with the introduction of LNP, but thinks the current marginal cost outweighs any marginal benefits that may be gained. The Commission is yet to prove that the efficiency gains outweigh the costs.</p>	<p>Taken at face value, LIME agrees with this statement. However, the Commission has to take into consideration the realities in which operators find themselves. Monies spent by operators on implementing number portability will not be available for other initiatives that consumers may also value. Acknowledging that NP can be expensive and asserting that NP can bring other benefits to the TCI economy does not discharge the Commission's obligations under section 13(1) of the Numbering Regulations.</p>	<p>LIME and Islandcom both believe that the introduction of NP will enhance competition in the TCI market. However, both respondents comment that the potential implementation costs could offset some of the benefits.</p> <p>LIME reminds the Commission of its obligations under section 13 (1) of the Numbering Regulations with respect to fiscal assessment of the potential introduction of NP.</p> <p>Digicel states that due to economies of scale issues, that introducing NP may not be in the best interests of enhancing competition, since Digicel believes, NP could a) increase market pricing, and discriminate against lower value users; b) divert and/ or delay capital investment from more beneficial/lucrative telecoms projects, such as high-speed mobile broadband; and c) result in an overall net loss to the TCI economy.</p> <p>The Commission notes the respondent's comments regarding the potential impact of NP on</p>

	<p>therefore carry a disproportionate burden of the cost of portability implementation;</p> <p>b. reduced investment – as capital will be diverted away from where it can provide significant benefits and in to portability. Therefore reduced;</p> <p>c. delays in investments that would have provided net benefits especially the tremendous net benefits that would arising from high-speed wireless broadband network arriving earlier rather than later as a result of engineering resources being diverted in to portability implementation;</p> <p>d. overall a net loss to TCI (taking in to account all conceivable benefits and costs), and a very large opportunity cost from preventing or delaying investments in services that could otherwise bring tremendous net value.</p>			<p>competition in the TCI market and will take these into account, where appropriate, as part of the further regulated assessment process.</p>
<p>Question 8. <i>It is proposed that each operator and the successful provider of the NP Clearinghouse will be responsible for their set-up</i></p>	<p>Each operator should cover its own costs. When the Commission says that set up costs should not be recoverable from</p>	<p>Islandcom will have to provide these costs at a later date.</p>	<p>LIME disagrees with the Commission’s approach. LIME believes that, in general, as the porting customer is receiving the benefit from porting their</p>	<p>The Commission is disappointed to note that none of the respondents were able to comply with the Commission’s request to provide estimates of the individual set-up</p>

<p><i>costs to prepare for the implementation and launch of NP in TCI and that such set-up costs shall not be recoverable from consumers or other stakeholders. Please provide a cost estimate of set-up investment your organization is likely to incur in preparing for the possible introduction of NP into TCI, and your comments and views regarding this proposed approach.</i></p>	<p>customers we are not sure what is meant. All costs have to be recovered from customers one way or another otherwise operators would go bankrupt. Costs have to be recovered by one of the following means: explicit portability charges, inter-operator charges, or retail call/data charges. If the Commission is suggesting that no explicit portability charges should be levied then on balance we disagree with this. We believe that it is more effective to enable operators to levy a modest charge of no more than US\$10 to avoid inefficient porting and continual porting by some customers. The alternative is to prevent customers porting more than eg twice annually. But that would mean that a customer could enter a provider's premises, ask for a port and be told he cannot do so. Surely the customer would rather ensure that the period of time which he can ask for a port is maximised?</p>		<p>number, the porting customer should bear the cost of that porting. However, we also understand that the per-unit costs of the implementation of number portability will not be stable over time and may decline if and when more customers port and new operators come onboard. It would be difficult to attribute all costs solely to customers who port at any given time. Therefore, the burden of recovering costs must be shared to some extent between those who are porting and those who could potentially port in the future.</p> <p>Assuming a centralized database solution were to be implemented, LIME proposes that, a three-part cost recovery would be appropriate:</p> <ul style="list-style-type: none"> • Common system setup and recurring costs would be shared by all subscribers of all carriers. In particular, after vetting the common costs associated with NP implementation, the Commission would instruct each operator how much should be billed to each customer to cover the amortized set-up and maintenance costs of the 	<p>investment for supporting the introduction and operation of NP. The Commission will progress this request at a later stage with the respondents.</p> <p>Both Digicel and LIME disagree with the Commission's proposal that neither TCI operators nor a potential NP clearinghouse vendor should be allowed to recover NP setup costs from consumers.</p> <p>Digicel requests further clarity from the Commission regarding this specific question. The Commission is pleased to clarify that the set-up costs it is proposing that cannot be recovered from consumers will include all directly attributable costs and investments involved in assessing the business impact of NP, implementing NP related changes to systems, processes and resources etc, including ACQ direct routing, interfacing with the NP clearinghouse, NP project resourcing, training etc. Digicel states that NP set-up costs as with other operating charges will ultimately be charged to consumers either as explicit portability consumer charges, inter-operator portability charges or through call/data charges.</p> <p>LIME also disagrees with the Commission's proposals and</p>
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			<p>database. This fee would be the same for each subscriber irrespective of which network he/she subscribes to. The Commission could revise the charge on an annual basis, given changes in expectations of total subscriber base or costs.</p> <ul style="list-style-type: none"> Internal system set-up and one-off porting-specific costs would be charged to the porting customer directly, or indirectly to the Recipient Network, by the Donor Network. As with common set-up costs, internal system set-up costs should be amortized over the expected lifetime of the system and the volume of number porting transactions. The Commission would vet the calculations of these charges on an annual basis to ensure that they are reasonable. Internal recurring maintenance costs would be recovered by the Donor Network as it sees fit, just as it would for any recurring overhead cost. <p>Again, assuming a centralized database solution is implemented in Turks and Caicos, common NP costs would include the set-up and administration/maintenance of</p>	<p>recommends that the burden of recovering set-up costs should be recovered from beneficiaries, including subscribers. LIME is proposing a complex three part cost recovery approach in which a) common system set-up charges are recovered from all subscribers by operators using a fee/ tax determined by the Commission; b) internal operator set-up costs would be charged directly to porting customers or the recipient operators by the donor operator; and c) donor NP related maintenance and operating costs would be recovered by the donor operator as they see fit.</p> <p>The Commission notes the respondents' comments, but the Commission believes the proposal is fair and equitable since NP set-up charges are typically similar for each operator and thus inter-party recovery is an unnecessarily complex activity which adds no value to the porting service, consumers or the TCI market.</p> <p>Global best practice used by most countries requires each operator to be responsible for their own NP set-up charges which cannot be explicitly or directly recovered from consumers or competitors. This approach is viewed to be fair and equitable and minimises impact on</p>
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			<p>NP database hardware and software as well as any database licence fees and the cost of signaling facilities between the operator and the database. Internal costs would include one-off PSTN and mobile switch upgrades and support system upgrades; one-off and recurring costs of adding signaling facilities between network operators and the central database; one-off costs specific to porting a customer as well as recurring systems' maintenance costs.</p> <p>LIME submits that cost recovery is fundamental to encouraging investment in NP, which could cost up to US\$2M for an operator. It is reasonable that, if NP is to be implemented for the benefit of consumers, consumers should be part of the cost-recovery solution. As important as well is the consideration of how NP can be funded.</p>	<p>efficiency and demand for the porting service. Typically supporting the implementation of NP is treated by most regulators as a normal business operating costs, in the same way as spectrum, licence and network costs are funded by operators. Operators are free to recover NP set-up costs indirectly through call/ data charges, but competitive market pressures enhanced by the launch of NP may influence such a recovery approach.</p> <p>The approach being proposed by the Commission is consistent with the approach applied in similar Island jurisdictions, such as the Cayman Islands, Channel Islands, Isle of Man, Gibraltar, Bahamas etc.</p>
<p>Question 9. <i>It is proposed that Recipient operators will be allowed to charge customers for porting their numbers at the discretion of each recipient operator. Consumer charging will be reasonable and the TCI Telecommunications</i></p>	<p>Recipient operators should be able to charge for ports at their discretion. Donor operators should be allowed to levy a retail charge for the cost of the port otherwise inefficient porting is encouraged.</p>	<p>Given the size of the market and the estimated amount of persons that will be porting about 2%, the Commission would be remiss in not allowing both the recipient and donor operators to be able to charge some fee</p>	<p>Please reference response to Question 8.</p>	<p>All respondents support the Commission's proposal to allow recipient operators the discretion to charge consumers a reasonable fee for porting their number.</p> <p>All respondents also proposed that donor operators should be permitted to charge consumers a</p>

<p><i>Commission reserves the right to set a maximum limit to consumer porting charges. Donor operators are not permitted to charge customers for porting out numbers from their network. Please provide your comments and views regarding this proposed approach.</i></p>		<p>to these consumers to offset the cost. [The Commission should think of porting like highways everyone gets to pay for the roads, but not until you start to drive on it that one gets to pay the tolls</p>		<p>fewer porting out or leaving their network.</p> <p>Islandcom appears to have underestimated the likely porting demand in TCI at only 2%. Benchmarking with other similar jurisdictions, suggests that the actual porting demand is likely to be around 5%.</p> <p>The Commission disagrees with the proposal that donor operators should be allowed to charge consumers directly for porting out or leaving their networks. This proposal could significantly constrain consumer porting demand and unnecessarily complicate the porting process, since the subscriber is required to pay both the donor and recipient separately. Donor charging of consumers contradicts global best practice and seen to be an inappropriate charging approach. However, the Commission is mindful of allowing donor operators to charge recipient operators as the net beneficiary of a porting transaction, a reasonable and regulated fee that relates to directly attributable efficient porting relating activity costs.</p>
<p>Question 10. <i>It is proposed that donor operators shall be permitted to charge recipient operators for reasonable</i></p>	<p>Donor operators should be able to charge recipient operators for reasonable costs of porting</p>	<p>While it may be that Commission may have to set charges, it should initially allow the carriers</p>	<p>Please reference response to Question 8.</p>	<p>All respondents support the Commission’s proposal to allow donor operators to be able to charge recipient operators for</p>

<p><i>costs which are directly attributable to the actual efficient processing of porting requests. The TCI Telecommunications Commission reserves the right to set a maximum limit to donor porting charges. TCI Telecommunications Commission reserves the right to set a maximum limit to donor porting charges.</i></p>		<p>to set these charges.</p>		<p>reasonable costs which are directly attributable to the actual efficient processing of porting requests.</p> <p>Islandcom suggests that operators should be initially allowed to set donor porting fees themselves.</p> <p>The Commission concludes that since there is broad support for the proposed charging of reasonable efficient directly attributable porting fees by donor operators to recipient operators, then the Commission’s proposal is acceptable. However, the Commission does not accept the Islandcom proposal that such fees should be set by operators directly because the setting of the fees is critical for driving porting service efficiency and demand. Thus, the Commission intends that the proposed donor porting fees charged to recipient operators will be approved by the Commission and limited to the most efficient operator costs.</p>
<p>Question 11. <i>Should fixed and mobile NP be implemented and launched at the same time or should the introduction be phased? If you prefer a phased approach, what should the order of the phasing be and why?</i></p>	<p>Fixed and mobile number portability should be introduced at the same time. In order that fixed portability is used it may at the same time be necessary to introduce local loop unbundling otherwise there may not</p>	<p>Islandcom is indifferent to how LNP should be implemented.</p>	<p>LIME agrees that fixed and mobile NP should be launched simultaneously. If the Commission were to consider it necessary to launch NP on one network before the other, LIME recommends it should be launched on the mobile network first – the vast</p>	<p>All respondents broadly support the Commission’s proposal that fixed and mobile NP should be implemented and launched at the same time.</p> <p>Digicel comments that implementing fixed NP may be more complicated because of the</p>

	<p>be a competing fixed line product that customers would wish to port their numbers to</p>		<p>majority of voice telecommunications users in the Turks and Caicos Islands are mobile customers, and the benefits of NP would be delivered sooner to the larger number of people if mobile NP were to be launched first.</p>	<p>need to establish alternative, service delivery mechanisms for competing operators.</p> <p>LIME comments that implementing mobile NP first may be appropriate since it would provide immediate benefits to a wider range of consumers.</p> <p>The Commission concludes that there is broad support for the simultaneous implementation of fixed and mobile NP, but acknowledges that further assessment of the necessary supporting requirements and drivers may be necessary before a final decision is made.</p>
<p>Question 12. <i>It is proposed that NP will be implemented and launched to the TCI public within 18 months of the date of this consultation. Please provide your comments and views regarding this proposed approach.</i></p>	<p>We think that the minimum timeframe should be 18 months from the end of the consultative process. More realistically we think that a two year time frame is in order although we would be interested to hear from the Commission’s consultants about realistic implementation timeframes in small islands. Operators in a small island like TCI have very limited engineering resources whose time would be 100% utilised</p>	<p>Islandcom does think that this time table is too aggressive for the implementation of LNP. It must be remembered that the Cayman Islands took in excess of 5 years and while lessons can be learned about the implementation Islandcom would propose a more realistic time frame of 36 months.</p>	<p>LIME’s experience of NP so far is that it is quite complex. However, LIME believes that active participation by the Commission could result in NP being launched in the TCI in eighteen (18) months. Without strong but constructive regulatory involvement it is unlikely that the timeframe will be met.</p>	<p>Digicel and Islandcom believe that the Commission’s proposed 18 month implementation timeframe is too challenging and unrealistic.</p> <p>LIME on the other hand believes that an 18 month implementation timeframes is achievable but requires the direct and active participation of the Commission in the implementation process.</p> <p>Islandcom comments that the implementation of NP in the, Cayman Islands took at least five years. The Commission understands that the absence of direct regulator leadership and delegation of the</p>

	<p>even without portability implementation. Other network developments might grind to a halt if they are forced to dedicate excessive amounts of time to implementing portability.</p>			<p>LNP implementation to the operator consortium were significant factors in extending the implementation timeframe in the Cayman Islands. The Commission intends to follow the lessons learnt from the Cayman Islands to ensure a potential NP implementation is efficient and effective by directly managed by the Commission.</p> <p>In response to the Digicel suggestion that a 2 year implementation timeframe is more reasonable, the Commission's research and assessment suggests that an 18 month implementation timeframe is not unreasonable. Assuming the direct and active involvement and participation by the Commission. For instance, both the Channel Islands and the Isle of Man implemented fixed NP within 12 months, Bahamas is expecting to implement fixed NP within 18 months.</p> <p>The Commission notes that the respondents provided no justifiable objections or challenges to a potential 18 month implementation timeframe. However, the Commission acknowledges the importance of the direct participation and direction of the implementation programme by the Commission.</p>
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<p>Question 13. <i>It is proposed that the implementation and preparations for the launch of NP in TCI will be managed by a cross stakeholder working group reporting to the TCI Telecommunications Commission, but the TCI Telecommunications Commission shall be responsible for setting the key NP process and functional details and implementation timeframes etc. Please provide your comments and views regarding this proposed approach.</i></p>	<p>A cross stakeholder working group is in order and the Commission could make final calls on areas of disagreement as necessary.</p>	<p>Islandcom believes that the Commission should play an integral role in the implementation of cross stakeholder working group. However, it will be important that Commission does not become a micro manager and start dictating to the carriers how the network must be developed. It is a very fine line to walk by the Commission.</p>	<p>LIME agrees that the formation of a cross stakeholder team is a necessity for implementing NP. LIME believes that this team would be able to provide sufficient expertise to inform the setting of key processes and parameters by the Commission.</p>	<p>All respondents agreed with the Commission’s proposal that the potential implementation and preparations for the launch of NP should be managed by a cross stakeholder working group.</p> <p>LIME expressed the view that the necessary skills and expertise lay within the operators with the inference that active direction by the Commission was not necessary. Similarly, Islandcom expressed concern that micromanagement of a cross stakeholder working group by the Commission may not be productive.</p> <p>The Commission notes that the respondents supported the proposal that a potential implementation and preparations for the launch of NP in TCI should be managed by a cross stakeholder working group.</p> <p>The Commission is surprised at the inference in the LIME response suggesting that the operators are capable of managing such a potential implementation without direct intervention from the Commission. The Commission is understands that the Cayman Islands regulator’s decision to delegate implementation responsibility to an operator consortium was a critical factor in</p>
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				<p>the delays and the porting process issues experienced in the Cayman Islands.</p> <p>The Commission is aware that best practice implementations of NP are characterised by direct and active involvement and ownership of the NP implementation process by the local regulator. On this basis, the Commission believes the proposed approach whereby the Commission will be responsible for setting and directly overseeing the potential key NP process details functionality and implementation timeframes is appropriate.</p>
<p>Question 14. <i>It is proposed that all customer porting requests will be completed within; 2 working days for mobile NP and 5 working days of fixed NP, from the date of the customer's validated and signed porting request. Please provide your comments and views regarding this proposed approach.</i></p>	<p>Port numbers within two working days for mobile. While we do not operate a fixed line network five days is more than we had expected. Three days sounds more reasonable.</p>	<p>Islandcom believes the Commission should take into consideration benchmarks, but being cognizant of the local market peculiarities at the same time. Therefore, until the vagaries of the market and providers are ascertained then the Commission should not dictate the time. It is possible that porting could also be improved beyond the 2 or 5 day waiting period.</p>	<p>LIME submits that these proposed timeframes should be validated by the cross stakeholder working group. They may prove impractical where at least one operator implements a manual porting solution.</p>	<p>LIME and Islandcom suggested that it was not possible to set specific porting timeframes until further consideration has been given to the existing provisioning timeframes available in TCI and the potential porting approaches to be adopted by each operator.</p> <p>Digicel on the other hand, concurred that the proposed two working day porting timeframe for mobile NP was reasonable, but Digicel felt that the five-day timeframe for fixed NP was excessive and suggested that a three-day timeframe was more appropriate.</p> <p>The Commission notes the respondent's comments. The</p>

				<p>Commission is aware that, porting timeframes can directly influence consumer demand for porting services and that the current global benchmark for mobile NP is two working days. However, many jurisdictions, including those across Europe are required to complete both fixed and mobile NP within one working day.</p> <p>The Commission accepts that fixed NP, timeframes are dependent on existing provisioning performance and practices already available in TCI. The Commission is advised that it is reasonable to fixed NP, timeframes on the average provisioning time to provide fixed services within TCI plus one extra day to allow for the additional porting process activities.</p> <p>Since the respondents have not provided adequate justification for the proposed fixed and mobile NP, porting timeframes to be revised, the Commission believes the proposed timeframes are reasonable and in line with best practice. However, should the introduction of NP into the TCI market progress, the Commission will focus on ensuring that both fixed and mobile NP, timeframes are minimised to offer the optimal customer porting experience.</p>
Question 15. <i>It is proposed</i>	No views at this time.	Islandcom will have to	LIME agrees that only the	Neither Digicel nor IslandCom were

<p><i>that data transfer during the porting process between the recipient and donor operators is minimized to ensure efficient and robust consumer porting experience with minimal unnecessary porting failures or rejections. It is proposed that porting data transfer will be restricted to MSISDN/ number being ported and donor operator. Porting process security and integrity will be provided by independent customer validation for each porting request, by either SMS (for mobile number porting requests) or Interactive Voice Response or PIN (for fixed number porting requests). Please provide your comments and views regarding this proposed approach.</i></p>		<p>respond to this at a later date.</p>	<p>minimum information, required for a port to be successful, should be exchanged between the Donor and Recipient Operators. It is also agreed that a request to port a mobile number should be validated by SMS and validation of a request to port a fixed line number should be by way of IVR. However, LIME submits that it is most appropriate for the cross-stakeholder team to make a recommendation on what information is necessary to be exchanged between operators.</p>	<p>able to offer responses to the Commission's question.</p> <p>LIME concurred with the Commission's proposal that porting data transfer should be minimised during the porting process and that porting process integrity and security should be provided by the independent validation by the customer, through SMS for mobile NP and IVR/ PIN for fixed NP.</p> <p>The Commission concludes that since respondents have not objected to this proposal, then the Commission's proposed approach for minimal porting data transfer and independent customer validation should be included in the requirements for a potential porting solution for TCI.</p>
<p>Question 16. <i>It is proposed that once a customer's porting request has been authorized by the customer and validated by the NP Clearinghouse and passed to the donor operator for approval, the porting request must proceed to completion unless legitimately rejected by the donor operator in compliance with the rejection reasons determined by the TCI</i></p>	<p>Complete the whole process once initiated.</p>	<p>Islandcom does think that this approach is reasonable as it would be both technically and administratively burdensome to do otherwise.</p>	<p>LIME agrees that the simplest approach is to not allow a customer to cancel their porting requested once it has been validated by an SMS or IVR message. LIME is also of the view that a customer should be able to cancel their order once the service has not yet been activated on the Recipient Operator's network, provided that the customer is willing to accept that there</p>	<p>All respondents supported the Commission's proposal that once a porting transaction has been validated by the NP clearinghouse and passed to a donor operator for approval, the porting request must progress to completion and cannot be cancelled unless legitimately rejected by the donor operator.</p> <p>However, LIME also suggested that providing a ported number has not been activated on the recipient</p>

<p><i>Telecommunications Commission. Once a validated porting request has been passed to the donor operator by the NP Clearinghouse it cannot be amended or cancelled by any party. Please provide your comments and views regarding this proposed approach.</i></p>			<p>could be service disruption. LIME anticipates however that cases of customers requesting cancellation of their porting request are likely to be infrequent.</p> <p>There may be instances as well, as the Commission has recognized, where a customer's request to port may be legitimately rejected in accordance with the procedures documented and agreed by the cross stakeholder group.</p> <p>In any event, LIME submits that it is most appropriate for the cross-stakeholder team to recommend valid rejection reasons and other porting procedures.</p>	<p>operator's network a customer is willing to accept disruption to their service, the customer could request for the porting transaction to be aborted. The LIME suggestion contradicts the objective of the Commission's proposal to minimise and simplify the porting process. In view of the potential disruption and confusion to both porting process and customer service, the Commission sees no benefit to accepting the proposed LIME amendment.</p> <p>The Commission concludes that since all respondents accepted this proposal, then the Commission's proposed approach that once a porting transaction has been validated by the NP clearinghouse and passed to a donor operator for approval, the porting request must proceed to completion and cannot be cancelled; should be included in the requirements for a potential porting solution for TCI.</p>
<p>Question 17. <i>It is proposed that outstanding debt cannot be used by a donor operator to reject a customer porting request, provided the customer's account is not barred or suspended from making outbound calls at the time the customer's porting request is processed by the recipient operator. Please</i></p>	<p>While we are familiar with the argument that says debt should not be a reason stop a port we disagree with it. If a customer has paid up his last month's subscription and call charges then he should not be prevented from porting in the middle of the following month.</p>	<p>Islandcom disagrees with the Commission on this matter. A customer must settle all outstanding balances before he is allowed to port. Within TCI there are no incentives for customers to pay their debt to the operator they are leaving, so it is important that</p>	<p>LIME notes that outstanding debt is an accepted reason for rejection in both Panama and the Cayman Islands. In the months following implementation of NP in those countries, LIME is not aware that this been raised to the national regulator as an issue in either country.</p>	<p>All respondents objected to the Commission's proposal that outstanding debt cannot be used by a donor operator to reject a customer porting request, provided the customer's account is not barred or suspended from making outbound calls at the time the customer's porting request is processed by the recipient operator.</p>

<p><i>provide your comments and views regarding this proposed approach.</i></p>	<p>But if he has not paid the previous month's bill then he should be prevented from porting. This is a legitimate way of securing payment. We do not see what harm there can be in this approach. All it does is to ensure that customers do what they have contracted to do. The alternative is to subject operators to additional and entirely unnecessary risks. The only beneficiaries will be former customers who choose not to make the payments they are required to make under their contract as it will help them to avoid payment even longer. We do not see why such former customers should be assisted with payment avoidance through regulation. Moreover defaulting customers, or customers who have to be chased to for payment recovery, drive up operational costs and therefore prices for all other customers. We are sure the Commission does not want to let responsible customers suffer because of those who do not pay</p>	<p>providers ensure that debts are settled before allowing customers to port.</p>		<p>LIME stated that outstanding debt is an accepted rejection reason in both Panama and the Cayman Islands and thus this should be applied in a potential TCI NP functional framework. The Commission does not accept the LIME reasoning and the Commission understands that debt provisions in the Cayman Island porting process are resulting in porting process issues.</p> <p>Islandcom responded that subscribers should settle all outstanding balances before being able to submit a porting request. The Commission disagrees with the Islandcom suggestion, since a pre-payment requirement would alert a donor operator of the subscriber's intention to port out. This facility would allow donor operators to attempt winback of the subscriber or even block the subscriber from porting their number. This function would seriously compromise the interests of the porting process and the consumer.</p> <p>Digicel stated that subscribers who had no outstanding bill payments should be allowed to port their number away from their current provider. However, Digicel believes that subscribers with overdue outstanding debts should be</p>
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	<p>their bills in which case it is entirely legitimate to make porting contingent on the basis outlined above.</p>			<p>prevented from porting their numbers. Digicel warned the Commission of encouraging subscribers to default on payment and contractual obligations.</p> <p>The Commission understands that the treatment of debt within a porting framework is a contentious matter. However, the Commission firmly believes that such issues only relate to post-paid sector of the market. Furthermore, the Commission believes that NP should not be used as an extension of operators' normal credit and debt management processes, The Commission also believes that NP framework should not allow donor operators to discriminate between porting and non-porting subscribers.</p> <p>The Commission's proposal provides a mechanism to protect operators from subscribers using NP to avoid their debts and contractual obligations, specifically the SMS/ IVR validation facility. The Commission believes it is incumbent on operators to ensure their debt/ credit and risk management processes are managed efficiently and to use the facility to block errant customers with overdue debts from validating their porting transactions.</p>
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<p>Question 18. <i>It is proposed that once the customer's validated porting request has been passed to the donor operator by the NP Clearinghouse, the donor operator will not be permitted to contact the customer during the period the porting request is being processed. Once the porting request has been successfully completed, for a period of 60 days, the donor operator will only be permitted to contact the customer for the sole purpose of recovering any outstanding payments or debts and will under no circumstances contact the customer during this period with purpose of soliciting the customer to return to the donor operator's network. Please provide your comments and views regarding this proposed approach.</i></p>	<p>We agree with a period during which donor operators cannot approach a porting customer about returning to its network. We suggest a period of one month provided that is combined with a permitted donor retail and inter-operator fee for ports. Sixty days seems an excessive length of time to prevent customers from porting.</p>	<p>Islandcom thinks this is reasonable, however if debts are settled before porting there will be no need for any contact with previous customers.</p>	<p>LIME has no objections to this approach.</p>	<p>All respondents expressed support for some form of winback prohibition provision within a potential TCI NP porting functional requirements design.</p> <p>Digicel suggested that a 60 day winback prohibition period was excessive and that a 30 day period was more reasonable, on the basis that this facility should be aligned to donor charging of both recipient operators and consumers. The Commission cannot identify any relationship between winback provisions and donor charging of consumers and recipient operators.</p> <p>Islandcom suggested that there was no need for a donor operator to contact a porting out subscriber if the porting process required the subscriber to clear their account balance before submitting a porting request. The Commission disagrees with the Islandcom suggestion, since a pre-payment requirement would automatically alert a donor operator of the subscriber's</p>

				<p>intention to port out. This facility would allow donor operators to attempt winback of the subscriber or even block the subscriber from porting their number. This function could seriously compromise the interests of the porting process and the consumer.</p> <p>Since all respondents expressed support for the principle of winback prohibition provisions, the Commission concludes that winback prohibition provisions are appropriate for inclusion in a potential TCI NP functional framework.</p> <p>The Commission would be prepared to consider justified representations from TCI stakeholders during the early stages of a potential NP development/implementation programme regarding the length of the winback prohibited period/ timeframe.</p>
<p>Question 19. <i>It is proposed that customers will not be permitted to port their number to another operator within 60 days of their previous successful porting request. Please provide your comments and views regarding this proposed approach.</i></p>	<p>See above.</p>	<p>Islandcom thinks 60 days is a reasonable amount of time before any further porting is allowed.</p>	<p>LIME has no objections to this approach.</p>	<p>Both LIME and Islandcom expressed support the Commission’s proposal that subscribers would not be permitted to port their number to another operator within 60 days of the previous porting transaction.</p> <p>Digicel suggested that a 60 day customer onward porting restricted period was excessive and that a 30 day period was more reasonable,</p>

				<p>on the basis that this facility should be aligned to donor charging of both recipient operators and consumers. The Commission cannot identify any relationship between customer onward porting restricted periods and donor charging of consumers and recipient operators.</p> <p>Since all respondents expressed support for the principle of customer onward porting restrictions, the Commission concludes that customer onward porting restrictions are appropriate for inclusion in a potential TCI NP functional framework.</p> <p>The Commission would be prepared to consider justified representations from TCI stakeholders during the early stages of a potential NP development/implementation programme regarding the length of the customer onward porting restricted period/ timeframe.</p>
<p>Question 20. <i>It is proposed that only real-time porting of customer numbers will be allowed and customers will not be able to defer or delay porting requests to later dates. Please provide your comments and views regarding this proposed approach.</i></p>	<p>Real-time porting only.</p>	<p>Islandcom thinks that the Commission is correct in its view about only allowing real time porting.</p>	<p>LIME believes that there are circumstances under which a customer may elect to defer porting, such as where there is an existing contract with their current provider which expires at a future date. LIME is of the view, that as long as it is practicable, customers should be able to exercise as many options as supported by NP,</p>	<p>Both Digicel and Islandcom concur with the Commission’s proposal that only real-time porting should be permitted through a potential TCI porting service.</p> <p>LIME believes that the porting service should favour consumer choice and the porting process should be able to support as many consumer options as is practicable.</p>

			<p>and that the NP platforms and processes should favour consumer choice.</p>	<p>The Commission understands that deferred or delayed porting functionality can significantly complicate the porting process, and in practice these functions are seldom used by consumers. The Commission believes it is more appropriate for recipient operators to recommend that customers who wish to port their numbers in the future should register their porting request at a later date when the porting transaction can be processed in real-time.</p> <p>Since there is general support from respondents for the Commission’s proposal, then the Commission believes it is appropriate that only real-time porting should be permitted in a potential TCI porting process.</p>
<p>Question 21. <i>It is proposed that the porting process will allow the porting of multiple customer numbers within a single porting request (where “multiple number” is defined as two or more numbers belong to the same customer account), both contiguous and non---contiguous number ranges, to support the efficient porting of multiple number blocks. Please provide your comments and views regarding this proposed</i></p>	<p>Multiple number porting should be trialled for 3 months initially to make sure it works properly and thereafter introduced.</p>	<p>Islandcom does not see the benefits outweighing the costs involved with porting multiple numbers on one porting request.</p>	<p>LIME submits that this approach would introduce significant complexity into the porting process. It was for this reason that LIME understands, operators in the Cayman Islands chose not to facilitate multiple-number porting when NP was launched there.</p>	<p>Both Islandcom and LIME do not believe that the ability to port multiple numbers in the same porting transaction provides sufficient benefits to customers or the porting process.</p> <p>LIME states that the Cayman Islands NP process was designed to specifically exclude the multiple number porting facility.</p> <p>Digicel responded that multiple number porting could be introduced, but only after a three-</p>

<p><i>approach.</i></p>				<p>month trial period has been completed, during which it is confirmed that multiple number porting functionality works correctly and consistently.</p> <p>Since there is little support from respondents for the Commission's proposal to allow multiple numbers to be ported within a single porting transaction, the Commission is minded to drop this particular requirement from a potential TCI porting process and functional design.</p> <p>The Commission would be prepared to consider justified representations from TCI stakeholders during the early stages of a potential NP development/implementation programme for the reintroduction of a multiple number porting facility, sufficiently in advance of a potential NP launch date.</p>
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