# THE HASHEMITE KINGDOM OF JORDAN

# TELECOMMUNICATIONS REGULATORY COMMISSION



# EXPLANATORY MEMORANDUM ON INSTRUCTIONS FOR IMPLEMENTING CARRIER SELECTION AND CARRIER PRE-SELECTION IN JORDAN

TRC Board Decision No.( 1-15/2005 ) Date( 24/3/2005 )

# TELECOMMUNICATIONS REGULATORY COMMISSION EXPLANATORY MEMORANDUM ON INSTRUCTIONS FOR IMPLEMENTING CARRIER SELECTION AND CARRIER PRE-SELECTION IN JORDAN

#### A. Introduction

- The TRC has embarked on a "Program of Licensing within the Fixed Telecommunications Sub-sector and the evolution to an Integrated Licensing and Regulatory Regime" described in its December 2 Information Memorandum ("Licensing Program"). Although increased mobile competition has brought about some change in the market with more services and lower prices becoming available, the international long distance market has been the exclusive purview of Jordan Telecom and, as a result of the lack of competition for international services, telecommunications users in Jordan have not been receiving the benefits of enhanced competition that are available to users in many other countries.
- 2. Pursuant to the Licensing Program, the Telecommunications Regulatory Commission of Jordan (TRC) intends to allow new applicants for fixed services in Jordan. As stated in the Licensing Program, the government's goals are to enhance competition, deploy advanced technologies, lower the costs to users and stimulate economic development in Jordan. Key to ensuring the development of competitive call origination markets and expanding customer choice are the adoption and implementation of customer choice of carrier on any call. The telecommunications industry has established a method of allowing customers to choose the carrier either on a per call basis or for all calls. If the customer dials an access code before the call, this is known as Carrier Selection. If the customer chooses to have an alternative carrier on every call without requiring the dialing of extra digits, this function is called Carrier Pre-Selection.

#### B. Public Notice

- 3. Pursuant to the Licensing Program, the Telecommunications Regulatory Commission of Jordan (TRC) has determined that Carrier Selection and Carrier Pre-Selection will be introduced in accordance with the Instructions that have been issued by the TRC following a Public Consultation (the Instructions).
- 4. To address the best method of implementing Carrier Selection and Carrier Pre-Selection and to establish implementation as early as possible following the liberalization implementation date of January 1, 2005, the TRC issued a Public Notice on September 8, 2004 seeking

public comment and inviting interested parties to file their written comments with the TRC on a number of Carrier Selection and Carrier Pre-Selection issues. All comments received have been considered in the formulation of the final Instructions for implementing Carrier Selection and Carrier Pre-Selection. The TRC has determined that the industry must come together to address both commercial and technical concerns in order to facilitate a smooth introduction of the Carrier Selection and Carrier Pre-Selection initiative.

The deadline for submitting comments to the TRC was October 10, 2004, and reply comments October 25, 2004. The TRC received comments from: Batelco Jordan, Ciscom, Fastlink, Jordan Telecom, MobileCom, and Xpress as well as reply comments from Fastlink and Jordan Telecom.

# C. Purpose

5. The purpose of this document is to communicate to the public and, specifically, to the existing telecommunications operators, the requirement to establish a competition driven carrier (operator) marketplace. In order to establish market conditions that provide maximum choice, the TRC has determined that consumers should be able to choose an Alternative Service Provider in order to take advantage of attractive international rates. Based on its review of the feasibility and availability of Carrier Selection and Carrier Pre-Selection in other countries as well as the benefits being experienced by subscribers in those countries, the TRC has concluded that there are no impediments to introducing Carrier Selection and Carrier Pre-Selection in Jordan's fixed and mobile markets. The TRC has chosen the most common method to foster this area of liberalization namely, Carrier Selection and Carrier Pre-Selection.

#### D. Decision

6. The TRC has prepared a series of documents comprised of this Explanatory Memorandum, the accompanying Instructions and the Terms of Reference for an Industry Forum in order to fully inform and instruct the public with respect to the contribution to the liberalization of the fixed line market through the introduction and implementation of Carrier Selection and Carrier Pre-Selection.

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# E. Definition of Carrier Selection and Carrier Pre-Selection

- 7. Carrier Selection and Carrier Pre-Selection (CS and CPS) provide a means for customers to choose an Alternative Service Provider. The use of Alternate Service Providers has been common in some countries for over twenty years. Many countries have changed pre-existing systems and switch/network technologies to offer CS and CPS. For most of the customers situated in these countries, international calling costs have dropped. Excess capacity is made available in spot locations or times and is often discounted for short time periods, thereby offering even more savings for customers. With the advent of fixed line liberalization, Jordan is in a favorable position to experience the significant consumer benefits of Carrier Selection and Carrier Pre-Selection.
- 8. In Jordan, the implementation of Carrier Selection and Carrier Pre-Selection shall refer to the ability of users to choose an alternate international carrier either at the time the customer makes a call (Carrier Selection) or for all international calls originating from the customer's number (Carrier Pre-Selection). In Jordan, the concept of Carrier Selection and Carrier Pre-Selection is limited to the International subsector for the time being. For the initial deployment, the fixed line operator and those mobile operators who are required to offer call origination and who are designated as having market power will be required to participate. Other operators may participate voluntarily.
- 9. The TRC recognizes that there are commercial and technical considerations that must be taken into account with respect to the launch of Carrier Selection and Carrier Pre-Selection. In order to create a practical framework for the existing operators and new entrants to work together to implement Carrier Selection and Carrier Pre-Selection, the TRC will convene an Industry Forum to address Carrier Selection and Carrier Pre-Selection.

# F. Call Types

- 10. Upon conclusion of its Public Consultation, the TRC defined the call types for Carrier Selection and Carrier Pre-Selection to be customer initiated international calls. Operator assisted calls or calls destined for any other fixed, mobile or virtual number within Jordan do not fall within the scope of the Instructions nor do other services such as call back from voice mail or from a busy or unanswered number. The TRC may consider other call types at a later date.
- 11. Comments from Operators and New Entrants on Call Types to be included:
  - Batelco Jordan stated "... Strongest competitors should be encouraged to enter. Therefore, those offering both services should be encouraged. Similarly, both national and international calling

should be required of the licensees." Batelco Jordan went on to state: ".....the fracturing of the market segments may in fact preclude an entrant from offering multiple service and only concentrate on a single market such as international calls. By requiring an operator to offer both international and national services, it makes it simpler for the operator to implement and for the consumer to use."

- Ciscom took a different view. "There is no doubt that International calls should be made pre-selected. On the other side introducing Carrier Selection for national calls is not feasible or can not be understood by end users as all the existing operators have national wide coverage." Ciscom suggested extending Carrier Selection and Carrier Pre-Selection to SMS, Data, assisted calls, and call back.
- In its initial comments, Fastlink suggested a multiple operator approach allowing one carrier for international and another for national calls. However, in reply comments, Fastlink stated ".....a phased in approach that will start with CS being limited to International Indirect access is more justifiable from both a technical and commercial point of view."
- Jordan Telecom comments supported a single operator scheme; "....JT urges that the implementation of CPS include only a single option as is the case in the UK. This will contribute to lower costs and ultimately in lower retail prices." Jordan Telecom's "Comments on Comments" further supported a single scheme. It stated: "...complexity will slow implementation and customer penetration and ultimately prolong the dominance of the largest Operators."
- In its comments, Xpress supported a multi-operator scheme. However, in meetings with the TRC, Xpress indicated the International calling sector is best suited to CS and CPS at this time.
- 12. The TRC appreciates and has taken into consideration all of the comments on single or multiple operators as well as the discussions on local, long distance (national calling) and international calling and single versus multiple operators. The TRC has determined that the single

<sup>&</sup>lt;sup>1</sup> Response of Batelco Jordan to "Carrier Selection and Carrier Pre-Selection, 10 October 2004 ¶28.

<sup>&</sup>lt;sup>2</sup> Response of Batelco Jordan to "Carrier Selection and Carrier Pre-Selection, 10 October 2004 ¶30.

<sup>&</sup>lt;sup>3</sup> Comments of Carrier selection and Carrier pre-selection, Ciscom, 10 October 2004 ¶6.

<sup>&</sup>lt;sup>4</sup> Fastlink's response to the TRC on comments submitted by Interested Parties regarding Carrier Selection and Carrier Pre-Selection, 4 November 2004, ¶4

<sup>&</sup>lt;sup>5</sup> Notice Requesting Comments on Carrier Selection and Carrier Pre-Selection, Jordan Telecom's Response, 10 October 2004, Page 3, ¶5.

<sup>&</sup>lt;sup>6</sup> Jordan Telecom, Comments on Comments, 4 November 2004, ¶6.

operator solution and the international calling market will be the most attractive to new entrants and their investors and therefore will be most likely to have a positive effect on competition. Once the implementation of this market segment is completed and further information is available for analysis, the TRC will consider other markets and call types.

# G. TRC Role and Involvement

13. The TRC will play a visible and active role in monitoring the implementation of Carrier Selection and Carrier Pre-Selection. This means that the TRC will receive and review a request for approval from the Industry Forum regarding the implementation method chosen: i.e., partial deployment or the simultaneous deployment of Carrier Selection and Carrier Pre-Selection as well as the timeline and launch date. The TRC will also oversee the deployment by monitoring the progress reported at the Industry Forum.

#### H. Costs

- 14. The TRC recognizes that both start up and ongoing costs will be incurred by incumbent operators as well as the new entrants for Carrier Selection and Carrier Pre-Selection. Implementing Carrier Selection and Carrier Pre-Selection will incur costs in four specific areas. The first is the cost of set-up comprising the equipment and software upgrades to switches, MSC/HLR's and to billing and support systems. The second cost area relates to Carrier Pre-Selection where a customer migrates to a new carrier and the administrative cost to the Primary Service Provider to redirect the customer to another carrier is incurred. The third cost area is the new entrant costs attributed to leasing facilities, arranging billing, the ongoing costs for maintenance, repair and restoration, and modification of rate tables and billing schemes. The last cost area is that of customer education.
- 15. Comments received from interested parties on cost allocation are as follows:
  - Batelco Jordan indicated that it prefers a single operator scheme to control costs<sup>7</sup>. It stated: "BTJ submits that each operator should bear its own set-up costs for CS/CPS<sup>8</sup>". Batelco Jordan went further to state "New entrants should not have to reveal their costs nor should they be required to 'subsidise' an inefficient operator" <sup>9</sup>
  - Fastlink agreed with the general categories of costs and also agreed that "...the burden of general system provisioning costs should be shared between the incumbent operator and the CPS operator..."

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<sup>8</sup> Batelco Jordan, ¶69

<sup>9</sup> Batelco Jordan ¶70

<sup>&</sup>lt;sup>7</sup> Batelco Jordan, ¶33

<sup>&</sup>lt;sup>10</sup> Fastlink, Page 8 referencing ¶60

Fastlink raised an issue related to handsets, "...mobile handset subsidy costs will need to ... apportioned with Operators using CPS and CS access as they will be a beneficiary of the subsidy" 11

- With respect to Fastlink's comments regarding costs, the TRC believes that the cost to perform a customer profile change through a translations change would be a task that the Primary Service Provider would complete, paid for by the CPS provider or the customer requesting the change.
- 16. The TRC does not agree, however, with Fastlink's comments that handset subsidies are a responsibility of the Carrier Selection or Carrier Pre-Selection operator. There is no foundation in the comments that either Carrier Selection or Carrier Pre-Selection is a factor considered by a customer when purchasing a handset or the related service. The use of the keypad to dial an access code already exists and no new development is needed. Just as the fixed network operators would not be compensated for a fixed network phone, the mobile network operators must bear the cost of customer equipment within the basic service offering.
- 17. Jordan Telecom stated that: "The costs of implementing CPS will largely depend upon the industry agreed implementation plan. At this point therefore, it is premature for JT to comment on the TRC's analysis of the costs." In JT's Comments on Comments response of November 4, 2004, there were comments regarding operators all being required to offer call origination at cost-oriented prices and the need to be allowed to recover full costs under the prevailing, transparent cost regulation instructions.

#### I. Customer Billing

- 18. For Carrier Selection or Carrier Pre-Selection, the practice is that the Primary Service Provider will be responsible for billing customer calls placed with an Alternate Service Provider. The Alternate Service Provider will provide rate schedules to build the initial tables in the billing system of the Primary Service Provider. The cost to build the tables, maintenance and changes will be addressed in the negotiated service agreements.
- 19. Commenting operators requested significant lead-time to adjust and amend their existing billing platforms to accommodate billing provided on behalf of other carriers. Most new entrants want the Primary Service Provider to include both the Alternative Service Provider placed calls and the Primary Service charges on one bill. If the Primary Service Provider cannot provide billing for Carrier Selection by the initial deployment date, then the alternative operator is responsible for providing an interim billing solution until the Primary Service Provider's

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<sup>&</sup>lt;sup>11</sup> Fastlink, Page 8 referencing ¶60

<sup>&</sup>lt;sup>12</sup> Jordan Telecom's Response to the Notice Requesting Comments on Carrier Selection and Carrier Pre-Selection, October 10, 2004.

- billing system can accommodate Carrier Selection and Carrier Pre-Selection billing.
- 20. As stated in the Interconnection Instructions, the TRC will require that designated licensees make Billing and Collection available to other Licensees upon request provided that the Licensee asked to provide billing and collection already provides Billing to its own customers irrespective of whether this service is provided by the licensee's own systems infrastructure or through outsourcing arrangements. Billing and Collection is included as an Interconnection Service for Carrier Selection and Carrier Pre-selection.

#### J. Customer Change of Operator

- 21. The cost to change the customer from the Primary Service Provider's international service or that of another pre-selected operator is recoverable from either the new operator or the customer. The TRC recommends that the cost be applied as a one-time fee on the customer bill. The new operator can credit the customer for the cost in the first billing for service if that is its marketing plan. The one-time fee is applicable each time a customer changes its operator preference.
- 22. The one-time fee assessed by the Primary Service Provider should be fair, equitable between new alternative operators, and reasonable. The fee should be similar to the cost to add, change or delete a service feature such as call forwarding.
- 23. The TRC proposes that determination of the exact fee be studied by the Commercial Working Group and a recommendation submitted to the Industry Forum.

# 24. Comments related to billing issues:

- In its comments, Batelco Jordan stressed that billing is an area requiring close coordination and a "rigorous implementation schedule to ensure there is no anti-competitive behaviour". Further, it suggested that billing procedures be dealt with in the proposed 'Code of Behavior".
- Fastlink stated: "...the inter-operator bill for conveyance is the wholesale bill (which the customer does not see) but the chosen operator bills the customer for the calls made using CPS and CS as a retail bill with that customer and this is not seen by the originating operator."

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<sup>&</sup>lt;sup>13</sup> Batelco Jordan, Comments, ¶49

<sup>&</sup>lt;sup>14</sup> Fastlink, Comments, P7

- Jordan Telecom proposed: "...JT proposes that all licensees should be required to deploy their own billing systems"
- 25. The TRC has determined that for Carrier Selection and Carrier Pre-Selection the Primary Service Providers who provide the primary service billing for the customer will modify their billing systems to accommodate Alternative Service Provider billing. Further, the bill shall be consolidated into one bill for each customer or number.

# K. Proposed Method to Address Costs

- 26. The operators are expected to negotiate Interconnection Agreements with the Primary Service Providers in order to formalize the costs and service agreements. The cost of a change request for a customer choosing an Alternative Service Provider is expected to be fair, equal between operators and reasonable. The TRC recommends that the cost be similar to the current cost to add a feature that requires a translations change to the customer profile. The TRC will work with the concerned parties through the Industry Forum to ensure that cost issues are equitably addressed.
- 27. The one time and recurring costs to implement Carrier Selection and Carrier Pre-Selection are the responsibility of each Operator.

#### L. Interconnection

28. The TRC expects each operator to negotiate in good faith and with expediency to allow the Alternative Service Providers to establish facilities and access to the incumbent's customers. The TRC further expects each operator to work diligently with the Alternative Service Provider by providing the billing system requirements to establish the rating tables and testing the billing system(s) prior to launch.

#### M. Commercial Process

- 29. All of the parties responding to the Public Notice prefer not to use a third party to assist with the customer contact to change operators or to handle trouble resolution. Many suggested that all operators need to work together in a technical forum to plan the implementation and resolve many of the issues that will facilitate the implementation.
- 30. The TRC agrees with the parties and has determined that the Industry Forum will facilitate a coordinated and organized approach to addressing Carrier Selection and Carrier Pre-Selection concerns.
- 31. The TRC will maintain its involvement through its role as the neutral chair of the Industry Forum. Decisions will be made by majority vote, with the TRC Chairperson casting the deciding vote in the case of a tie.

- 32. In the case of Carrier Selection, the implementation of competition in the international market requires the Primary Service Provider to interact with individual customers only when they encounter trouble or a billing problem.
- 33. In the case of a customer choosing to Pre-Select an Alternative Service Provider, the customer may interact with both the new operator and its existing Primary Service Provider to set up the service and to address trouble and billing concerns.
- 34. For Carrier Pre-Selection, the existing operators will interact with the Alternative Service Providers both to initiate set up of the service and, in an ongoing business relationship, to administer, maintain and provide customer billing and to perform any trouble analysis and resolution with new carriers.
- 35. The TRC recognizes the importance of the commercial process to the successful introduction and ongoing functionality of Carrier Selection and Carrier Pre-Selection. For this reason, the TRC believes that the operators' subject matter experts in commercial processes must come together to share information, design processes, interact and plan tactical activities to achieve the strategic goal i.e., the launch of Carrier Selection and Carrier Pre-Selection. The Industry Forum will provide the framework for this interaction.
- 36. Parties commenting on the Commercial Process identified interactive planning and implementation as the cornerstones to a successful implementation. Some of the comments supporting a common approach include:
  - Batelco Jordan stated the following: "... BTJ believes that a better approach might be:
    - For an Industry Forum, such as the Technical Committee previously suggested by BTJ, to establish guidelines or standards for call detail records (CDR's) churn, and service order information on carrier selection;
    - Processing customer service order information by CPS by each operator;
    - Transfer of customer billing information for CS to each CS operator by the direct-connect operator;
    - The TRC to review and, if appropriate, approve those Guidelines as regulations; and
    - In the event of a breach of those Regulations by an operator, this would constitute a breach of license conditions, requiring compliance with all laws and regulations."<sup>15</sup>
  - In its comments, Fastlink stated: "To implement CPS requires a number of inter-operator procedures which will need development

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<sup>&</sup>lt;sup>15</sup> Batelco Jordan, Comments

and agreement across all operators before the service could be launched."<sup>16</sup> It went on to say, "...there are some similarities with the processes that need to be established to establish portability."<sup>17</sup> In Fastlink's reply comments, "...extensive discussions and collaboration among industry members and the TRC to work out the technical and commercial aspects (*are*) required for a successful implementation."

Jordan Telecom's comments also agreed that, "...implementation of CPS is necessarily complex in terms of provisioning, administration, and sales process. Resolving these issues cannot be achieved by the TRC or a single operator. The full engagement of the industry, consumer bodies and the TRC are required...."

#### N. Customer Education

- 37. The TRC believes that the introduction and explanation of the features to customers and the public are critical tasks in the implementation of Carrier Selection and Carrier Pre-Selection. The TRC recognizes that the operators will be planning marketing activities to include customer education. The Industry Forum's Commercial Working Group will be directed to develop a basic set of information including an agreement on general terms and definitions to be used by all operators in describing the features and functionality of Carrier Selection and Carrier Pre-Selection. The Commercial Working Group will submit a customer education recommendation for approval by the Industry Forum.
- 38. The comments and reply comments from interested parties strongly favored the education of the customer to be the responsibility of the individual operators/ new entrants. The majority of parties supported the concept of common terms and definitions. Some examples of favorable comments as well as areas of concern are as follows:
  - Batelco Jordan: "BTJ submits that it would be appropriate for the TRC to prepare a written public education procedure on preselection/call override which incumbent operators are required to send to their customer..."

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  - Fastlink expressed a concern regarding the number of initiatives: "The introduction of a number of different initiatives in close succession all aimed at achieving the same objective of promoting increased competition may result in them all missing their intended application. Given that it is the TRC's obligation to protect the interest of its customers, providing too many initiatives close to

<sup>17</sup> Fastlink Comments, Page 4

<sup>&</sup>lt;sup>16</sup> Fastlink Comments, Page 3

<sup>&</sup>lt;sup>18</sup> Jordan Telecom Comments, Page 12

<sup>&</sup>lt;sup>19</sup> Batelco Jordan, Comments, ¶60

one another will only cause confusion in the market and will not fulfill (l) the TRC's objective." <sup>20</sup>

- Jordan Telecom stated, "...the rewards of success fall in part to those operators who educate their customers productively. In this respect, there is little regulatory requirement to require operators to issue customer education programmes."<sup>21</sup>
- The TRC believes it is in the best interest of the customer to proceed with the Carrier Selection and Carrier Pre-Selection Project in addition to other projects in progress. Based on the operator input, it appears likely that the initiatives currently planned will arrive in a serial manner; that is to say, on a regular and well-spaced schedule.

#### O. Consumer Protection

- 39. Historical experience<sup>22</sup> in implementing the Carrier Selection and Carrier Pre-Selection feature in many countries has shown that advance planning to avoid inappropriate customer acquisition or loss prevention practices will improve the customer experience with these new features
- 40. The TRC has determined that the Industry Forum's Commercial Working Group shall prepare a recommendation with respect to instructions of operator conduct. Once said instructions are accepted within the Industry Forum, it should then request that the TRC adopt said instructions for the purpose of enforcing operator conduct.
- 41. Among the areas to be included in the Code of Practice are: inappropriate acquisition of a customer, changing a customer to a carrier without authorization (sometimes called slamming), elapsed time to change the customer to the new carrier, delaying a customer's change, attempts by the current carrier to retain the customer and annoyance issues such as multiple attempts to reacquire a customer's business.
- 42. The TRC will require the aforementioned issues to be explicitly defined in the Code of Practice with appropriate penalties applied for failure to treat customers properly.
- 43. The parties responding to the Public Notice on Carrier Selection and Carrier Pre-Selection supported a Code of Practice. Some of the comments address the TRC's enforcement role. Other comments addressed the need to protect the customer from 'slamming' and other abusive methods of acquiring customers.

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<sup>&</sup>lt;sup>20</sup> Fastlink Comments, Page 3

<sup>&</sup>lt;sup>21</sup> Jordan Telecom, Comments P15

<sup>&</sup>lt;sup>22</sup> The European Telecommunications P (EU), 'Slamming'

- Batelco Jordan would like further clarification on what areas the Code of Practice would address and encouraged methods to "...expressly prohibits both 'slamming and aggressive win back activities."
- Ciscom stated that: "... it is logical to have a code of practice to limit operators' practices to acquire or retain." <sup>24</sup>Further it recommends: "... the Code of Practice be delayed for one year." Ciscom further suggested that: "...practices are necessary in the beginning..."
- 44. Based on many parties' comments, the TRC recognizes that there are divergent views. There is a need to create awareness and understanding amongst the industry and the TRC will task the Industry Forum to develop a common understanding that will lead to the Code of Practice.

# P. Numbering Plan

- 45. The implementation of Carrier Selection and Carrier Pre-Selection requires the utilization of access codes. Customers using the Carrier Selection feature will use the advertised access code prior to dialing an international number. In the case of Carrier Pre-Selection, the customers' number is changed in translations or in their profile which is then used internally by the switch or MSC/HLR as well as the billing systems to identify that specified international calls are to use that particular Alternate Service Provider.
- 46. The National Numbering Plan reserved the 1XX(X) ranges for Access Codes. The TRC has chosen a set of codes in the 15XX and 18XX ranges as the best codes for the customer. The Instructions specify that the 15XX and 18XX codes previously assigned may be retained (grandfathered) by the existing operators for the existing service assigned to the code. If the code is to be cleared and reclaimed, the code must be returned to the pool for assignment as a carrier access code.
- 47. The TRC will publish revised Numbering Regulations to include the process for obtaining Carrier Access Codes.
- 48. In their comments with respect to the assignment of carrier access codes, two parties presented two different requests. The first was to expand the unique city codes such as the 6 for Amman to a 6XX and the 7XX for Mobile to carrier access codes. The second proposal suggested a change to the 10XX codes, similar to those used in the United States. The TRC has considered these requests. The TRC believes that the expansion of the Amman access code 6 for alternate international carrier access could be more confusing to customers or to visitors to Jordan than a distinct code. The second suggestion would require a more complex change to

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<sup>&</sup>lt;sup>23</sup> Batelco Jordan, Comments ¶63

<sup>&</sup>lt;sup>24</sup> Ciscom 5

<sup>&</sup>lt;sup>25</sup> Ciscom 5

the dialing pattern. The TRC does not see a need to match a specific code of another country, nor to rework the existing Jordanian Numbering Plan to accommodate a new strategy.

# Q. Technical Considerations

- 49. The Carrier Selection and Carrier Pre-Selection functionality has been present in many countries for quite some time. Most equipment manufacturers have indicated that the feature is included in the current switch and MSC/HLR software loads. Although one manufacturer has not responded to the TRC's queries either directly or through the manufacturer's client as of yet, the operator using this manufacturer has indicated to the TRC that CS and CPS were successfully implemented in a Scandinavian country using this same manufacturer's switch. Although the correct protocols to design, dimension the hardware, software and to check inter-operability prior to integration of this feature into a currently operating network will require a reasonable time frame, the TRC and many of the responding operators did not view this process as a deterrent to a timely implementation of the Carrier Selection and Carrier Pre-Selection technical functionality in the switches and MSC/HLR's.
- 50. Comments to the TRC from all but one of the existing operators on the subject of feature activation indicate that the feature may be activated within a matter of weeks. Implementation of this functionality is not currently viewed by the TRC as an impediment to a successful implementation. Should an operator encounter a complication, the Industry Forum will provide assistance and oversight to resolve any complication within the shortest possible time frame and no later than is required to support dependent tasks of the other implementation participants.

# R. Industry Forum

- 51. The TRC has determined that the best and most complete method to provide oversight of the implementation of competition in the international operator marketplace is through joint meetings of all involved operators. The Industry Forum provides a framework for Operators to meet together, creating a shared responsibility and generating a common understanding to implement technical telecommunications solutions.
- 52. The TRC has developed a Terms of Reference to assist the Industry Forum and subject matter experts in assessing the steps leading to a successful launch.
- 53. The Industry Forum allows all participating operators to control the commercial and technical aspects that must be integrated successfully while allowing the TRC to be aware of all aspects and hurdles that must be overcome to satisfy competition objectives.

# S. Implementation

- 54. The requirement to implement CS and CPS is based on those operators Designated by the TRC as having significant power in a relevant market, namely the call origination market. The remaining operators have the choice of implementing now, or when they are designated by the TRC at a later date. The TRC encourages all mobile operators to also participate with the initial launch of Carrier Selection and Carrier Pre-Selection.
- 55. The TRC believes that some elements of the proposed implementation may be more readily achievable in the short term and expects the Industry Forum to establish the earliest possible dates for the implementation of these particular features. An aggressive but realistic implementation plan from the Industry Forum for TRC approval is anticipated within the first three (3) months following the publication of the Instructions. The TRC, the existing operators and the potential new entrants to the international market all recognize that the expedient implementation of both Carrier Selection and Carrier Pre-Selection will result in greater choice for consumers and enhancement of the overall competitiveness of the telecom market.

# T. Legal Authority and Statutory Responsibilities of the TRC

- 56. Pursuant to the Telecommunications Law of 1995, as amended by Law No. 8 in 2002 (hereinafter the "Telecommunications Law"), the TRC was established and operates as a financially and administratively independent telecommunications regulator. The Telecommunications Law assigns the TRC specific public policy responsibilities, including requirements that the Commission "stimulate competition," "ensure that its regulation[s] is effective and efficient," "forbid anti-competitive behavior or practices," and "forbid actions by any person to abuse a dominant position in the sector." Article 6 of the Telecommunications Law specifically provides that the TRC has the following duties and responsibilities:
  - (a)To regulate telecommunications and information technology services in the Kingdom in accordance with the established general policy so as to ensure the provision of high quality telecommunications and information technology services to users at just, reasonable and affordable prices; and, by so doing, to make possible the optimal performance of the telecommunications and information technology sectors.

<sup>&</sup>lt;sup>26</sup> Telecommunications Law of 1995, as amended, at Chapter III, Article 4(a).

<sup>&</sup>lt;sup>27</sup>Id. at Article 6(e).

- (b) To establish the basis for regulation of the telecommunications and information technology sectors, in accordance with the approved general policy, in such a way that services meet the comprehensive developmental needs of the Kingdom; in accordance with Decisions and Instructions issued by the Board for this purpose.
- (e)To stimulate competition in the telecommunications and information technology sectors, relying on market forces, and so regulating them as to ensure the effective provision of telecommunications and information technology services and to ensure that its regulation[s] is effective and efficient; to forbid anti-competitive behavior or practices; to forbid actions by any person to abuse a dominant position in the sector, and to take all necessary actions in this regard.
- (g) To encourage self-regulation by the telecommunications and information technology sectors.
- (o) To assess the need for the adjustment of the level of regulation of any telecommunication service, or specific type or group thereof, with regard to competition or any other factor that may require such adjustment or forbearance, and to recommend the same to the Board for approval.
- 57. The language of Article 6 specifically calls for the TRC to "regulate" or adjust its regulation to forbid anti-competitive behavior, stimulate competition and to protect users in the telecommunications sector. The implementation of Carrier Selection and Carrier Pre-Selection is crucial to ensuring that there is competition in the long distance sub-sector and that the user's right to choose among the different carriers is protected. The TRC, therefore, has the power to take any action necessary to carry out the duties and responsibilities detailed in Article 6 for the implementation of Carrier Selection and Carrier Pre-Selection in Jordan.
- 58. Article 12(a) of the Telecommunications Law lists the types of regulatory actions available to the TRC in carrying out its duties. It states: "The Board (of Commissioners) shall exercise all the necessary powers to carry out the duties entrusted to the Commission by virtue of this Law..." The TRC has the authority, among others, to:

<sup>&</sup>lt;sup>28</sup> Telecommunications Law of 1995, as amended, Article 12(a).

- (1)Study plans and proposals concerning the implementation of the general policy in the telecommunications sector, as approved by the Council of Ministers.
- (2)Prepare programs and issue instructions and decisions, and to take the necessary actions in this regard.
- 59. Therefore, it is within the Commission's power to study proposals, prepare programs and issue instructions and decisions regarding the implementation of Carrier Selection and Carrier Pre-Selection in Jordan in furtherance of its duty to stimulate competition in the telecommunications sector.

#### U. Conclusion

60. Based on the TRC's authority under Article of the Telecommunications stimulate competition the Law to telecommunications sector, to forbid anti-competitive behavior and practices and to ensure that regulations are effective and efficient, the implementation of Carrier Selection and Carrier Pre-Selection will establish competitiveness in the international market and allow consumers to derive the increased benefits of competition. Carrier Selection and Carrier Pre-Selection are expected to reduce the costs of reaching international destinations by giving customers a greater choice of products and services from alternative carriers.