

**ETNO Contribution on IP interconnection  
to the COM ITU meeting  
Istanbul 15-18 October 2012**



**Proposal for the CEPT COM ITU Brief for the WCIT**

**Background:**

One of the aspects of the debate related to IP interconnection is concern over the appropriate forum/fora in which to address the issue of IP interconnection. During the on-going discussions, several proposals have been made. COM ITU Doc (12) 108 in particular proposes "other regional and international fora where technical solutions may allow their commercial grievances to be addressed, particularly at the Internet Engineering Taskforce (IETF) and at the EU level via the current work being undertaken by the European Commission/BEREC on net neutrality".

**Discussion:**

ETNO considers that these proposals reflect an interesting point of view which recognises the importance of the IP interconnection issue and the appropriate way to handle it. By proposing a differentiation of the quality of service by facilitating the development of additional end-to-end quality of service delivery (QoS) and advocating for an adequate return on investment in high bandwidth infrastructures, the ETNO proposal addresses both technical and economic issues; therefore the value of the two proposed organisations, IETF and BEREC, can be discussed.

**1. IETF (Internet Engineering Task Force) :**

"The mission of the IETF is to make the Internet work better by producing high quality, relevant technical documents that influence the way people design, use, and manage the Internet"<sup>1</sup>. Clearly, this organisation produces technical standards and protocols. ETNO considers that the technical work that has been undertaken in this forum so far has been valuable, but certain aspects have not been covered. In particular, the IETF has never discussed any issue related to accounting, billing, or financial issues. So for ETNO, **this organization is not the right organization to discuss the business model under consideration.**

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<sup>1</sup> <http://www.ietf.org/about/mission.html>

## 2. BEREC

BEREC is a consultative organ established by the European Commission. BEREC is made up of a Board composed of the heads of the 27 NRAs. The stated mission of BEREC is “to assist the Commission and the national regulatory authorities (NRAs) in the implementation of the EU regulatory framework for electronic communications, to give advice on request and on its own initiative to the European institutions and to complement at European level the regulatory tasks performed at national level by the regulatory authorities”<sup>2</sup>

ETNO also considers that **this organization is not appropriate** to handle its proposal as BEREC’s mission does not fit with the aim of the ETNO contribution, namely:

- The ETNO proposal relates to IP interconnection in international networks, whereas BEREC’s competencies are limited to a specific region, the European region;
- BEREC is composed of regulators: this creates a strong bias in the work, and is incompatible with the aim of ETNO proposal which favours commercial agreements and not regulatory intervention;
- BEREC provides for limited industry participation in the debates and the ETNO proposal addresses an Internet economic issue involving many industry stakeholders.

### Proposal:

For different reasons detailed in this paper, ETNO considers that the IETF and BEREC are not appropriate organisations to discuss the ETNO proposal. **ETNO considers ITU as being one of the most valuable organisation where the IP interconnection topic can be addressed**, as having both an international footprint and business participation and recognition. ITU membership includes administration representatives (governments, regulators), but also industry and civil society representatives. ITU works by consensus, and the final outcome of its work is publicly available. In addition, the ITU is the only global venue in which discussions of economic and policy matters regarding telecommunication take place. For all these reasons, the ITU should work to build consensus on key underlying principles for the future development of the Internet. These should include: no regulation, bilateral commercial agreements, QoS delivery or best effort delivery according to traffic type and value.

In addition, ETNO also considers that it is inexact to state that “it is generally recognised that the revised ITRs is not the correct place” to address the IP interconnection issue. Some proposals have been expressed by other regions and ETNO suggests that the Com-ITU meeting examines these proposals. Some proposals are too strong in ETNO’s opinion, in particular by favouring regulatory intervention, and ETNO proposes instead to work on a compromise scenario highlighting commercial agreements, a differentiation of the quality of

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[http://ec.europa.eu/information\\_society/policy/ecomm/implementation\\_enforcement/berec/index\\_en.htm](http://ec.europa.eu/information_society/policy/ecomm/implementation_enforcement/berec/index_en.htm)

service by facilitating the development of additional end to end quality of service delivery and advocating for an adequate return on investment in high bandwidth infrastructures.

ETNO proposes also to take these issues under articles 3 and 4 and not under article 6 as proposed by other regions. This could be a clear message indicating that the aim is not to have operational or regulatory arrangements provided for by the ITRs, and that the issue is limited to the future of international networks that the new ITRs intend to create.

Furthermore, it should be underlined that on several aspects within COM ITU Doc (12) 108, a misunderstanding of the ETNO proposal is evident. The main issues to be clarified are as follows:

- The document incorrectly declares that ETNO's proposal is about regulation, relating to a top down model of regulation and the settlement type agreement;
- So far as QoS is concerned, the ETNO proposal relates to QoS in interconnection between Telco and OTT/CP players or between Telco and Telco. It is not correct to say that QoS is unfeasible due to technical problems. The increasing use of CDN demonstrates this feasibility.
- The "Sending Party Network Pays" (SPNP) model would be applicable only in some cases, as ETNO has confirmed in its response to the ISOC letter dated 14<sup>th</sup> September 2012.