

Internet Telephony Service Providers Association

Press Release

ITSPA: Championing Consumer and Business VoIP

London; Tuesday 16th May 2006

After more than two months of detailed discussions amongst its membership and with Ofcom, the Internet Telephony Service Providers' Association (ITSPA) has published a comprehensive response to Ofcom's consultation on the Regulation of VoIP Services. The breadth and depth of the response is further evidence of ITSPA's continued commitment to representing the VoIP industry, as it has done successfully for the past 2 years.

ITSPA has developed healthy, cooperative working relations with Ofcom, the DTI and the Home Office over the past two years, in which VoIP has flourished in the UK under the existing regulatory principles. ITSPA has been driven since its inception in 2004 to help foster a truly professional, responsible industry that can be trusted and respected. This has been achieved mainly through the development and implementation of the ITSPA Code of Practice. ITSPA's membership now spans 50 members – proof of the fact that the UK VoIP industry continues to recognise the importance of acting proactively and responsibly in order to ensure clear consumer and business information about VoIP.

ITSPA's response to Ofcom's VoIP consultation

The Ofcom consultation on the Regulation of VoIP Services is hugely significant for the future of this nascent industry. The detailed ITSPA response acknowledges the need to provide VoIP end users (both consumers and businesses alike) with the necessary information to empower them to understand and exploit the new technology. Indeed, ITSPA's Code of Practice already ensures the provision of this information.

There are, however, some significant concerns amongst ITSPA members about Ofcom's proposals. ITSPA fully agrees with the need to ensure maximum access to emergency services in the UK; however, ITSPA members are concerned that Ofcom's proposals will conversely raise the barriers to the provision of emergency access by VoIP providers. VoIP has already proven to be a vital third means of communication (in addition to mobile and traditional fixed line networks). For instance, after the terrible events in London on 7th July 2005, many citizens found that the only means of communicating with friends and relatives was via VoIP, as the number of calls being made overwhelmed mobile networks. ITSPA is keen to ensure that this public benefit can be further extended.

ITSPA's response to Ofcom's consultation highlights the following key issues:

• ITSPA believes in the need to ensure maximum access to emergency services and that VoIP services offer a vital third means of access (along with traditional fixed line and mobile).

• Ofcom must ensure that regulation is enforceable on extraterritorial service providers, otherwise UK VoIP providers could be at a competitive disadvantage, yet UK consumers would not be offered the same protection from unscrupulous offshore service providers.

• In the interest of consumers and businesses, number portability should be made as easy and transparent as possible: regulatory definitions of services are irrelevant to the end user.

• The proposals should be proportionate to all voice service providers and Ofcom should not implement excessive regulation on an industry that hasn't fully matured.

• ITSPA believes that its self-regulatory initiatives, which are already in place, ensure consumers are properly and appropriately informed about VoIP services. Ofcom should consider these initiatives before other regulatory proposals are implemented.

Eli Katz, Chairman of ITSPA said: "ITSPA looks forward to continuing its work with Ofcom in creating the right regulatory environment that enables VoIP to flourish in the UK. Certainly, ITSPA believes that a light touch approach to regulation at this stage of development in the VoIP market is beneficial for both end users and industry".

Ends

Notes to editors follow

Notes to Editors:

About VoIP

Internet Telephony is the ability to make voice calls over any Internet connection, particularly broadband, using Voice over Internet Protocol (VoIP). Internet Telephony Service Providers can provide regular and enhanced phone line services – at reduced cost – with calls to other Internet phones often free of charge.

About ITSPA

ITSPA (Internet Telephony Services Providers' Association – <u>http://www.itspa.org.uk</u>) was established in 2004 and represents the UK's VoIP industry. ITSPA aims to encourage the development of a competitive VoIP market that delivers a real choice of communications services to all citizens. ITSPA promotes effective self-regulation and the delivery of a level-playing field for all market players in next generation communications.

A full list of ITSPA's 50 members can be found on ITSPA's website here: http://www.itspa.org.uk/members.htm

For further information, please contact Clare Seabourne or Phil Reid, ITSPA Secretariat, secretariat@itspa.org.uk (020 7043 7770).

About the Consultation on the Regulation of VoIP

Ofcom's consultation on the regulation of VoIP was published on 22 February 2006 and can be found here: <u>http://www.ofcom.org.uk/consult/condocs</u> /voipregulation/

ITSPA's consultation response can be downloaded from the ITSPA website here: <u>http://www.itspa.org.uk/consultation/060503_voip_final.pdf</u>

About ITSPA's Code of Practice

ITSPA's Consumer Code of Practice can be downloaded here: http://www.itspa.org.uk/cop.htm

ITSPA's Business Working Group is currently preparing a Business Code of Practice.