

## ***“Finding The Way To The NGN World”***

**Speech by ACIF CEO Anne Hurley  
at CommsDay Summit 2006**



Today our industry is moving into unfamiliar territory.

We are entering a new world where things are not what they seem.

In the World of NGN, a phone is not necessarily what we traditionally call a phone.

A network is not a traditional network.

A phone call may seem to be a normal phone call, but Alexander Graham Bell wouldn't recognise it as the service he invented.

In fact, many of the NGN services will seem more familiar to the pioneers of television, movies and music than traditional telecommunications.

Therefore, to adjust to the NGN world, our industry will need to do a lot of things differently.

In doing so, we have the added challenge of ensuring that the new networks and services can co-exist harmoniously with the structures and processes that are already in place.

In the long term, as old technologies and services die out, many of these structures and processes will no longer be required.

But during the transitional phase – which will take some years –we have to straddle both worlds.

Perhaps an even greater challenge is that, in common with all times of major change, there will be a period of uncertainty as new technologies, new approaches and new structures compete for ascendancy.

In an industry such as ours, which only exists to help customers communicate with one another, our top priority throughout this NGN transition must be to encourage maximum cooperation between all of the participants.

Looking at our industry from outside, it might seem that competition is so fierce that cooperation is a fanciful notion.

The reality is that our industry is probably the most cooperative of any sector.

There is certainly fierce competition at the sales and marketing level, but there are a multitude of other levels that would not function unless the participants worked together on a daily basis.

At ACIF, I am in a particularly fortunate position to witness how productive industry cooperation can be.

ACIF only exists because of the ability of competitors to put aside their differences and make decisions that benefit not only the industry as a whole, but all stakeholders, including customers.

That is why I am such a strong believer in trusting the industry to lead the way on many of the issues that will need to be resolved as we prepare for the NGN environment.

Over the past decade we have developed a regulatory regime that addresses the basic requirements of ensuring effective and efficient communications services throughout Australia.

Emerging NGN services like VoIP will still be subject to the appropriate controls imposed by that existing regulatory regime.

However there seems limited need to attempt to create a substantial new regulatory framework specifically aimed at NGN services.

There will certainly be a requirement to build some specific measures to regulate areas like numbering and addressing.

But this rapidly moving, constantly changing area does not fit easily into many of the constraints of the past.

So I believe we need to have an industry strategy for developing a strategic and operational framework that fits the NGN environment.

The framework should encompass commercial, technical and operational issues relating to the NGN transition.

Development of that framework would require input from all stakeholders through a coordinated and structured process.

ACIF would be happy to offer our services to help coordinate the exercise along with DCITA, the ACCC and ACMA.

This would be in line with the Department's VoIP report to the Minister in November last year, which recommended collaboration on a work plan which should look at the following:

- Jurisdiction and extra-territoriality issues;
- Interoperability and standards;
- Emerging competition issues;
- Potential critical infrastructure vulnerabilities and other security issues;
- Changes in consumer expectations, perceptions and behaviour that may make some legal regulation redundant;
- New technologies such as next generation messaging that provide opportunities to extend the services available to people with disabilities;
- Potential and domestic Internet governance issues including numbering and addressing and voice spam that flow into the NGN environment;
- Quality of service

The UK Government recently received a report on Scoping an NGN Industry Body which proposed an organisation like ACIF should have a coordinating role in this type of activity.

That report was prepared by Spectrum Strategy Consultants and I note that one of their partners is due to speak later this morning.

I will be interested to see if he touches on that subject in his talk, because I think the establishment of an effective NGN transition strategy and framework is an essential precursor to managing the other changes that are likely to occur in our industry in the next few years.

I will also be interested to see the international perspective which he and other speakers can bring to this discussion.

The NGN world does not respect many of the borders we have been able to apply to our industry in the past.

So our planning will need to include an international focus to make sure Australia is aligned with the rest of the world.

The development of our NGN framework is arguably the most important task facing us at the moment and we must ensure we do it right.

Not only do I see this as a high priority undertaking, but it complements the new direction on which ACIF is now embarking.

Those of you who heard me speak at the recent ATUG Conference will know that ACIF does not consider itself a regulatory body.

Rather we see our role as working with the industry to promote responsible behaviours that are essentially good business practice.

We are no longer content to respond to emerging issues.

Instead we want to take a proactive leadership role in bringing the industry together to initiate strategies that address issues before they become problems.

We are already adopting new ways of addressing NGN and VoIP issues.

In the past we might have referred them to a committee, which would have spent months or years analysing every aspect, eventually developing a set of industry codes and technical standards.

That worked quite well when technology lifecycles were measured in five or ten year blocks.

In the NGN world, even the concept of a "lifecycle" is disappearing because technologies and services are in a state of perpetual mutation.

The time demand on companies and individuals is another factor that needs to be taken into account.

Code development requires an enormous sacrifice from the industry participants.

We need to be sensitive to the fact that you can't continue to provide valuable people to sit around a table for months on end examining every little detail of a new code

Therefore we need fast, flexible responses that don't eat up vast amounts of resources.

Instead of developing new codes and standards that could be outdated as soon as they are published, ACIF is tackling VoIP and NGN differently.

For example, we have developed a number of fact sheets that provide basic information about VoIP for service providers and their customers.

The first fact sheet gave basic information to help consumers make more informed decisions about buying VoIP services.

The second fact sheet gave the VoIP providers a set of instructions on what they needed to do to help emergency services pinpoint the source of a VoIP call.

Today I am pleased to announce that we have now published a third VoIP fact sheet.

This one is designed to alert VoIP providers and ISPs about security issues they need to address.

It highlights some of the ways VoIP calls, networks and systems can be vulnerable to malicious or criminal attack.

As well as advising providers about the need to safeguard their own infrastructure, the fact sheet also suggests they educate their customers on the need to take precautions.

The VoIP Security Fact Sheet can be downloaded from the ACIF website.

Another project that has reached fruition this week is the development of a Basic Guide to VoIP Technical Terms and Issues.

The Guide, which is now on the ACIF website, was developed for providers of VoIP services to help them supply information to their prospective customers.

It seeks to offer a base set of terms that can be consistently used across the industry.

Like the VoIP Security Fact Sheet, the Guide was suggested by participants at the ACIF VoIP Forums in 2004 and 2005 respectively.

The most recent of those events was also the catalyst for a much more comprehensive document, an Industry Discussion Paper on Quality of Service for VoIP Interconnectivity.

We are releasing this discussion paper for public comment today and will be disseminating it as widely as possible to seek further input.

Consistent with my earlier comments about the need to ensure our NGN framework is aligned with the rest of the world, we will also be sending this discussion paper overseas to seek international feedback.

Quality of Service has been identified consistently as one of the major concerns relating to VoIP.

While QoS can be managed with a range of accepted tools in private networks, it raises a multitude of issues when VoIP calls pass through different domains over the public Internet.

If VoIP is to challenge TDM as Australia's prime voice technology in the future, it has to be able to offer consistent QoS across the national network.

So on behalf of the industry, ACIF commissioned respected analysts Shara Evans and Richard Chirgwin to prepare a discussion paper identifying the issues we must address to solve this problem.

It's instructive how the paper reports that Australia appears to be the first country in the world where these issues are being approached from a whole-of-industry perspective.

Apart from the satisfaction of knowing that we are leading the world in this area, it is alarming to see that this critical issue is being given so little attention elsewhere.

Perhaps, by distributing our discussion paper worldwide, we will provide some international impetus on this issue.

Once we receive the feedback on the discussion paper, Dr Paul Brooks from Consultel -- who is speaking here later in the morning -- has agreed to chair an ACIF group of experts to review the submissions.

That expert group will also undertake the rather formidable task of identifying the work we need to do to address the issues that arise from the paper.

The discussion paper itself is a fairly substantial document -- almost a centimetre thick -- so I won't attempt to do it justice in the time I have left today.

However I thought I would just list some of the issues it identifies for industry attention, just to give you an idea of the seriousness of this matter.

These are just a few of the questions raised in the discussion paper:

- What level of co-operation between providers is necessary to achieve inter-domain QoS and is such co-operation achievable?
- What alternatives exist to the creation of an inter-domain QoS fabric?
- If service providers were to adopt QoS technologies and begin exchanging inter-domain QoS information, would this have an impact on the infrastructure already in place supporting inter-domain "data plane" peering?
- Are peering exchange providers willing or able to accept QoS requests from client networks, or would this negatively impact either the peering fabric or the services available to other customers of the QoS network?
- Can ACIF play a role in facilitating the standardization of contractual terms and conditions necessary for providers to standardize inter-domain QoS definitions and to honour the QoS requirements of the traffic originating outside their own networks?
- Are providers willing to give preferential treatment to traffic (ie voice calls) sourced from other providers' networks?
- To what extent, if any, would the adoption of QoS regimes violate the more general Internet principle of "network neutrality"?

As you can see, these are not easy questions to answer and they will require the collective wisdom of the industry to resolve.

They are also not the sort of issues that can be solved by imposed solutions that don't take account of technical and commercial practicalities.

Indeed these are exactly the types of NGN issues that will only be resolved by cooperative outcomes, with the industry itself taking ownership and accountability.

Those two elements – ownership and accountability – are not only crucial to the successful transition to the NGN world.

They are central to achieving cooperative outcomes across ACIF's other activities as well.

As I said earlier, there will be an ongoing need to ensure that traditional networks and services continue to operate efficiently and that consumer interests are protected.

So, although ACIF will no longer focus on developing new codes and standards, we are determined to encourage compliance with existing codes.

With that in mind, we have just completed a Compliance Manual to help our members develop, implement or enhance their compliance programs.

The manual provides ACIF members with a suite of templates that can be used to assess an organisation's compliance against specific ACIF codes.

This manual is targeted particularly at those companies that are new to the regulatory environment and have yet to understand their obligations.

Because some of these new entrants are offering VoIP services, there is a special chapter on code compliance for VoIP providers.

ACIF is especially keen to bring the VoIP sector into the fold because it represents the new generation in our industry.

We have been gratified at the support we have received from this sector in our VoIP Summits and the input into some of our other NGN activities.

The fact that companies like Engin and Agile have recently become members of ACIF is further reason to believe that we are broadening our appeal beyond our traditional membership base.

Over the next few months we expect to be in a position to announce some further initiatives that will underline our progress in that area.