



An Coimisiún um  
**Rialáil Cumarsáide**  
Commission for  
**Communications Regulation**

# Provision of Directory of Subscribers

## Universal Service: Scope and designation

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### Consultation

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**An Coimisiún um Rialáil Cumarsáide**  
**Commission for Communications Regulation**

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# 1 Introduction

- 1 The Commission for Communications Regulation (ComReg) is the independent regulator for the electronic communications sector in Ireland. ComReg was established by section 6 of the Communications Regulation Act, 2002 (as amended) (“the Act”).
- 2 In addition to ComReg’s statutory objectives and functions under the Act, ComReg under the Universal Service Regulations (the Regulations)<sup>1</sup> is obliged to ensure that a comprehensive directory of subscribers is made available to all end-users, whether printed or electronic or both, and is updated at least once a year, or that a comprehensive telephone directory enquiry service is made available to all end-users, including users of public pay telephones.
- 3 The universal service measure provides basic consumer protection<sup>2</sup> ensuring that end-users can access a comprehensive directory of subscribers through either a subscriber directory (printed or electronic) or, a directory enquiry (DQ) service, covering relevant public telephone numbers including, fixed and mobile personal and private numbers (the directory services).
- 4 The Regulations provide that a designated undertaking shall ensure, based on data provided to it in accordance with Regulation 19(4) that:
  - A comprehensive directory of subscribers is made available to all end-users in a form approved of by the Regulator, whether printed or electronic or both, and is updated at least once a year, or
  - that a comprehensive telephone DQ service is made available to all end-users, including users of public pay telephones.
  - The designated undertaking shall ensure that the directory services comprise all subscribers of publicly available telephone numbers in the State (including those with fixed, mobile and personal numbers) who have not refused to have their personal particulars included in those directories (subject to Regulation 12 of the Privacy and Electronic Communications Regulations).

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<sup>1</sup> Regulation 4 (1) (a) of the European Communities (Electronic Communications Networks and Services) (Universal Service and Users’ Rights) Regulations 2011, S.I. No. 337 of 2011 (“Universal Service Regulations”).

<sup>2</sup> ComReg must use all reasonable, proportionate measures to promote the interests of end-users by ensuring that end-users geographically averaged pricing (GAP) have access to universal service as specified in Directive 2002/21/EC of the European Parliament and of the Council of 7 March 2002 on a common regulatory framework for electronic communications networks and services, as amended (“Framework Directive”) at Article 8.

- 5 In July 2014, in Decision D07/14 (D07/14)<sup>3</sup> ComReg designated eir as the Universal Service Provider (USP) for provision of a directory of subscribers for a period of four years. eir, as the designated USP in Ireland, was obliged to provide a printed directory of subscribers and to ensure that it was updated annually (the printed phone directory USO).
- 6 In light of the expiration of the designation under D07/14, and having regard to the changes that have occurred in the market, ComReg is undertaking a detailed review of the provision of a directory of subscribers' service in Ireland.
- 7 The purpose of this review (USO) is to ensure availability and affordability of this directory of subscribers' service and, in the event that a USO is necessary, what, if any, may be the most appropriate designation requirements.

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<sup>3</sup> Provision of Directory of Subscribers - Universal Service: Scope and Designation, ComReg document 14/68, 7/07/14.

## 2 Executive Summary

- 8 In this consultation document ComReg seeks the views of stakeholders on the availability of and access to a comprehensive directory of subscribers under a USO designation in the short to medium term and, what, if any, may be the most appropriate designation requirements.
- 9 Directory of subscribers service refer to the ways in which end-users can access phone numbers, for example, through printed phone directories, online directories and directory enquiry (DQ) calls.
- 10 In publishing this Consultation, ComReg is cognisant of its objectives, as set out in Section 12(1) (a) (iii) of the Act, which includes the promotion of interests of end-users of services and protecting end-user welfare.
- 11 ComReg needs to ensure that, if deemed necessary, a USO for a directory of subscribers is maintained. ComReg's concern is that, if left to the operation of market forces alone, there is a risk that some end-users may not have affordable access to a directory of subscribers in the short to medium term. In these circumstances, and where a directory of subscribers is valued and needed at this time, the requirements of the Regulations would not be met.
- 12 ComReg's objective under a USO is to ensure that end-users are provided with an affordable way to access phone numbers where such universal access is not provided for under normal market conditions. ComReg recognises that electronic communications markets are changing rapidly.
- 13 This review takes account of these technical, economic and social developments to ensure that the need for, and scope of, any future USO is developed in response to these changes, while ensuring that a comprehensive directory of subscribers is made available to all end-users on an affordable basis.
- 14 ComReg considers in its draft regulatory impact assessment (RIA) in section 7, the details of the potential regulatory options and their respective impacts for end-users, service providers as well as for competition. This includes an assessment of the potential costs and benefits of each option, and the potential net welfare among other key factors.
- 15 This consultation is seeking stakeholders' views as to the optimal approach at this time to help ensure that the USO responds to end-users' needs so that they may continue to find phone numbers in an affordable way.



- 16 Having regard to the changing conditions in the electronic communications market; end-users' potential alternatives to the printed phone directory (specified USO service hitherto); evolving end-user behaviour and existing regulation in place, ComReg is of the preliminary view that there continues to be a need to designate a USP or USP(s) in the short term and to impose a USO for the purpose of achieving its objectives that end-users are protected and therefore ensure that the requirements of the Regulations are met.
- 17 There are a number of possible ways in which a USO (if so decided) could be implemented to ensure availability and affordability to end-users. However, on the basis of the analysis conducted, ComReg is of the preliminary view that, on balance, its proposed minimum intervention is likely to provide the optimum safety net to end-users in respect of access and affordability of directory services.
- 18 ComReg is cognisant that no undertaking should be excluded from being designated as the directory of subscribers service USP.<sup>4</sup> This consultation invites undertakings to express an interest in being designated with respect to providing directory services for a proposed designation period until the end of 2020 commencing the date of any ComReg decision, circa November/December 2018 to 31 December 2020.<sup>5</sup>
- 19 On a related matter, ComReg considers that the definition of "operator" in the e-Privacy Regulations<sup>6</sup> needs to be precisely aligned with the entity that is required to maintain the National Directory Database (NDD) under Regulation 19(4) of the Regulations. The definition of "operator" in the e-Privacy Regulations is currently aligned with the entity designated in respect of the USO directory enquiry services and directories and not with the maintenance of the NDD. ComReg considers that the functions of the "operator" in the e-Privacy Regulations are dependent on the maintenance and management of the NDD and not with the role of any universal service provider that provides a subscriber directory. Therefore, ComReg considers that the current definition of "operator in the e-Privacy Regulations requires an amendment.

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<sup>4</sup> European Communities (Electronic Communications Networks and Services) (Universal Services and Users' Rights) Regulations 2011, S.I. No 337 of 2011 ("the Regulations")

<sup>5</sup> Under Regulation 7(2) of the Regulations, ComReg may designate different undertakings or sets of undertakings to comply with the obligation in Regulation 4.

<sup>6</sup> European Communities (Electronic Communications Networks and Services) (Privacy and Electronic Communications) Regulations 2011 (No. 336/2011) ("E-Privacy Regulations")

- 20 ComReg has communicated with the Department of Communications Climate Action and the Environment (DCCA) on this matter and ComReg expects that the matter will be resolved. This consultation therefore extends an invitation to all undertakings who are interested in providing this aspect of the USO, to express their interest in providing a directory of subscribers' service under the universal service for the proposed next designation period together with their submission to this consultation.
- 21 If expressions of interest are received, ComReg will consider such proposals and possible further steps in the response to this consultation. This may include aspects in respect of addressing the matter described in paragraph 19. It may also include further consideration of the designation period and other aspects proposed in this consultation.
- 22 If the legislation is changed, it is possible that one undertaking could provide a directory of subscribers' service, as relevant, while another or the same undertaking maintains the NDD. However, ComReg is of the view that the processes of imposing each of these obligations, as relevant, should remain separate regulatory processes because the NDD is not a universal service.
- 23 In order to assist in formulating its views, ComReg is seeking information from relevant stakeholders in relation to usage of the directory of subscribers' service. The consultation proposes that a printed phonebook directory be provided on an 'opt-in' basis for 2019 and that where no expressions of interest are received or the particular legislative matter set out above is not addressed in time, eir should continue to be USP. ComReg is proposing that the designation period be sufficient for the 2019 and the 2020 annual directory obligation to be fulfilled. ComReg believes that the options and proposals set out in this consultation will ensure that end-users have an affordable way to access phone numbers in the short term.
- 24 ComReg looks forward to receiving responses from all stakeholders in relation to the proposals in this consultation. ComReg will review and fully take into account all of the responses it receives.

### 3 Background

- 25 ComReg has an obligation to ensure that *“a comprehensive directory of subscribers is made available to all end-users, whether printed or electronic or both, and is updated at least once a year, or that a comprehensive telephone directory enquiry service is made available to all end-users, including users of public pay telephones”*<sup>7</sup>.
- 26 The Regulations provide that a designated undertaking shall ensure the directory or directory enquiry service comprises all subscribers in the State (including those with fixed, mobile and personal numbers) who have not refused to have their personal details included in those directories.
- 27 The provision of universal directory of subscribers’ service may result in USP(s) providing designated directory of subscriber service(s) at a net cost (USO net cost). The Regulations allow the USP(s) to seek funding to meet a net cost of the universal service.<sup>8</sup> The Regulations provide that if ComReg finds that the net cost of the USO represents an unfair burden on the USP, that funding requirement must be shared by industry.<sup>9</sup>
- 28 eir has submitted USO funding applications in respect of the financial years 2014/15 and 2015/16. The portion of the net cost submitted by eir which relates to the printed directory USO is €1,400,000 in 2014/15 and [§< ██████████] in 2015/16.
- 29 In July 2014, ComReg in D07/14 designated eir as the USP for provision of the printed directory of subscribers<sup>10</sup> for a period of four years. eir, as the USP for that period, was obliged to ensure that a comprehensive printed directory of subscribers was made available to end-users and is updated at least once a year.
- 30 In light of the expiration of this designation, ComReg is undertaking a detailed review of directory of subscribers service, to ascertain what, if any, are the most appropriate designation requirements.
- 31 In this respect, ComReg issued an information request to eir in February 2018 to collect relevant information which will assist with this review.

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<sup>7</sup> Section 4 (10 (a) of European Communities (Electronic Communications Networks and Services) (Universal Service and Users’ Rights) Regulations 2011 - SI No.337 of 2011.

<sup>8</sup> Regulation 11(1) of the Regulations.

<sup>9</sup> Regulation 12(1) of the Regulations.

<sup>10</sup> Ibid.

- 32 ComReg also commissioned RED C Research (RED C) to conduct market research during March 2018, to assess the usage and attitude towards a directory of subscribers' service in Ireland (ComReg Survey 2018).<sup>11</sup> The purpose of this research is to assist ComReg with exploring consumer's options for access to a comprehensive directory of subscribers (including printed, and on-line options).
- 33 The research was conducted using RED C's telephone omnibus survey and using a nationally representative sample of adults aged 18+. The detailed analysis and findings are set out in Annex 3.
- 34 This consultation document seeks stakeholders views on:
- Whether there is a need to apply a USO with respect to ensuring availability and affordability of a directory of subscribers service for end-users, and
  - How to ensure that end-users will have access to comprehensive, and affordable directory of subscribers' service in line with the requirements of the Universal Service Regulations.
- 35 In considering an obligation in this regard, ComReg's objective is to ensure that end-users are provided with at an affordable way to access phone numbers, which are updated annually to a directory of subscribers under a USO, if not provided under normal market conditions.
- 36 The structure of this consultation document is:
- Chapter 4 - provides an overview of the directory of subscribers service market in Ireland and the EU;
  - Chapter 5 - assesses potential options and an optimal approach to provision of directory of subscribers service at this time;
  - Chapter 6 - universal service designation;
  - Chapter 7 - ComReg's draft RIA of the relevant regulatory options.

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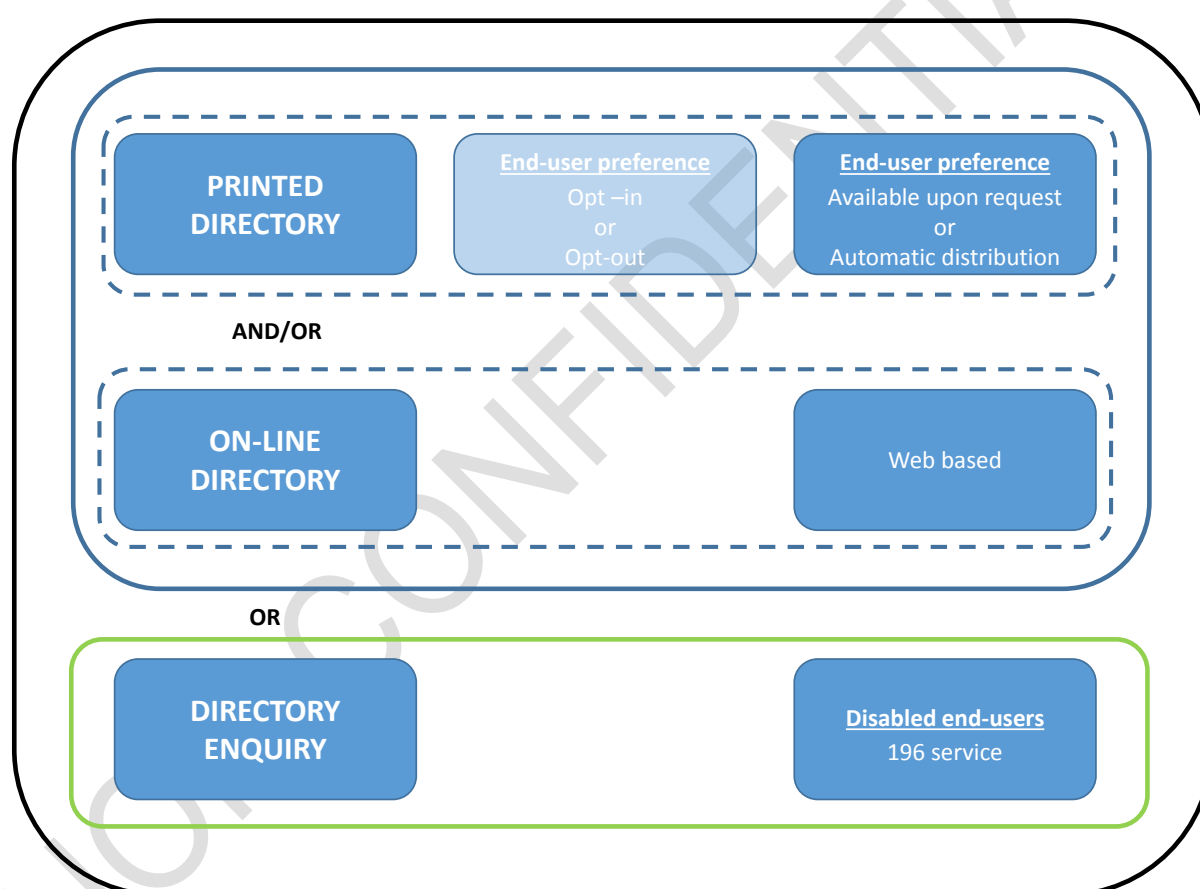
<sup>11</sup> Document number18/90a

## 4 Directory of subscribers service

### 4.1 Overview of the market for a directory of subscribers service in Ireland and related trends

- 37 There are a number of ways in which end-users can access telephone numbers, for example, through printed directories (either supplied by the USP or otherwise), through DQ services or online (through online directories or online searches Figure 1).

Figure 1: Options for finding telephone numbers



- 38 End-users have a number of options for making their telephone numbers available:
- Listed: details (name, address, telephone number) are listed in the phone directory and with Directory Enquiries;
  - Unlisted: listed with Directory Enquiries only, i.e. not in the telephone directory (i.e. eir phonebook);
  - Ex-Directory: details not listed the phone book or with Directory Enquiries.

## Printed Phonebook Directory

39 As the USP, eir was obliged to provide a printed phone directory, updated at least once a year to end-users. eir was required to ensure that the printed phone directory comprised all subscribers of PATS who have not refused to have their personal particulars included in those directories.

40 D07/14, Section 2.1.2, 2.23 and 2.4 stated:

41 *“The USP shall ensure that a comprehensive printed directory or directories of subscribers, based on the data provided to it in accordance with Regulation 19(4) of the Regulations, and updated at least once a year, is made available to end-users, who during the periods of the final two years of operation of this Decision and the Decision Instrument,*

*a) Have not opted out of receiving that directory or directories, or*

*b) Have opted in to receive that directory or directories*

*Whichever model is demonstrated by the USP, to be the most cost-effective for the USP.*

*2.1.3 Cost details relating to whichever model is demonstrated by the USP, to be the most cost effective for the USP will be made publically available subject to confidentiality.*

*The USP shall ensure that any opt-in model is implemented together with advance communications campaign, where end-users can opt-in using a variety of accessible, easy and cost-free ways. In this respect, ComReg reserves its right to approve the adopted approach.”*

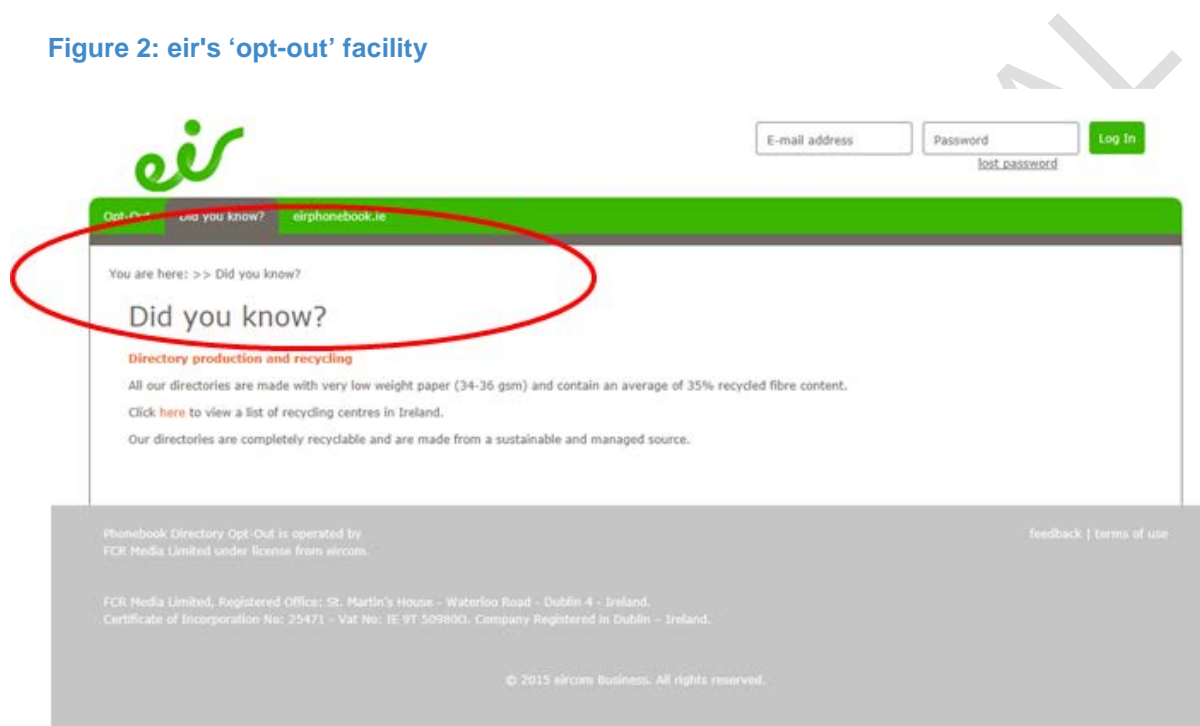
42 eir provided end-users with a copy of their local area printed phonebook directory. End-users could also request additional copies of non-local printed phonebook directories, which eir provided free of charge.

43 Every end-user has the right to an entry in the printed phonebook directory. The printed area phonebook directory contains only those telephone numbers in the local area, who have not refused, through their service provider, to have their personal particulars included in the printed phonebook directory.

44 The printed directory of subscribers provides end-users with useful information (for example, access to details and contact information for Government services).

- 45 eir has been the main provider of the printed directory of subscribers in the State. Although there are a number of other smaller commercial printed directory providers in the State, these directories primarily contain business contact details.
- 46 In 2014, eir began offering end-users a facility to “opt out” of receiving the printed phonebook directory. End-users were able to go online to [www.phonebookoptout.ie](http://www.phonebookoptout.ie) and opt out of receiving the printed directory of subscribers (Figure 2 and Figure 3).

Figure 2: eir's 'opt-out' facility

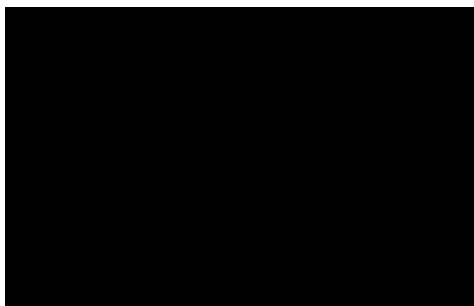


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Figure 3: eir's 'opt-out' facility

47 The number of end-users who registered to stop the delivery (opt-out) of the printed directory has been low (Figure 4):

Figure 4: Number of end-users stopping the delivery of the printed directory [X]



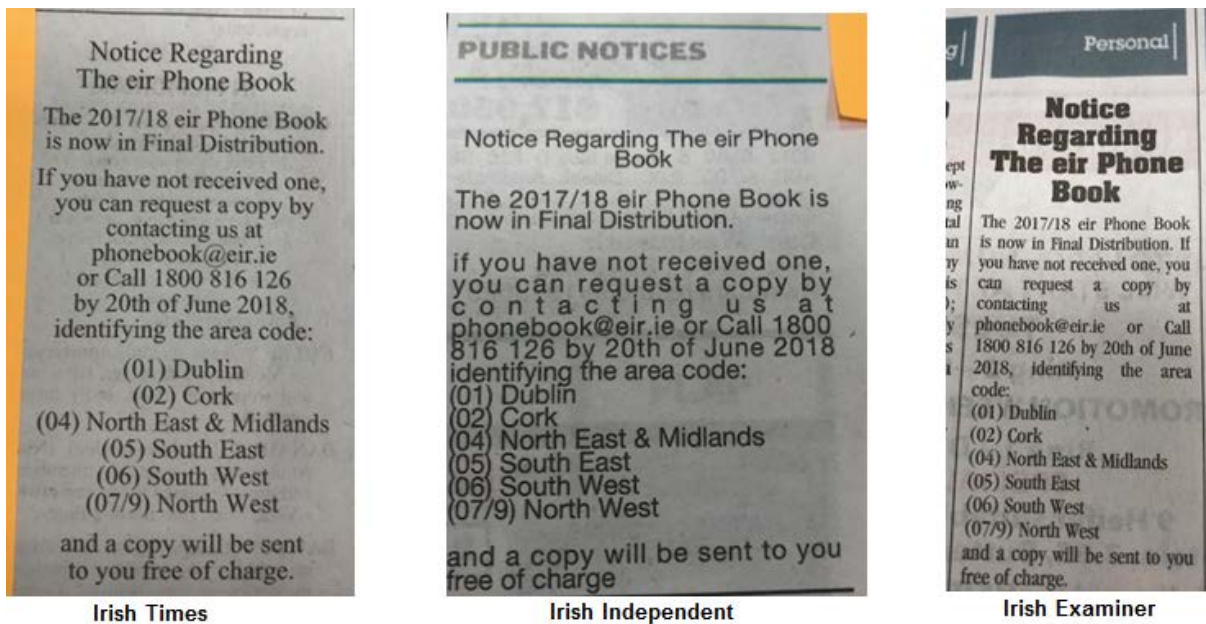


- 48 eir engaged in a tender process in 2015 to engage an independent supplier to print and distribute, on eir's behalf, a printed phonebook directory for the 2015 cycle. [REDACTED]
- 49 The printing and distribution of eir's printed phonebook directory was outsourced by eir in June 2016 to FCR Media Ltd (FCR). FCR also print and distribute the Golden Pages directory. [REDACTED]
- 50 FCR entered Examinership<sup>12</sup> proceedings on 26 July 2017.
- 51 In respect of the supply of eir's printed phonebook directory, arrangements were made in regard to the printing and distribution of eir's 2017-2018 printed phonebook directory [REDACTED]
- 52 In May 2018, eir (in conjunction with FCR) advertised (three separate times) in three national newspapers the opportunity for end-users to request eir's printed phonebook directory by 31 June 2018.(Figure 5)

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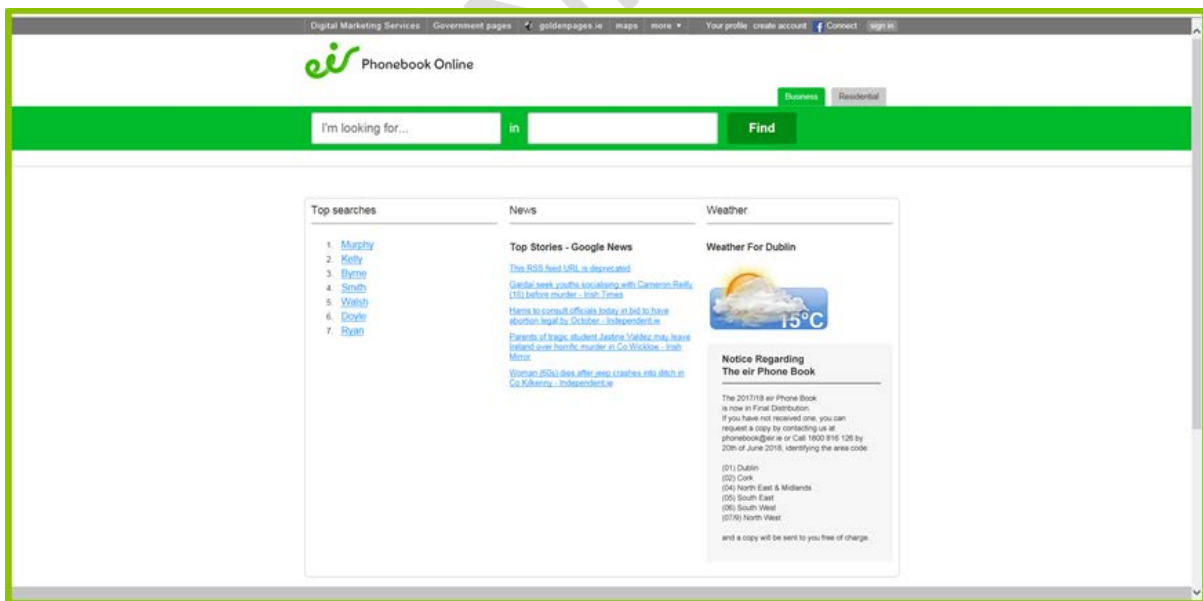
<sup>12</sup> In November 2017 the High Court of Ireland approved a scheme allowing FCR Media Ltd. to exit examinership and continue to trade as a going concern FCR MEDIA LTD -V- COMPANIES ACT 2017/275 COS

Figure 5: National newspapers - ability to request an "eir phonebook directory"



53 eir has also publish the following notice on its web site (Figure 6).

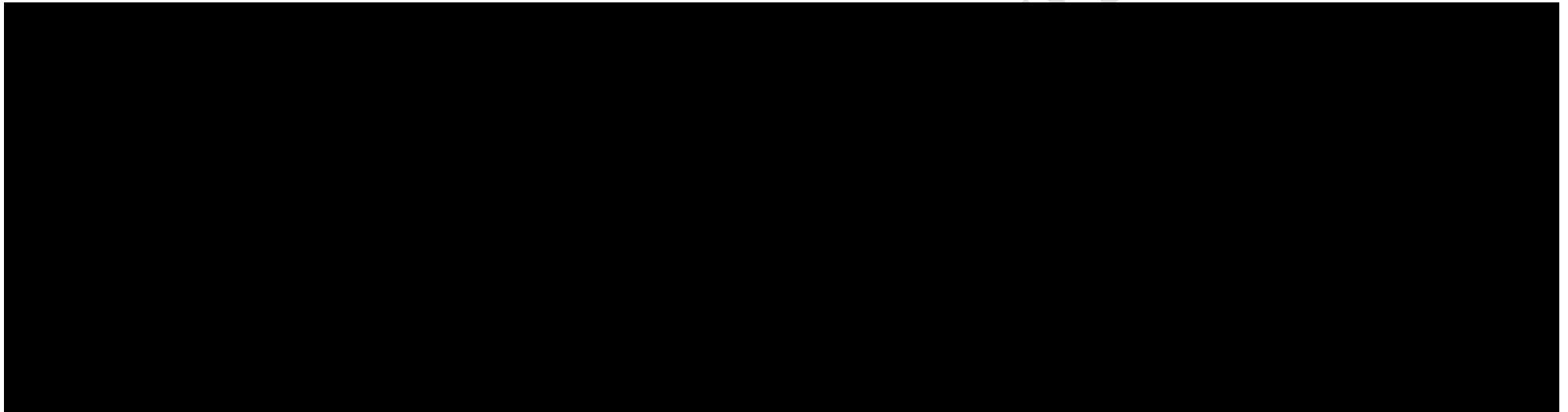
Figure 6: Ability to request an "eir phonebook directory"



54 Figure 7 provides an overview of the current<sup>13</sup> status of the 2017/2018 printed directory production and distribution. This shows that the majority of directories have been distributed to end-users with a number held back to cater for specific end-user requests.

<sup>13</sup> June 2018

Figure 7: Current status of 2017/2018 printed phonebook directory production and distribution [8]



## Directory Enquiry Services

- 55 A DQ call is a call an end-user makes to a DQ service provider when they are looking for a business or individual's phone number. DQ calls can be made from mobiles or landlines. DQ numbers begin with 118 and are 5 digits long.
- 56 As regards accessible services for disabled end-users, under the Regulations, every undertaking is required to allow subscribers who are unable to use the printed phonebook directory,<sup>14</sup> access to a DQ service free of charge (the 'special Directory Enquiry arrangements').<sup>15</sup> eir offers a service using 196 to other undertakings. Qualifying criteria<sup>16</sup> must be met to enable an end-user to avail of this service. (See Annex 4).
- 57 For the standard DQ services, there are a variety of prices depending on the network operator and the DQ service provider. The price charged is dependent on the access type (mobile or landline); the service provider; the directory enquiry service accessed and whether the request is for number look up service call only; or number look-up and onward call connection service. Both directory enquiry and onward call connection services are generally priced in excess of the prevailing standard calling rates.
- 58 ComReg's "compare" facility on its website [www.comreg.ie](http://www.comreg.ie) provides a facility to allow end-users to compare the cost of calls including DQ calls and onward connection to each DQ provider (Further details are contained in Annex 5).
- 59 eir estimates that it has 83% of the DQ market, and according to eir's estimates, the DQ market is declining. *The "Annual Report for Bondholders Year Ended 30 June 2017 - eircom Holdings (Ireland) Limited ("EHIL")*, 13 September 2017 - page 67 states :
- ".. We provide operator assisted telephone services and a directory enquiry service ("11811") to customers on all networks, both fixed and mobile. We estimate that our directory enquiry services held a market share of approximately 83% of the total market for directory enquiry services as of 30 June 2017. Directory enquiry information is also available free of charge via an online phone book at [www.eirphonebook.ie](http://www.eirphonebook.ie)"*
- 60 According to the eircom Holdings (Ireland) Limited – first quarter unaudited results 30 September 2013 – 2017 show eir's revenue and revenue movement over the period 2013-2017.

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<sup>14</sup> Because of a vision impairment and/or have difficulty using the phone book

<sup>15</sup> Electronic Communications: Measures to Ensure Equivalence in Access and Choice for Disabled End Users, ComReg Decision D04/14, ComReg document 14/52, May 2014.

<sup>16</sup> The qualifying criteria are available on the eir website at <https://www.eir.ie/accessibility/>

Figure 8: DQ revenues 2013-2017 - unaudited results

eircom holdings (Ireland) Limited First Quarter unaudited results	30/09/2013 €m	30/09/2014 €m	30/09/2015 €m	30/09/2016 €m	30/09/2017 €m
Operator Services (DQ)	5	4	3	2	2

Figure 9: Operator services revenues related to directory enquiry services

Revenue Movement	% Change 14/15	% Change 15/16	% Change 16/17	% Change 17/18
Operator Services due to declining DQ call volumes	18%	20%	24%	12%

- 61 Nicola Byrne, the CEO of 11890, in an interview with the independent newspaper on 8 March 2015<sup>17</sup> stated:

*“Directory enquiries has been declining [and] will be about 10% of our business in 5 years.... It has been on the slide for the past number of years with the rise in mobile technology, which has also eaten into 11890’s revenue. In 2013 the company’s sales were €4.39m. Last year [2014] revenue was down to €3m.”*

## Online directories

- 62 A number of service providers voluntarily provide an online phone directory.<sup>18</sup> (e.g. <http://www.118.ie/>, <http://11890.ie/> and <https://www.eirphonebook.ie/>). Moreover, for those with internet access, it is relatively easy to obtain contact information for many businesses through businesses’ websites or by using a search engine. Information on residential telephone numbers is generally accessible, via the online directories or DQ services. Access to these online directories is free-of-charge.
- 63 For those with internet access, online phone directories have the advantage of containing all telephone numbers of subscribers who have not refused to have their personal particulars included in a directory. Directory information relating to accessing public and government services is now often provided online by Government and other agencies.

## 4.2 Internet access and usage

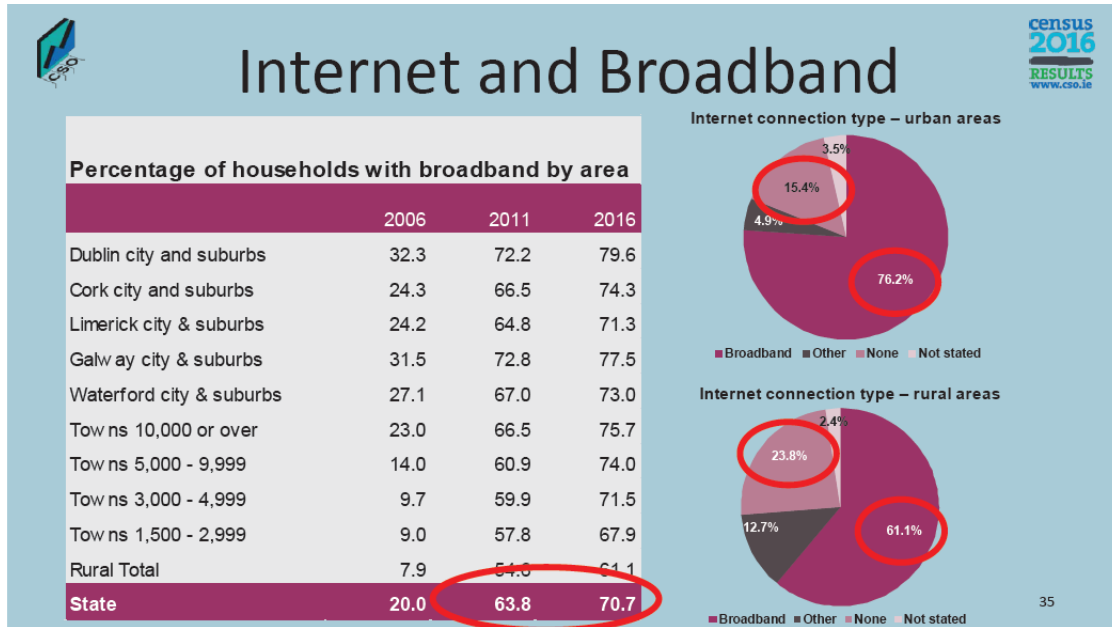
- 64 According to the Central Statistics Office, (CSO) 2016 Census, 312,982 dwellings (18.4%) had no internet connection, down from more than 1 in 4 (25.8%) in 2011.

<sup>17</sup> <https://www.independent.ie/business/irish/innovate-or-die-for-directory-enquiries-as-11890-turns-to-web-31048718.html>

<sup>18</sup> e.g. <http://www.118.ie/>, <http://11890.ie/> and <https://www.eirphonebook.ie/>

65 The Census also showed that broadband use in private households increased to 70.7% compared to 63.8% in 2011; and 148,125 more households had a broadband connection<sup>19</sup> (Figure 10).

Figure 10: Census 2016 Results



66 Figure 11 shows the total fixed line single play voice only subscriptions for 2017. This is an indication of the cohort of the total population who may be reliant on a printed directory, as they may have no internet access.

19

Source: [http://www.cso.ie/en/media/csoie/newsevents/documents/census2016summaryresultspart1/Presentation\\_Census\\_Summary\\_Results\\_Part\\_1.pdf](http://www.cso.ie/en/media/csoie/newsevents/documents/census2016summaryresultspart1/Presentation_Census_Summary_Results_Part_1.pdf)

Figure 11: Total - Fixed Line Single Play Voice only



Source Quarterly Report 2017 (March 2018)

67 Figure 12 shows the residential fixed line single play voice only subscriptions for 2017. This is an indication of the cohort of the residential population who may be reliant on a printed directory, as they may have no internet access.

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Figure 12: Residential - Fixed Line Single Play Voice only



Source Quarterly Report 2017 (March 2018)

- 68 ComReg undertook a review survey of Mobile Customer Experience in May 2018<sup>20</sup>. One element of this review considered ownership of mobile phone handsets by type and demographics. This indicates that mobile smart phone ownership decreases by age profile.

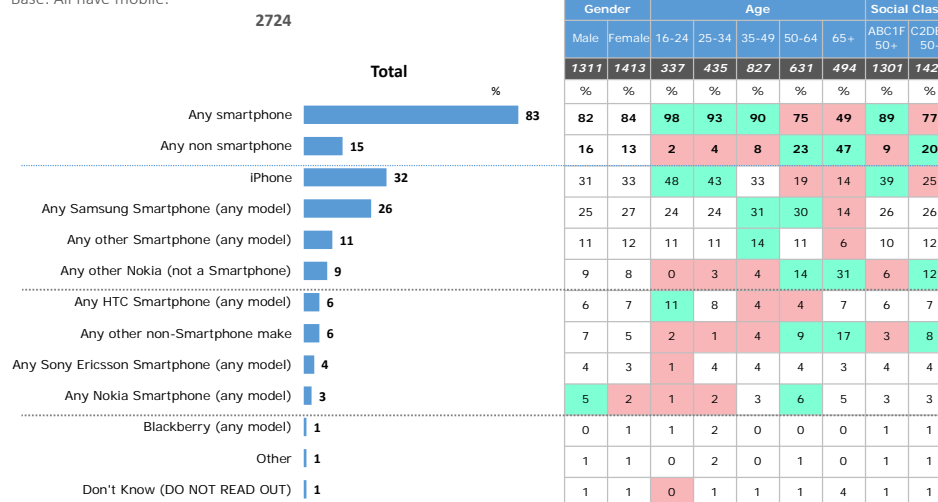
<sup>20</sup> Mobile Consumer Experience Survey, December 2017, ComReg Document 17/100a



Figure 13 Mobile Customer Experience

Ownership of mobile phone handsets x demographics

Base: All have mobile:



Q.12 Do you own any of the following mobile phone handsets?

### 4.3 ComReg Survey 2018: Key findings

69 ComReg undertook a survey to assess the usage and attitude towards finding phone numbers in Ireland. The survey results, published at the same time as this consultation (ComReg document number 18/90a), has informed this consultation.

70 The most relevant findings to the policy issue from this survey of adults 18+ are:

- Mobile phone ownership is almost universal amongst Irish adults (98%), while 59% have access to and use a landline telephone service;
- The internet is the most popular source for finding both a personal individual's phone number and a business phone number at 56% and 83% respectively. This is driven by younger adults with those aged 55+ still likely to use the local printed phonebook directory. Regionally, Connaught and Ulster end-users are more reliant on printed directory than Dublin;
- When looking for an individual's phone number, approximately 1 in 4 (26% and 23% respectively) ask friends/family and/or use their local printed phonebook directory, however for those looking for a business phone number, internet dominates, with low levels of use for all other sources;
- Usage of the eir printed phonebook directory is significantly higher than usage of eir's online directory in terms of looking up both a private individual's number and a business number;

- In addition to the internet being used more to find a personal or business number it is also used more frequently than other sources. 36% use the internet more often than once a month to find a personal number while 47% of those using their smartphone to find a number do so more often than once a month;
- Nearly 2 in 3 (64%) of those using the internet to source a business phone number do so more often than once a month;
- The most common method of accessing directory enquiries is via a landline with no onward call connection (45%). Those calling from mobile are also more likely not to have the call connected;
- Cost is a barrier for 46% of those that do not use a directory enquiries service. 1 in 4 say they use the internet instead, rising to 31% amongst 18-34 year olds;
- Amongst those that do not use a printed phonebook directory, over a third (36%) claim that the reason for this is that they do not own one. Almost a quarter (24%) of those not using the printed phonebook directory opt to use the internet in order to find a number;
- Lack of knowledge is the most prominent reason for not using eir's Online Phonebook at 42%. More than 1 in 4 (27%) also say they didn't think of it, while 15% used another internet service instead;
- 38% of the printed phonebook directory users would use the internet to find a phone number in the event of the printed phonebook directory no longer being available, driven by younger adults;
- Little willingness exists to pay for a printed phonebook directory, with the majority (83%) stating that they would be unwilling to pay. However existing printed phonebook directory users are more willing to pay for the printed phonebook directory (15%); amongst those that would/might pay for a printed phonebook directory, the average amount they would be willing to pay is €11.67.

#### 4.4 Potential USO net cost of a directory of subscribers service

- 71 As set out in section 3, the Regulations allow a USP(s) to seek funding to share a net cost of the universal service in the event that an unfair burden is found.
- 72 ComReg has received eir's USO funding applications in respect of the financial years 2010 through 2015. ComReg has issued consultations in respect of its preliminary assessment of each of these funding applications. The portion of the net cost submitted by eir which relates to directories is €1,400,000 in 2014/15

73 eir has submitted USO funding applications in respect of 2015/16. The portion of the net cost submitted by eir which relates to directories is €[ ] in 2015/16. ComReg has yet to assess this application.

## 4.5 European context

74 According to a 2017 BEREC report,<sup>21</sup> 28 countries reported at least one directory available on the market in the relevant Member State.

Figure 14: Is there at least one directory available on the market in your Member State?

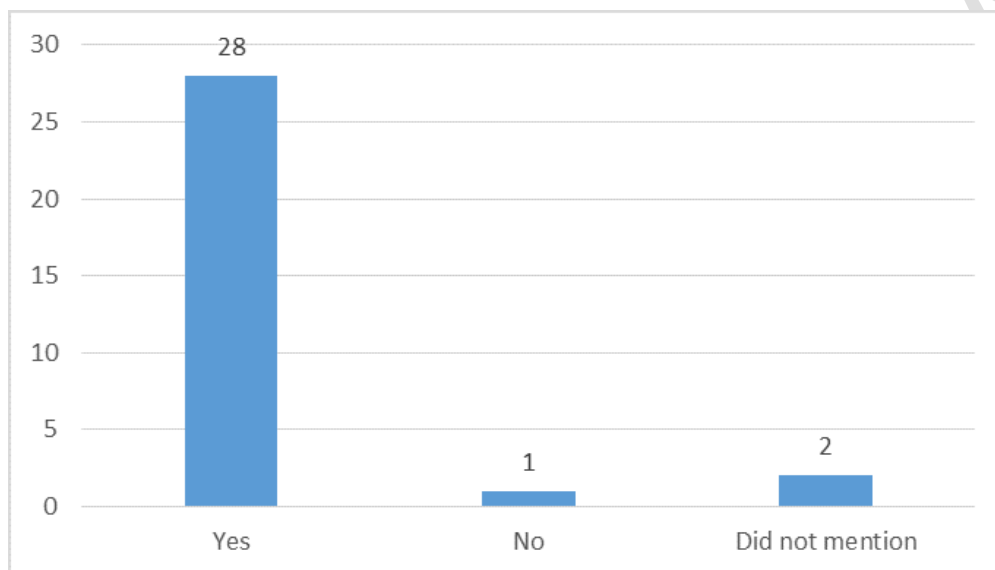


Figure 15: Member States where there is at least one directory available in the market

Member States with at least one directory available in their market		
Austria	France	Poland
Bulgaria	Croatia	Portugal
Cyprus	Hungary	Romania
Czech Republic	Ireland	Sweden
Germany	Italy	Slovenia
Denmark	Lithuania	United Kingdom
Estonia	Luxemburg	Iceland
Greece	Malta	Montenegro
Spain	Netherlands	Norway

<sup>21</sup> See “BEREC update survey on the implementation and application of the universal service provisions – a synthesis of the results” (BoR (17) 41).

- 75 Of 27 countries, the majority (16) countries reported that there are both printed and electronic directories available.

Figure 16: Member States with where both printed and electronic directories are available

Member States - both printed and electronic directories		
Austria	France	Luxemburg
Bulgaria	Croatia	Netherlands
Germany	Hungary	Portugal
Denmark	Ireland	Sweden
Spain	Italy	Slovenia
United Kingdom		

- 76 Three countries provided only printed directories.

Figure 17: Member States where there are only printed directories (at least one)

Member States - printed directories only		
Greece	Iceland	Montenegro

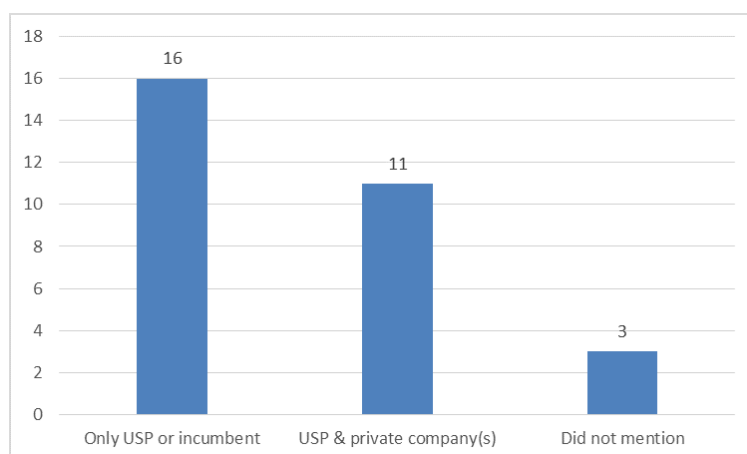
- 77 Eight countries provide only electronic directories.

Figure 18: Member States where there are only electronic directories

Member States - electronic directories only		
Cyprus	Estonia	Romania
Czech Republic	Poland	Norway
Malta	Lithuania	

- 78 The USP or the incumbent are predominantly the providers of the directory. There are many private undertakings in the market, primarily in the electronic and telephone directory services. The provision of printed directories is largely by the USP (or subsidiary of the USP or a third party on behalf of the USP).

Figure 19: Who provides the directory service?



79 Two Member States update printed directories less frequently than annually.

Figure 20: Frequency of printed directory updates

Frequency of printed directory updates - less frequently than annually		
Bulgaria	Croatia	

80 Seven Member States update printed directories annually.

Figure 21: Frequency of printed directory updates - annually

Frequency of printed directory updates - annually		
Austria	Germany	Spain
Hungary	Italy	Portugal
Slovenia		

81 Five Member States update electronic directories more than once a year.

Figure 22: Frequency of electronic directory updates – more than once a year

Frequency of electronic directory updates - more than once a year		
Austria	Czech Republic	Croatia
Lithuania	Slovenia	

82 Seven Member States update electronic directories more than once a year.

Figure 23: Frequency of electronic directory updates - annually

Frequency of electronic directory updates - annually		
Bulgaria	Cyprus	Germany
Spain	Hungary	Italy
Portugal		

## 5 Directory Services Obligation

83 Regulation 4 of the Universal Service Regulations requires:

*“4. (1) A designated undertaking shall ensure, based on the data provided to it in accordance with Regulation 19 (4)*

*(a) that a comprehensive directory of subscribers is made available to all end-users in a form approved of by the Regulator, whether printed or electronic or both, and is updated at least once a year , or*

*(b) that a comprehensive telephone directory enquiry service is made available to all end-users, including users of public payphones*

*(2) The designated undertaking concerned shall ensure that the directory or the directory enquiry service referred to in paragraph (1) comprises all subscribers of publically available telephone services in the State (including those with fixed, mobile and personal numbers) who have not refused to have their personal particulars included in those directories. This paragraph is subject to Regulation 12 of the Privacy and Electronic Communications Regulation.*

84 ComReg in D07/14 designated eir as the USP for the provision of a comprehensive directory of subscribers in a printed form for a period of four years.

85 ComReg is considering whether there continues to be a requirement to apply a USO and, should a USO be required, what would be an optimal approach at this time. In this respect, ComReg is assessing the following potential regulatory approaches which may be adopted in order to meet ComReg's objectives (inter alia, that end-users may continue to benefit from affordable access to universal directory of subscribers service):

1. Rely on normal market conditions to deliver directory of subscribers service; or
2. Designate a USP to provide a printed phonebook directory consisting of the same obligations hitherto (the status quo); or
3. Designate a USP with a changed USO specification
4. ComReg will review and fully take into account all responses it receives from stakeholders in relation to the options and proposals in this consultation before coming to a final decision.

## 5.1 Option 1 – No USO: Rely on normal market conditions to deliver a directory of subscribers service

- 86 ComReg has discretion as to whether to designate a USP for provision of a comprehensive directory of subscribers.<sup>22</sup>
- 87 Having regard to available information and, the changes in demand and technology, ComReg now considers (and its draft RIA) the potential impact of removing the USO.
- 88 ComReg's objective is to ensure that the requirements under the Regulations are met – that a directory of subscribers' service should be accessible to all end-users at an affordable price where the market does not provide this universal service.
- 89 ComReg is concerned that if the USO is removed, certain end-users, (such as, those without internet) would have limited options available to access telephone numbers at an affordable price.
- 90 ComReg is of the preliminary view that by removing USO, in light of market developments, it is likely that the distribution of the printed phonebook directory would cease. As set out at paragraph 50, in eir's view, the advertising revenues associated with printed phonebook directory appears to have been decreasing in recent years, although this is not necessarily the case in respect of online directory services.
- 91 A number of undertakings (including eir) currently provide access to an online directory of subscribers, free of charge, on a voluntary basis. ComReg is of the preliminary view that as this facility is already provided for by a number of undertakings, it would appear that these undertakings consider it a viable service and accordingly it is unlikely to be ceased by these relevant undertakings.
- 92 Service providers including eir currently provide access to online directories, free of charge, on a commercial basis. It is noted that service providers are not precluded from charging end-users for access to these online directories services. ComReg notes the changing end-user demands and the methods chosen to access subscriber's numbers, are primarily through the internet.
- 93 Distinct from USO, undertakings are required to provide special Directory Enquiry arrangements for disabled end-users that cannot access the printed phonebook directory.

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<sup>22</sup> Under Regulation 7 (1) of the Universal Service Regulations, ComReg may designate one or more undertakings to comply with an obligation or requirement referred to in, inter alia, Regulation 4 of those Regulations, which relates to comprehensive directory of subscribers.

- 94 ComReg is concerned regarding access to affordable directory of subscribers' service. There remains a cohort of the general population who either, do not have internet access, or, where available, lack the relevant technical skills to utilise it. This concern particularly relates to those within the 65+ group and living alone, who may be adversely impacted by removing the USO (see paragraph 68).
- 95 ComReg notes (paragraph 58) that calls to DQ can be significantly more expensive compared to other calls. There are no price regulations for DQ calls which compared with other calls can be expensive. According to ComReg's survey 2018,<sup>23</sup> among alternatives to the printed phonebook directory, DQ services are the least popular source for finding a personal and a business phone number, at 18% and 9% respectively. Cost is cited as a barrier for 46% of those that do not use DQ service.
- 96 In light of the above identified end-user protection concerns, ComReg is of the preliminary view that, there likely continues to be at least in the short term, a need for a USO. However, where imposing a USO, ComReg will bear in mind possible costs of a solution to providing access to a directory of subscribers in the short term, with the benefits to end-users of any continued provision. In this regard, ComReg is also assessing possible alternatives to the USO approach hitherto (i.e. the printed phonebook directory USO) to meet universal service needs, as relevant.

Q. 1 Do you agree with ComReg's preliminary view that there is a continued need to apply a USO to ensure availability and affordability of a directory of subscribers' service in the short term? Please provide evidence and reasons to support your views.

## 5.2 Option 2 – Designate a USP to provide a printed phonebook directory in accordance with the obligations in place hitherto (the status quo approach)

- 97 Under D07/14 eir as the USP was obliged to ensure that a comprehensive printed directory of subscribers was made available to all end-users, free of charge, and was updated at least once a year.

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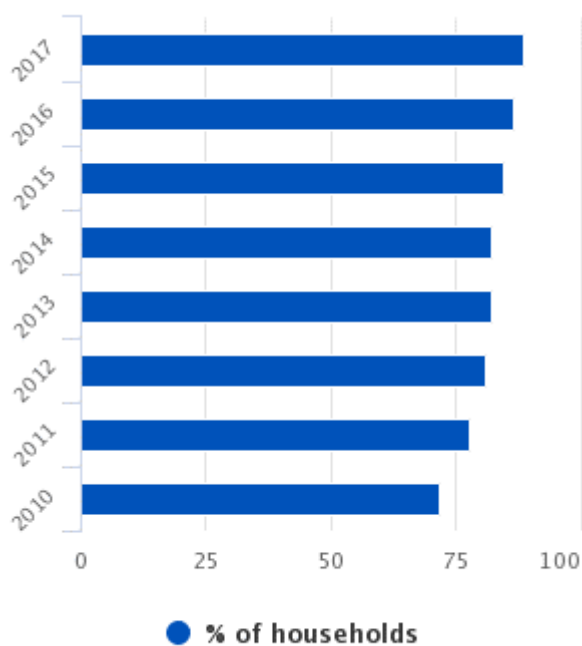
<sup>23</sup> Slide 6, slide 7 and slide 11.



- 98 In the event that ComReg ultimately decides that a USO should continue to apply, it may designate a USP(s) and impose a USO requiring the USP to provide a printed phonebook directory in accordance with the obligation in place hitherto under D07/14, (*inter alia*, that end-users would continue to receive, free of charge, a printed phonebook directory which is updated annually and delivered to their address every year).
- 99 In 2014, eir introduced a facility whereby end-users could opt-out of receiving the printed phonebook directory, should they no longer wish to receive it. As outlined in paragraph 48 above the take-up rates of this facility have been very low.
- 100 ComReg acknowledges that the market demand for, usage of, and access to a directory of subscribers' service is changing. The internet is the most popular source for finding both a personal individual's phone number and a business phone number at 56% and 83% respectively. This is driven by younger adults with those aged 55+ still likely to use the local printed phonebook directory. Regionally Connaught and Ulster end-users are more reliant on the printed phonebook directory than Dublin.
- 101 However, as outlined in paragraphs 66 to 69 there remains a significant sub-group of the general population who either do not have internet access, or where available, lack the relevant technical skills to utilise it, particularly within the 65+ group and living alone. ComReg's Survey 2018<sup>24</sup> demonstrates that an important minority of end-users continue to rely and use the printed phonebook directory.
- 102 Usage of eir's printed phonebook directory is significantly higher than usage of eir's online directory in terms of looking up both a private individual's number and a business number. Lack of knowledge (42%) is the most prominent reason for not using eir's online directory.
- 103 In 2017 the CSO (Information Society Statistics – Households 2017) it is estimated that 89% of households have access to the internet at home (Figure 24). The main reasons stated for not having a household internet connection were 'do not need internet (45%)' and 'lack of skills' (43%). In 2017, 81% of internet users used the internet in the three months prior to interview.

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<sup>24</sup> ComReg Survey 2018, slide 6.

**Figure 24: 89% of households have internet access<sup>25</sup>**

Source: CSO Ireland

- 104 'Finding information on goods and services (86%)' was the most common activity carried out on the internet by individuals. The next most common activities selected were 'e-mail (85%)', followed by 'social networking (72%)' and 'internet banking (71%)'.
- 105 Data for 2017 indicates that fixed broadband is the most common type of internet access in a household (84% compared with 49% using mobile broadband (Internet access via narrow broadband connection was just 1%). Note more than one type of internet connection may be used in households.
- 106 In 2017, of the 11% of households with no internet access, 43% reported that this was due to 'lack of skills'. Further barriers reported included 'equipment costs too high (13%)' and 'access costs too high (10%)', while 45% of households without internet access reported that this was because they 'do not need internet'. In the Midlands region, 17% of households with no internet access reported that internet access was 'not available in the area' compared with 0% in the Dublin region.
- 107 In 2017, 81% of internet users used the internet in the three months prior to interview. 95% of individuals in the 16-29 years age group used the internet within the last three months, compared with 48% of individuals in the 60-74 age category. 46% of individuals in the 60-74 years age group have never used the internet.

<sup>25</sup> <http://www.cso.ie/en/releasesandpublications/er/iss/hh/informationandsocietystatistics-households2017/>

- 108 The population aged 65 years and over increased by 102,174 to 637,567 (19.1%) in 2016. The largest increases in persons aged 65 and over were concentrated in Fingal (36.1%), South Dublin (34.1%), Kildare (32.2%) and Meath (27.4%). While the smallest increases were in Dublin City with the population aged 65 years and over increasing by just 8.8 percent and Cork City (9.9%).
- 109 Of the total population aged 65 years and over 156,799 lived alone representing 26.7% of the total. This is slightly down on the 2011 figure of 27.7 per cent. In 2017, of the 11% of households with no internet access, 43% reported that this was due to 'lack of skills'. Further barriers reports included 'equipment costs too high (13%) and 'access costs too high (10%), while 45% of households without internet access reported that this was because they 'do not need internet'. In the Midlands region, 17% of households with no internet access reported that internet access was 'not available in the area' compared with 0% in the Dublin region.
- 110 The main reasons stated for not having a household internet connection were *Do not need internet* (45%) and *Lack of skills* (43%).
- 111 In 2017, an estimated 81% of individuals used the internet in the 3 months prior to the interview. 95% of individuals in the 16-29 years age group used the internet within the last 3 months, compared with 48% of individuals in the 60-74 years age category.
- 112 The population aged 65 years and over increased by 102,174 to 637,567 (19.1%) in 2016. The largest increases in persons aged 65 and over were concentrated in Fingal (36.1%), South Dublin (34.1%), Kildare (32.2%) and Meath (27.4%). While the smallest increases were in Dublin City with the population aged 65 years and over increasing by just 8.8 percent and Cork City (9.9%).
- 113 Of the total population aged 65 years and over, 156,799 lived alone representing 26.7% of the total. This is slightly down on the 2011 figure of 27.7 per cent.
- 114 It is likely that those who are 65+ and living alone are more likely to rely on the printed phonebook directory given that this cohort also primarily use and rely on the fixed home phone (see paragraph68).
- 115 For those end-users who do not have internet access, the printed phonebook directory may be the only free mechanism to access a directory of subscribers.
- 116 On the other hand, in eir's view, the provision of the printed phonebook directory has become uneconomic due to falling advertising revenues and increased costs leading to a rising direct net cost. For the financial year 2014-15 eir has claimed a net cost for the provision of printed directories. ComReg has yet to assess eir's 2015-2016 USO funding application.

- 117 ComReg is cognisant that it outsourced to a third party the printing and distribution of its printed phonebook directory. This independent provider has subsequently exited the Irish print market in 2017. Having conducted analysis in this respect, ComReg has identified other potential alternative third party providers of a printed phonebook directory (see paragraphs 129 to 133 below).
- 118 In light of the above, ComReg notes that the provision of the printed phonebook directory hitherto (in printed form and the wider distribution model) may now be uneconomic due in part to decreasing advertising revenues associated with printed medium, and therefore sufficient revenues may not be available to off-set the associated production, packaging and distribution costs.
- 119 ComReg is of the preliminary view that DQ may not provide an affordable alternative to the printed phonebook directory use by an identified sub-group of the general population (paragraph 102). Accordingly, there is a risk that they could be left unserved, if obligations similar to the printed phonebook directory USO in place hitherto were no longer imposed.
- 120 However, should a USO continue to be required in the short to medium term, ComReg is of the preliminary view that, having regard to the wide range of facilities available to access phone numbers, there may now be reasons to change the specification of any future obligations away from a blanket printing and distribution throughout the State.

Q. 2 Do you agree with ComReg's preliminary view that imposing a USO requiring a USP to provide a printed phonebook directory under the same obligations in place hitherto may be sub-optimum compared to alternative approaches? Please give evidence and reasons to support your view.

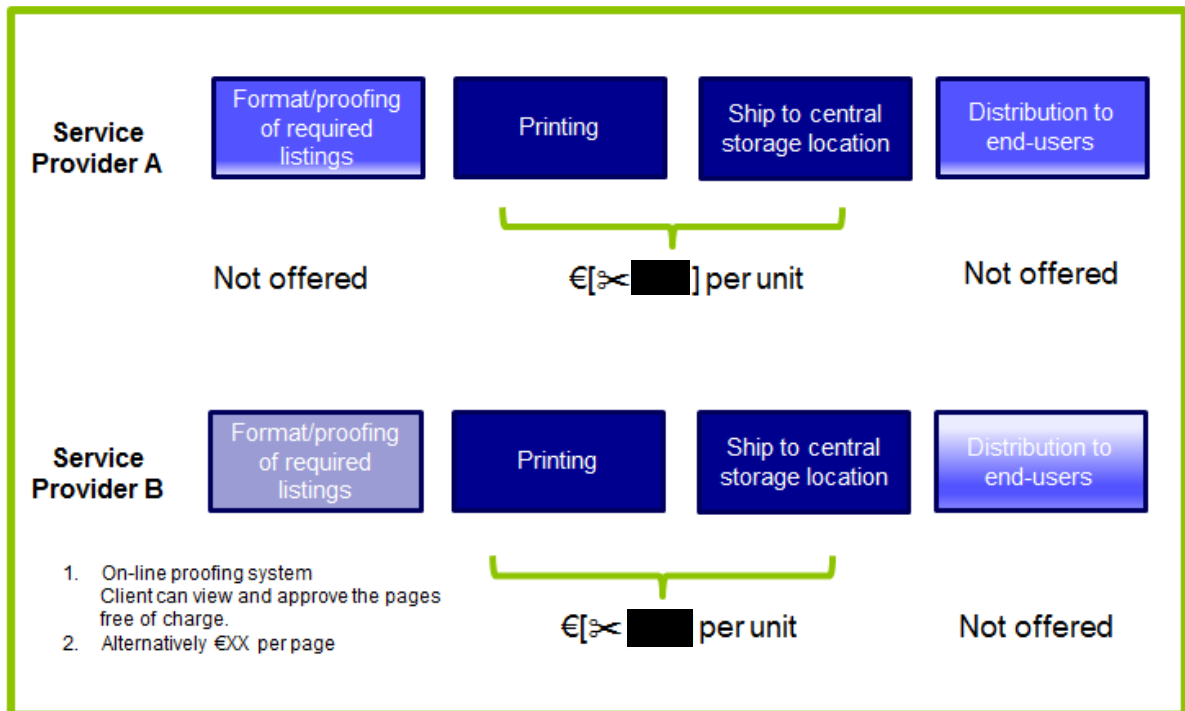
### 5.3 Designate a USP to provide a printed phonebook directory upon request by the end user

- 121 ComReg acknowledges that the market demand and usage for a comprehensive directory of subscribers is changing (See paragraphs 33 to 35) which is indicative of changes in the behaviours of the majority of end-users in how they access information (with the exception of those households over 65+ and those living alone). Broadly, use of DQ and printed mediums appear to be in decline, with the majority of end-users now preferring to access personal and business numbers online.
- 122 However, as noted previously, there is a significant sub-group of the general population who either do not have internet access, or where available, lack to relevant technical skills to utilise it, particularly within the 65+ group.

- 123 The CSO data highlights that in 2017, of the 11% of households with no internet access, 43% reported that this was due to 'lack of skills'. Further barriers reported included 'equipment costs too high (13%) and 'access costs too high (10%), while 45% of households without internet access reported that this was because they 'do not need internet'. In the Midlands region, 17% of households with no internet access reported that internet access was 'not available in the area' compared with 0% in the Dublin region. 46% of individuals in the 60-74 years age group have never used the internet.
- 124 The population aged 65 years and over increased by 102,174 to 637,567 (19.1%) in 2016. The largest increases in persons aged 65 and over were concentrated in Fingal (36.1%), South Dublin (34.1%), Kildare (32.2%) and Meath (27.4%). While the smallest increases were in Dublin City with the population aged 65 years and over increasing by just 8.8 percent and Cork City (9.9%).
- 125 Of the total population aged 65 years and over, 156,799 lived alone representing 26.7% of the total. This is slightly down on the 2011 figure of 27.7 per cent.
- 126 ComReg's Survey 2018 indicates the likely current demand for a printed phonebook directory and that a cohort continue to rely on and use the printed method as their primary/sole access to directory information. In this light, having no USO could lead to households without access to internet or smartphones being excluded and may lead to affordability concerns in particular for those aged 55+, which may reduce welfare for these end-users. Therefore, ComReg is of the preliminary view that this section of the population may be adversely impacted, absent suitable alternatives, by no USO.
- 127 However, ComReg is also cognisant that eir's outsourced printed phonebook directory' partner, FCR has exited the Irish print market (focusing exclusively on the online market). ComReg's objective for this review, amongst other things, is to ensure that any USO measure is implemented in an effective manner, minimising the potential costs and disruption the USP(s) and to end-users.
- 128 ComReg is cognisant that any USO solution, if required, is not more burdensome than necessary. Therefore, ComReg has conducted its own research into the possible alternative options available to provide an outsourced printed directory of subscribers' service, as appropriate. ComReg's preliminary findings are now summarised.
- 129 ComReg investigated a number of options such as "on-demand" printing, and traditional printing. ComReg identified seven [REDACTED]  
[REDACTED] ] major outsourced service providers. Two [REDACTED]  
[REDACTED] ] of whom appear to have suitable capabilities to replicate many aspects of the service provided by eir's outsourced partner.

- 130 Neither of the two identified outsourced service providers offer a 'print on demand' service. Both service providers have a similar minimum print run.

Figure 25: Summary of service providers' offerings



- 131 A number of parcel providers such as An Post and Fastway Couriers and Nightline Logistics Group Unlimited Company, offer distribution facilities (centralised/regional).
- 132 eir has previously been designated, as the USP, to provide a printed phonebook directory to all end-users. eir has existing expertise and experience in the preparation of the source data for printing, and in proofing the printed directory of subscribers. eir made a commercial decision to execute this obligation, in part, through an outsourcing agreement with a third party service provider.
- 133 Historically the provision of the printed phonebook directory had been achieved on a commercially viable basis, and ComReg notes that eir did not submit a USO net cost claim in respect of a directory subscribers' service prior to the financial year 2013/2014.
- 134 ComReg acknowledges changes in the behaviours of the majority of end-users in how they access information. ComReg recognises that there may be limited incentives for end-users to 'opt-out' of receiving a printed phonebook directory, as outlined at paragraph 101.

- 135 Having regard to demand and technology changes, ComReg is, on balance, of the preliminary view that there is a continued need to make available a printed directory of subscribers available to end-users, upon request, in a timely manner. This requirement would likely enable the USP to wait until the requests are known prior to commencing printing any specific area directory, subject to the ability to meet end-users' requests in a timely manner.
- 136 Any such proposed amendment to a USO specification would be subject to the condition that a public information campaign is undertaken by the USP to ensure that all end-users have been supplied with full and timely information so that they can make an informed choice in this respect. ComReg considers this would be critical and integral to the actual implementation of any obligation (for example, requests for the annual 2019 printed directory could be gathered between January and March 2019 with the requested printed phonebook directory to be delivered in April/June 2019).
- 137 There are currently 6 regional/local directories (covering the following areas 01; 02; 04; 05; 06; 07/09). ComReg understands from eir, that based on the recent public information campaign conducted by the outsourced partner and eir to inform end-users and, distribute the remaining 2017/2018 directories (between April and June 2018) that 1,604 end user requests were received for the printed phonebook directory (1,217 telephone and 387 email requests) were received.
- 138 A movement away from a blanket printing and distribution of a printed directory of subscribers to a focused printing and distribution of a printed phonebook directory for those end-users who specifically request it within a specified timeframe, would help identify actual end-user demand for a printed directory of subscribers, and in particular amongst those who are 65+ and live alone.
- 139 ComReg consider a key element of such an approach would require a clear public information campaign by the USP with end-users. The USP would publish an information notice containing:
- The commencement and conclusion date for receipt of end-users' requests for a printed phonebook directory (a minimum duration of three calendar months).
  - The ability for end-users to be able to request a printed phonebook directory via a dedicated freephone telephone number, email address, or by letter.
  - Publication of information notices in three National newspapers (in each calendar month of the public information campaign).
  - The date by which the printed phonebook directory would be available to end-users.

- The USP would bear the physical production and packaging costs of the printed phonebook directory

- 140 ComReg is of the preliminary view that such an approach would provide certainty for end-users in respect of any proposed public information campaign process.
- 141 The USP would be required to retain records in respect of the number of end-user requested received (by requested medium and by printed phonebook directory area).
- 142 Requiring free access to online phone directories would help reduce any risk of end-user detriment in the event that the printed phone directory was no longer available. Affordable access to directory information by this source would be guaranteed. However, this Option may involve imposing an unnecessary regulatory condition. Currently a number of operators voluntarily provide free online access. Notwithstanding this, mandating provision of a free accessible online phone directory only would lead to households without access to internet or smartphones being excluded.
- 143 In light of the foregoing, ComReg is, on balance, of the preliminary view that an 'on request' printed phonebook directory should be put in place. This would allow scope for this proposed measure (Option 3) to be reviewed at the end of 2019 to assist determining the actual level of end-user demand for a printed phonebook directory, as relevant.

Q. 3 Do you agree with ComReg's preliminary view to designate a USP and impose a USO to provide a printed directory of subscribers, upon request by an end-user? Please provide reasons to support your views.

- 144 In addition to changing any USO specification to the delivery model for a printed phonebook directory (e.g., to an 'on request' printing, packaging and distribution model), a USP(s) could also be given the discretion to decide whether or not to impose a distribution charge (associated with the actual cost to the USP of the transit of a printed phonebook directory) to end-users
- 145 Therefore, a directory of subscribers USO variants may also consist of, amongst other things, one of the following:
- a printed phonebook directory, where all costs including the associated printing, packaging and distribution is free of charge to the end-user; or
  - a printed phonebook directory where all costs including the associated printing, packaging is provided free of charge, and end-user pays for the transit (to a central collection point or to the end-user's place of residence or business), where imposed by the USP on end-users.



- 146 In pursuing the objective to protect end-users, therefore, ComReg is also mindful that under the Regulations that a directory of subscribers service is available to end-users at an affordable price, where the market does not deliver these universal services to meet end-users' needs.
- 147 As noted above, eir supplied local area phonebook directory free of charge to all end-users. Equally, online directories are available with free access (excluding the cost of internet access). It is our understanding that eir offers additional 'in' and 'out of local area phonebook directories at no cost (i.e. free of charge) to the end-user on request, however it is likely that this is relatively rarely exercised by subscribers.
- 148 The USO obligations in place hitherto obliged the USP to apply geographically averaged prices (GAP) throughout the State for directories<sup>26</sup>.
- 149 Obligations under D07/14 have till now helped ensure that there was an affordable way to frequently access phone numbers, entirely consistent with developments at a European level.
- 150 ComReg is concerned that no USO could result in end-user detriment where affordability concerns arise, the reasonable needs of end-users may not be met.
- 151 ComReg is mindful that under an 'on request' approach, end-users who request a printed phonebook directory would be likely those who most rely on and use print as a means of accessing directory information. With a view to social inclusion, the costs of printed phonebook directory service should not exclude the most vulnerable in the community from making a minimum use of basic services, during this period of transition. A USO which puts in place a printed phonebook directory 'on request' free-of-charge would mean that those end-users who require a printed phonebook directory continue to have affordable access. Affordable access to directory information by this source would be guaranteed. The reasonable needs of end-users will likely continue to be met, which helps ensure end-user welfare for those without internet access and those aged 65+.

Q. 4 Do you agree with ComReg's preliminary view that, should a directory of subscribers service USO be required, a requirement on a USP to provide a printed phonebook directory, on request and free-of-charge (i.e. including all printing, packaging and distribution costs) to the end-user would likely be most appropriate to help ensure availability and affordability of directory services?

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<sup>26</sup> Geographically averaged pricing (GAP) means that charges are the same for all subscribers throughout the State irrespective of their geographic location.

- 152 ComReg considers that the nature of any USO should be no more burdensome on a USP(s) than is necessary to achieve the stated objective. Therefore, ComReg is assessing whether a USP(s) should have the discretion whether or not to impose a charge end-users for the transit of a printed phonebook directory to their primary residence or place of business.
- 153 Where the USP elects to charge end-users for the transit of the printed phonebook directory, and in order to protect end-users from possible unreasonable costs, ComReg considers that a USP(s) pricing discretion should be subject to the following principles:
- Any distribution method ultimately decided on by a USP should be subject to an open tender process to ensure efficient distribution to the end-users primary residence or place of business;
  - Any distribution (transit) charge applicable to end-users should be based geographically averaged pricing (GAP);
  - The distribution charge should exclude any printing and packaging costs (i.e. transit only).
- 154 Allowing a USP(s) some flexibility to charge a remunerative price for the physical distribution of the printed phonebook directory to end-users may offset any distribution costs to the USP. Therefore, the potential for a USO net cost of a directory of subscribers' service being a burden on the USP would possibly be reduced.
- 155 Any cost to end-users would only be incurred by those who request and are willing to pay the physical distribution costs of a printed phonebook directory. ComReg's Survey 2018 demonstrates that existing printed phonebook directory users are more willing to pay for the printed phonebook directory (15%) and; amongst those that would or might pay for a printed phonebook directory, the average amount end-users' are willing to paid is €11.67. On the one hand, ComReg's Survey 2018 also highlights that there is little willingness to pay for a printed phonebook directory, with the majority (83%) stating that they would be unwilling to pay.
- 156 Having regard to the analysis conducted so far regarding possible costs for end-users associated with the purchase and delivery of the printed phonebook directory to their address, ComReg estimates the per end-user cost to be, in a range of €5 to €15. Moreover, as regards affordability, any impact on end-users is likely to vary depending on the area within which they are located and the distribution method (and possible pricing approach in the absence of a USO) pursued by a USP(s). ComReg notes that a USP may have options regarding a distribution method (e.g., central distribution/collection points or delivery to the door of individual end-users etc.).

- 157 The profile of this cohort (demographics) who may be willing to pay for a printed directory are less likely to have the means of, and physical capability to be able to collect a printed directory from a central distribution point. Accordingly ComReg is of the preliminary view that delivery should be to the door of individual end-users who have requested a printed phonebook directory.
- 158 In these circumstances, ComReg would be concerned that any significant distribution charge imposed by the USP may result in end-user detriment. This is because primarily elderly user's value and use the printed phonebook directory and affordability concerns may arise, even where a printed phonebook directory is free-of-charge. It is noted that a USP, acting as a socially responsible commercial operator, may choose to voluntarily absorb any such costs and associated distribution charge.
- 159 An approach where end-users pay for distribution of the printed phonebook directory (to their primary residence or place of business) may not be the most appropriate or proportionate where it is proposed to have a short designation period. Moreover, it may introduce additional implementation costs, e.g., administrative, set-up or billing costs for a USP(s) or undertakings.
- 160 Because 'on request' possibly offers a more flexible approach, as compared to the approach to USO hitherto, the USP could more effectively match print runs to demand. Therefore, this solution may be considered no more burdensome on a USP(s) than is necessary to achieve the stated objective and, any regulatory burden is lightened.
- 161 For the above reasons, ComReg is of the preliminary view that, on balance, a USO which puts in place an obligation on a USP to provide a printed phonebook directory and distribution to the end-user which is free of charge would likely be most appropriate to maintaining affordable access of these universal services.

Q. 5 Do you agree that (a) USP(s) should have the flexibility to impose a distribution charge for the transit of a printed phonebook directory to the primary place of residence or business of an end-user upon request) or (b) that the distribution of a printed phonebook directory should be free of charge to end-users who request a printed phonebook directory? Please provide reasons to support your views.

Q. 6 If a USP(s) has discretion to impose a distribution charge for the transit of a printed phonebook directory to the primary place of residence or business of an end-user upon request, should this be subject to the parameters identified above? What other factors may be appropriate to consider in this regard? Please provide reasons to support your views.

## 6 Designation of Universal Service Provider(s)

- 162 The Regulations allow ComReg to designate one, or more, operators to guarantee the provision of universal services to ensure the entire State is covered<sup>27</sup>. Different operators (undertakings), or sets of operators, can be designated to provide different elements of universal service, and/or to cover different parts of the State<sup>28</sup>.
- 163 In principle, no undertaking should be excluded from being designated to provide the directory of subscribers' universal service, in all or part of the State. In the majority of Member States, the incumbent operator provides the universal services, as has been the case in Ireland. In theory, other operators in Ireland may be able and willing to provide this part of the universal service, in all or part of the State and may be able to do so at a lower cost.
- 164 The e-Privacy Regulations refer to the USP for the printed directory and not the undertaking directed under Regulation 19(4) of the Universal Service Regulations. However, ComReg is currently seeking to align the definition of "operator" in the e-Privacy Regulations with the definition of the entity required to maintain the NDD under Regulation 19(4) of the Regulations.
- 165 If the e-Privacy Regulations are not amended ComReg may be hindered in its ability to designate another undertaking or no undertaking to provide this element of universal service.
- 166 ComReg is communicating with the Department of Communications Climate Action and the Environment on this matter. This consultation therefore extends an invitation to all undertakings to express an interest in providing the Directory Services universal service.
- 167 Regulation 17 requires ComReg, where appropriate, to specify requirements to be complied with by undertakings providing publically available electronic communications services to ensure equivalence of access and choice for disabled users.
- 168 Every undertaking is required to provide special Directory Enquiry arrangements for subscribers, who are unable to use the phone book<sup>29</sup>, to allow the use of a directory enquiry service free of charge. Qualifying criteria<sup>30</sup> must be met to enable an end-user to avail of a 'special directory enquiry service', including 196. (See Annex 5).

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<sup>27</sup> Regulation 7(1)

<sup>28</sup> Regulation 7(2)

<sup>29</sup> Because of a vision impairment and/or have difficulty reading the phone book

<sup>30</sup> The qualifying criteria are available on the eir website at <https://www.eir.ie/accessibility/>

- 169 The Regulations provide that the designation methods adopted must ensure that the obligations are provided in a cost effective manner and that they may be used as a means of determining the net cost of the universal service obligation<sup>31</sup>. Other providers in the State may be in a position to provide this part of the universal service, but in order to decide if they are willing and able to do so, they will need specific information about the universal services to be delivered. For example, they may need to know the costs and revenues attributable to printed directories.
- 170 Such relevant information has been provided to ComReg in the course of eir's application for universal service funding for the period 2015-2016.

## 6.1 Designation period

- 171 ComReg believes a designation period of 2 years is most appropriate for the designation in relation to the directory of subscribers service universal service obligation, unless or until reviewed by ComReg.
- 172 In the event expressions of interest are received, but the definition of "operator" in the e-Privacy Regulations has not been amended, ComReg's ability to consider designating another undertaking to provide this element of universal service will be hindered.
- 173 These issues aside, ComReg is of the preliminary view that the next designation period should be from now until the end of 2020, unless expressions of interest in providing the service are received or representations are made which alter ComReg's view.
- 174 As outlined at paragraph 143 this would allow scope for this proposed measure (Option 3) to be reviewed at the end of 2019 to assist determining the actual level of end-user demand for a printed phonebook directory, as relevant.
- 175 ComReg is proposing a designation period from **xx xx st 2018** to 31 December 2020.

Q. 7 Do you agree or disagree with ComReg's preliminary view that the next designation period should run until the end of 2020, unless or until reviewed by ComReg? Please provide reasons to support your view.

Q. 8 What do you consider amongst other things (e.g. level of end-user demand, distribution costs etc.) should be taken into consideration in any ComReg interim review?

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<sup>31</sup> Regulation 7(3)

## 6.2 Designation for the Entire State

- 176 ComReg has considered whether or not it is appropriate to continue to designate universal service obligations to cover the entire State.
- 177 End-users are dispersed throughout the State. To ensure that a comprehensive directory of subscribers is made available to all end-users (whether printed or electronic or both), a USO designation (if any) must be for the whole of the State.
- 178 ComReg recognises that there are differences in the methods of provision of directory services and that these are important considerations for a universal service designation for the entire State or for specific areas.
- 179 ComReg believes there are existing methods of provision of a directory of subscribers' service that would not be provided to the market if the USO did not exist. ComReg is of the view that it is not appropriate at this time to completely remove the obligation in respect of the existing methods of provision of a directory of subscribers' service.
- 180 ComReg remains concerned that the existing methods of provision of a directory of subscribers' service might not be provided to all or some areas in the State without a universal service obligation.
- 181 Therefore, ComReg is of the preliminary view that a universal service for the entire State, (whether or not it is delivered using the existing methods of provision by different USP(s)), there remains a requirement for the proposed next designation period.
- 182 However ComReg will consider whether separate designations for separate areas and separate methods of provision are necessary if expressions of interest are received for separate geographic areas.

Q. 9 Do you agree or disagree with ComReg's preliminary view that for the proposed next designation period, the required universal services should be designated for the entire State? Please provide reasons to support your view.

## 6.3 Universal Service Provider(s)

- 183 A directory of subscribers' service can be provided to consumers in a number of ways. The service can be provided to the consumer via a printed directory or electronically, or both. A number of providers offer directory enquiries services and some also offer access to an online phonebook.

- 184 Although, in ComReg's view, while there are no significant barriers which prevent an operator from entering the market for the provision of printed phonebook directories, there are no other providers currently providing printed phonebook directories of residential subscribers in the same volumes in the State.
- 185 As set out above, if the e-Privacy Regulations are not amended prior to March 2019, ComReg's ability to designate another undertaking to provide this element of universal service may be hindered. However ComReg expects that this issue can be resolved and therefore this consultation extends an invitation to all undertakings to express an interest in providing the directory of subscribers' universal service for the proposed next designation period.
- 186 Any expression of interest should be included with submissions to this consultation. Detailed documentation on for example how any obligation, will be fulfilled, quality measures and timelines to commence provision are not required at this time, however they may be required in the future.
- 187 If expressions of interest are received, where the necessary amendments have been made to the e-Privacy Regulations, ComReg will consider such proposals and possible further steps, which may include further consideration of the designation of USP's and the designation period and other aspects proposed in this consultation, in the response to this consultation.
- 188 If the legislative matter as set out above is not addressed, it is also ComReg's preliminary view that the current universal service provider, eir, should continue to be the universal service provider due, during the next designation period.

Q. 10 Do you agree or disagree with ComReg's proposal that where the legislative matter has not been addressed or where no expressions of interest are received, eir should continue to be the universal service provider for the on request printed directory of subscribers during the next designation period? Please provide reasons to support your view.

# 7 Draft Regulatory Impact Assessment (RIA)

## 7.1 Introduction

189 The analysis presented in this section represents ComReg's draft RIA. It sets out ComReg's preliminary assessment of the likely effect upon stakeholders and competition, of ComReg exercising its discretion as to whether or not to designate a USP(s) for provision of directory services and, of imposing any USO measures.<sup>32</sup>

190 This draft RIA forms part of ComReg's overall analysis, having regard to changing conditions in the electronic communications market, end-users' potential alternatives to the printed phonebook directory (the USO service hitherto) and evolving end-user behaviour, and taking account of the part played by existing regulation<sup>33</sup> of the continued need or, absence of the need, for access to a comprehensive directory of subscribers under a USO designation beyond 30 June 2018 (when the designation under D07/14 expired).

191 The purpose the draft RIA is to help identify whether ComReg's proposed regulatory approach is likely to have the desired impact in terms of promotion of the interests of end-users and protecting end-user welfare by ensuring that end users can continue to benefit from access to universal directory services.<sup>34</sup> In the event that a USO is considered necessary, the draft RIA helps to consider:

- An appropriate form for any proposed measure: whether the printed phonebook directory meets end-users' needs or, what alternative form any future obligation(s) could take; and
- Which undertaking or undertakings could be designated and for how long.

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<sup>32</sup> Under Regulation 7(1) of the Universal Service Regulations, ComReg may designate one or more undertakings to comply with an obligation or requirement referred to in, inter alia, Regulation 4 of those Regulations, which relates to a subscriber directory or directory enquiry service.

<sup>33</sup> There are requirements already imposed on service providers in respect of disabled end-users pursuant to ComReg Decision D04/14.

<sup>34</sup> Pursuant to the Communications Regulation Acts 2002 to 2011, as amended, ComReg's key statutory objectives in relation to the provision of electronic communications services ("ECS") are to (i) Promote competition, (ii) Contribute to the development of the internal market, and (iii) Promote the interests of users in Ireland, as well as within the European Union.



- 192 ComReg’s aim in conducting this draft RIA is to ensure that its proposals regarding affordable access to a directory of subscribers’ service are appropriate, proportionate and justified in light of the analysis conducted, having regard to its objective that end-users are protected, while also taking into account the objective of promotion of competition.
- 193 As part of the process of selecting an optimal regulatory approach, ComReg sets out the key policy issues and objectives below, followed by an assessment of potential regulatory options and their respective probable impacts for different stakeholders and competition. Therefore, our approach is consistent with the RIA Guidelines<sup>35</sup> and, takes into account the “Better Regulation” programme<sup>36</sup> and international best practice (for example, considering developments about RIA published by the European Commission<sup>37</sup> and the OECD).
- 194 ComReg is now conducting its draft RIA having regard to the Regulations and its obligations under and Section 13(1) of the Act which requires us to comply with Ministerial Policy Directions.<sup>38</sup>

## 7.2 Step 1 – Describe the policy issue and identify the objectives

- 195 The preliminary evidence indicates that the universal service for a directory of subscribers’ service has evolved since 2014, with changing technological and market developments and, changing end-user behaviour. This has led to a number of policy issues arising that are considered in this policy review in relation to how to ensure end-users can continue to find phone numbers in an affordable way.
- 196 ComReg’s policy objectives for this review are threefold:
1. To ensure that end-users have access to comprehensive, high-quality and affordable directory of subscribers service for the purpose of ensuring access to universal services and that end-users are protected;
  2. To ensure that the requirements of the Regulations (transposing the Universal Service Directive) are met; and

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<sup>35</sup> ComReg, “Guidelines on ComReg’s Approach to Regulatory Impact Assessment”, [ComReg Document 07/56a](#), 10 August 2007 (the “**RIA Guidelines**”).

<sup>36</sup> Department of the Taoiseach, “Regulating Better”, January 2004. See also “Revised RIA Guidelines: How to conduct a Regulatory Impact Analysis”, June 2009, [http://www.taoiseach.gov.ie/eng/Publications/Publications\\_2011/Revised\\_RIA\\_Guidelines\\_June\\_2009.pdf](http://www.taoiseach.gov.ie/eng/Publications/Publications_2011/Revised_RIA_Guidelines_June_2009.pdf).

<sup>37</sup> Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, “Second strategic review of Better Regulation in the European Union”, COM(2008) 32 final 30.01.2008, p. 6.

<sup>38</sup> Ministerial Policy Direction made by the Minister of Communications, Marine and Natural Resources on 21 February 2003. It requires that, before deciding to impose regulatory obligations on undertakings, we must conduct a RIA in accordance with European and international best practice and otherwise in accordance with measures that may be adopted under the “Better Regulation” programme.

3. To ensure that any USO measure is implemented in an effective manner, minimising the potential costs and disruption to end-users and the USP(s).

197 Along with other universal services (e.g., access to an electronic communications network at fixed location, public pay telephones, etc.), under the Regulations, ComReg is required to ensure that end-users have access to a comprehensive directory of subscribers.<sup>39</sup> The arrangement for ensuring this, was up until 30 June 2018, by way of the printed phonebook directory USO.

198 ComReg has discretion as to whether or not to designate a USP(s) for provision of a directory of subscribers' service.

199 ComReg is cognisant of its objectives, as set out in Section 12(1) (a) (iii) of the Act, including the promotion of interests of end-users of services and protecting end-user welfare.

200 Universal service is an important measure of end-user welfare. It provides a safety net that ensures universal services are made available at an affordable and uniform price to all end-users throughout the State, where the market might not deliver these services. Ensuring accessibility and affordability of the directory of subscribers' service, in particular, for those without internet access, for elderly users and users with special needs, contributes to social and economic inclusiveness in society. Access to comprehensive directory of subscribers' service can assist subscribers reasonably remaining connected to the network which can result in greater network utilisation.<sup>40</sup> With ready access to directory information, it is likely that communications between subscribers is more optimal, increasing the value to end-users, and maintaining the value of electronic communications networks, all of which involve externalities and network effects.

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<sup>39</sup> Regulation 4 (1) of SI 337 specifies that a USP shall ensure access for all end users to a comprehensive directory of subscribers (a comprehensive subscriber directory or DQ service).

<sup>40</sup> According to eir's data, a significant number of end users [redacted], through the service provider, continue to have an entry in the phone directory. Also, eir submit that [redacted].

- 201 ComReg's concern is that, if left to the operation of market forces alone, a comprehensive directory of subscribers may not be provided commercially to everyone at an affordable price. There is a risk that some end-users will not have affordable access to a directory of subscribers' service, at least in the short term. In these circumstances, and where these services are valued and needed at this time, the requirements of the Regulations would not be met. As set out under the Regulations,<sup>41</sup> ComReg must ensure all reasonable, proportionate measures to promote the interests of end-users by ensuring that they have access to universal service at an affordable price.
- 202 ComReg is assessing whether the market is sufficient to meet end-users' needs regarding accessible and affordable directory of subscribers service as demands and technology change. ComReg's objective for applying a USO would be that end-users have affordable access to at least one directory of subscribers service, where the market does not deliver these universal services to meet end-users' needs.
- 203 ComReg notes in section 4.5 that according to a BEREC survey in 2017, 28 countries reported at least one directory of subscribers available on the market in the relevant Member State.
- 204 Notwithstanding existing USOs, the ECS legislation is currently under review. ComReg will continue to closely monitor ongoing developments at the European level and will revise and finalise its RIA as appropriate.
- 205 In pursuing the objective to protect end-users, ComReg is also mindful of the objective to safeguard competition, ultimately to the benefit of end-users. Where it is necessary to continue to apply a USO, ComReg's objective, having regard any potential for a disproportionate burden of regulation on a USP(s) or undertaking(s), is to design any USO to address end-users' needs. In this respect, ComReg is considering whether the printed phonebook directory is required to meet end-users' needs, or whether the features of directory information alternatives can now better meet end-users' needs. ComReg's objective is to find the right balance between end-users' needs and changing commercial conditions, with a view to ensuring the benefits of intervention by ComReg (if so decided) reach those who need them.
- 206 ComReg considers the identified risks below and the policy options for addressing them.

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<sup>41</sup> Transposing Directive 2002/21/EC119 of the European Parliament and of the Council of 7 March 2002 on a common regulatory framework for electronic communications networks and services, as amended ('Framework Directive'), at Article 8.

## 7.3 Step 2 – Identify and describe the potential regulatory options

207 ComReg is considering the following four potential options which may be adopted for the purpose of achieving the above stated objectives:

1. No designation of a USP: rely on normal market conditions to deliver a directory of subscribers service (**Option 1, No USO**); or
2. Designation of a USP to impose a USO to put in place the printed phonebook directory arrangements which were in place hitherto (**Option 2, the status quo**); or
3. Designation of a USP to impose a USO to make a directory of subscribers service available to end-users with a changed specification (**Option 3, a varied subscriber directory USO**);<sup>42</sup> or
4. Designation of a USP to impose a USO to make a special DQ service available to end-users (**Option 4, a DQ USO**).<sup>43</sup>

### Option 1: No USO

208 The delivery of basic universal services would be left to the operation of market forces alone. No undertaking would be designated to provide a comprehensive directory of subscribers to end-users through any method, whether the printed phonebook directory, electronic directories, or DQ services. Neither eir nor any other USP would be required to make the printed phonebook directory (e.g., the eir phonebook local area 01, 06) available to households.

209 This counterfactual scenario should enable a better understanding of the importance of any future USO for a directory of subscribers' service. However, in the event that a USO is considered necessary, ComReg considers the following possible forms (options 2 to 4) in which a USO could be implemented.

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<sup>42</sup> Regulation 4(1) (a) of the Regulations gives discretion to ComReg to stipulate that the form can be printed or electronic or both.

<sup>43</sup> Regulation 4(1) (b) of the Regulations gives discretion to ComReg in this regard.

**Option 2: The status quo**

210 A USO would be imposed through imposition of the previous printed phonebook directory arrangements in place hitherto under D07/14, *inter alia*, that end-users would continue to receive free of charge a printed phonebook directory which is updated annually and delivered to their address every year. Essentially, the status quo would be maintained with no change in ComReg's approach to keeping a USO during any designation period.

**Option 3: A varied subscriber directory USO**

211 Under this option a USO would be imposed to make a directory of subscribers service available to end-users but the specification would change from the obligations in place hitherto ("a subscriber directory USO") to allow for example, the possibility of:

- Allowing for changes by a USP to the delivery model for a printed phonebook directory to an 'on request' distribution model;
- Allowing a USP(s) to charge end-users for the distribution of a requested printed phonebook directory;
- Requiring a USP(s) to make an online accessible phone directory available to end-users free of charge;

212 A subscriber directory USO possibly could be specified to consist of any of the following sub-options:

- a. Mandating provision of a free accessible online phone directory;
- b. Requiring a printed phonebook directory 'on request' free of charge to end-users;
- c. Requiring a printed phonebook directory 'on request' and end-user pays for printing or distribution or both.

**Option 4: A DQ USO**

213 As one approach to making a specified DQ service available to end-users, ComReg may for example, specify a DQ USO consisting of an accessible DQ service available to specified end-users (e.g., for those 55+, standalone fixed voice subscribers etc.) from a fixed phone (not a mobile handset) with a free directory assisted look up service but no onward call connection.

214 Variants on this option may consist of, amongst other things, one of the following:

- i. To provide a capped<sup>44</sup> number of DQ calls/minutes free of charge;
- ii. To introduce a special tariff for a minimum specified DQ service.<sup>45</sup>

## 7.4 Step 3 – Determine the impacts on stakeholders and competition

215 In order to determine the impact of each of the options identified in the previous section on various stakeholders and competition, they are assessed by comparing their impact against the counterfactual. This is set out below.

### Option 1: the counterfactual

216 Under the counterfactual no USO scenario, end-users would continue to benefit from access to phone numbers through a variety of channels (see Figure 1).

217 Because of the ubiquity of the internet<sup>46</sup> arguably there is perhaps a more efficient way to access directory information compared to the printed phonebook directory. For example, internet access in particular on smart phones enables phone numbers to be found through the likes of a google search and/ or internet based applications. Therefore, a range of benefits already accrue to those with internet access, the online directory having a number of advantages, amongst others:

- It contains all relevant phone numbers, unlike the printed phonebook directory which contains only those phone numbers in the local area; and
- Access to online directories is currently free-of-charge.

218 ComReg acknowledges that there is an ongoing migration of phone number queries away from the traditional sources to the internet searches.<sup>47</sup> ComReg acknowledges that consumer preference varies and there is some substitutability across the range of directory services, as follows:<sup>48</sup>

- Consumers are primarily using the internet to search for personal and business phone numbers, at 56% and 85% respectively;

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<sup>44</sup> For example, a specified monetary allowance or specified usage (i.e. calls or number of requests/ look-ups etc.).

<sup>45</sup> Regulation 8 of the Universal Service Regulations provides that ComReg may specify special tariff options or packages which depart from those provided under normal commercial conditions, in particular, to ensure that those on low incomes or with special social needs are not prevented from accessing the network.

<sup>46</sup> According to the CSO census 2016, 89% of households have internet access in 2017.

<sup>47</sup> See eir response to ComReg's information request February 2018.

<sup>48</sup> As demonstrated in ComReg's Survey 2018.

- As well as the internet being the most likely used channel to search, the frequency of search is also higher with this channel versus more traditional channels; 36% use the internet more often than once a month to find a personal number while nearly 2 in 3 (64%) of those using the internet to source a business phone number do so more often than once a month;
- Almost a quarter (24%) of those who report not using the printed directory opt to use the internet instead in order to find a number; and
- In the event of the printed phonebook directory no longer being available, 38% of printed phonebook directory users report they would use the internet instead, this is driven by younger adults; whereas 15% of printed phonebook directory users would ask friends/colleagues/relatives, driven by those aged 55+.

219 eir, as the current USP, may benefit in the absence of USO where it would have commercial freedom to cease providing a printed phonebook directory and, achieve possible cost savings (as set out in section 4.4, eir has claimed that there is a positive net cost for provision of the printed phonebook directory USO). As technically the directory of subscribers' service would no longer be a relevant cost absent a USO, any potential for a USO net cost claim in respect of a directory of subscriber service is removed. There would be no impact in respect of sharing of any unfair burden, if established, ultimately to the benefit of industry.

220 An additional benefit may accrue to industry where, as a result of no USO, service providers may experience increased volumes and associated revenues for alternatives services to the printed phonebook directory, such as, DQ.

221 Competition for the printed (White Pages) directory is an unlikely future prospect (although there may be some competition for Golden Pages printed and online). Previously, some providers other than the USP supplied printed directories, however, this would now appear negligible. The potential effect of implementing this option is likely to be largely competition neutral.

222 In contrast, the cost of having no USO at this time, is that, if left to the market forces, there is a risk that end-users will not have affordable access to a directory of subscribers' service (this risk is mitigated for disabled subscribers in light of special Directory Enquiry arrangements in place under D04/14).

223 Where the universal service available to end-users is not guaranteed, yet the services are valued and needed at this time, having no USO could result in a risk of detriment to end-users who do avail of internet access and to those who rely on the printed method as their primary/sole access to directory information:

- Households without access to the internet<sup>49</sup> or, without smartphones, may not have sufficient access to an online directory. For those users, the printed directory is the likely only free mechanism to access directory information;
- Elderly users would no longer have access to the service that they currently use, and may only have access to expensive alternatives (in particular if they cannot access or use online alternatives). After the internet, the printed directory is the most important source used by those aged 55+ at (43%) followed by directory enquiries (26%);<sup>50</sup>
- In addition, ComReg notes from the research that eir's Online Phonebook usage is lower than the physical phonebook usage. Reasons for not using this service is primarily, 'lack of knowledge' (42%), followed by 'they didn't think of it' (27%) and 'used another internet service instead' (15%).
- As set out at paragraphs 111 to 113, no USO could lead to affordability concerns in particular for those aged 55+. In addition, the free online access to directory information currently voluntarily provided by undertakings may not be guaranteed in the future unless undertakings are required to do so.

224 Having regard to the importance of USO as a measure of end-user welfare and, having regard to the counterfactual scenario, ComReg is of the preliminary view that, on balance, the overall net impact of a not imposing a USO would be negative on end-user welfare. This approach would not ensure that end-users' need regarding accessible and affordable directory of subscribers service are protected and that the requirements of the Regulations are met. Therefore, ComReg's objectives would not be achieved. In these circumstances, and where the possible cost to a USP is unlikely to be unduly burdensome, there appears to be a strong case to keep in place a minimum USO safety net to help maintain end-user welfare in the short term.

225 The following sections set out, in the event a USO is considered necessary, the advantages and disadvantages of the different options (2 through 4) in relation to the potential nature of any directory services requirement, as compared to the counterfactual scenario of no USO.

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<sup>49</sup> According to the CSO census 2016, 11% of households do not yet have internet access.

<sup>50</sup> ComReg's survey 2018, slide 6.



**Option 2: the status quo**

- 226 This option considers that the printed phonebook directory or adequate alternative services, would not be available under normal commercial circumstances. As a result, at least for some end-users, it may be necessary to once again put in place a USO consisting of the same obligations in place hitherto for the last 4 years under D07/14 (the status quo approach).
- 227 Where the services are valued and needed at this time and, absent sufficient alternatives, the status quo approach would be expected to maintain end-user welfare because:
- As set out above, printed phonebook directories are likely used by end-users because they do not have internet access to get the information free of charge, if they are unable to use the internet or, because they choose to use it rather than going online or instead calling DQ which can be expensive;
  - End-users can continue to have access to directory information by their chosen means. As identified by ComReg's Survey 2018, over 1 in 5 consumers use their local printed phonebook directory to find phone numbers. Also 16% of those using this channel to find a private individuals' phone number do so more often than once a month; the corresponding percentage for sourcing business numbers is 20%.
  - The provision of the printed phonebook directory brings important benefits to those who appear to particularly value and heavily rely on the use of traditional services. According to ComReg's Survey 2018, while 3 in 5 (59%) adults have access to and use a home landline telephone, this is higher among those 55+, at 86%. In addition, use of the local area printed phonebook directory to find phone numbers is more prevalent among those 55+.
  - End-user protection concerns in relation to affordability, as set out at paragraph 111 to 113, would also be mitigated.
- 228 However, ComReg recognises that with migration away from the more traditional channels and to internet searching and other sources of directory information, a printed phonebook directory may no longer be as relevant to the general population. In this light, the status quo approach may be considered a less cost effective solution compared to potential alternatives. There is a risk that this solution may have a negative environmental impact.
- 229 Moreover, this Option may involve imposing an unnecessary regulatory condition, if directories (printed or electronic) are provided for commercial reasons or, in the presence of other regulated measures, such as, the accessible DQ service for disabled end-user, as set out at paragraph 57.

- 230 As compared to the counterfactual scenario of no USO and, to the extent that the provision of the printed phonebook directory is not a commercial proposition, a USP would incur costs (according to eir, the directory USO net costs are €1.4 million and [€ ] in the financial years 2014/2015 and 2015/2016 respectively)]. In the event that ComReg determined an unfair burden in relation to the USO net cost on the USP, there would be a potential cost impact on industry in respect of sharing of any unfair burden associated with USO.
- 231 Because no electronic communications service provider other than the USP appear to supply comprehensive (White Pages) printed directories, the potential effect of implementing this option is likely to be largely competition neutral.
- 232 Based on the assessment set out above and, as compared to the counterfactual scenario, ComReg is of the preliminary view that, on balance, imposing a USO to continue the approach to universal directory of subscribers service in place hitherto would likely result in an overall net welfare benefit.
- 233 Obligations under D07/14 have till now helped ensure that there is affordable way to frequently access phone numbers, and is entirely consistent with developments at a European level.<sup>51</sup>
- 234 The cost of this solution is unlikely to result in a disproportionate cost burden on a USP (where the approach hitherto allowed the USP to make available to end-users a directory on opt-out and an opt-in basis whichever was more cost effective<sup>52</sup>). It is noted that the proportion of eir's claimed USO net cost associated with the printed phonebook directory has decreased in the financial year 2015/2016 compared to the previous financial year. Although maintaining the status quo would not result in any additional costs or administrative burden to a USP, should a USO be required, ComReg is cognisant to impose the least burdensome USO on a USP. ComReg considers possible costs (compared to possible benefits) under alternative specifications for a USO below.

### **Option 3: a varied subscriber directory USO**

- 235 ComReg has identified three possible variants surrounding any practical implementation of a directory of subscribers service USO,<sup>53</sup> and which are different from the above status quo approach as follows:

#### **a. Mandate provision of a free online phonebook directory**

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<sup>51</sup> As set out in section 4.5 above.

<sup>52</sup> eir, as the USP, initially introduced a facility whereby end-users could opt-out of receiving the directory where they no longer wished to receive it. More recently, end-users have the ability to opt-in to receiving the printed phone directory.

<sup>53</sup> The Regulations allow for either paper or electronic solutions for directories.

- 236 Requiring free access to online phonebook directories would help reduce any risk of end-user detriment in the event that the printed phonebook directory was no longer available. Affordable access to directory information by this source would be guaranteed.
- 237 Online directories have a range of advantages compared to alternatives. Thus for example, they are currently free to access, likely more accessible when on the move, can often be more comprehensive (going beyond local numbers) and, in general provide a workable and cost effective means to make an enquiry. This is an important consideration for social inclusion. While those aged 55+ are most likely to use the printed phonebook directory, it is notable that they also access directory information via the internet. Also, this approach would help ensure disabled users equivalence in access and choice in respect of directory and information services.
- 238 However, this Option may involve imposing an unnecessary regulatory condition. Currently a number of operators voluntarily provide free online access. Therefore, online versions of the subscriber directory are likely a relatively low cost solution and would not cost the industry financially. ComReg furthermore notes the presence of other regulated measures, such as, the accessible DQ service for disabled end-user, as set out at paragraph 57.
- 239 However, households without access to internet or smartphones would be excluded which may reduce welfare for these end-users. Government and other agencies often provide access to online directories in respect of their services. Customers can and do use such directories to get information on Government offices, hospitals, Garda stations, Emergency services and to find postal addresses.

**b. A printed phonebook directory 'on request' free of charge**

- 240 ComReg's Survey 2018 indicates the likely current demand for a printed phonebook directory, which is changing in light of the internet. Thus, an 'on request' approach would mean that those end-users who require a printed phonebook directory continue to have affordable access while those who do not want to receive one would no longer do so. It would offer a more flexible approach, as compared to the approach to USO hitherto, the USP would have the ability over a designation period to significantly reduce the number of phonebook directories printed and distributed. Because the USP could more effectively match print runs to demand, this solution may be considered a more workable and cost effective solution.

241 On the other hand, as compared to the counterfactual scenario and, to the extent that the provision of the printed phonebook directory is not a commercial proposition, a USP may incur some costs. Notwithstanding this, a more flexible approach can reduce potential costs (printing, delivery and administrative) to the USP. In May 2018, eir advertised the opportunity for end-users to request eir's printed phonebook directory by 31 June 2018. eir submit that approximately 1,604 end-users have since requested eir's printed phonebook directory. Having regard to the current status of the 2017/2018 printed phonebook directory production and distribution (Figure 7) and, the number of end-user requests for eir's printed phonebook, ComReg would estimate possible costs associated with an outsourced printing (excluding delivery or postage) of future phone directories, if requested, would likely be less than €100,000.

242 Moreover, an 'on request' model would help reduce any potential negative environmental impact that may be associated with distributing large numbers of bulky printed phonebook directories which not all end-users want or use.

**c. A printed phonebook directory 'on request' and end-user pays for printing or distribution or both**

243 Any cost to end-users would only be incurred by those who request and wish to pay for a printed phonebook directory. ComReg Survey 2018 shows that existing printed phone book directory users are more willing to pay for the printed phone book directory (15%) and; amongst those that would or might pay for a printed phonebook directory, the average amount willing to be paid is €11.67.

244 However, ComReg's Survey 2018 highlights that little willingness to pay for a printed phonebook directory exists, with the majority (83%) stating that they would be unwilling to pay. ComReg is concerned that a distribution charge associated with the actual cost to the USP of the transit of a Directory of Subscribers to the primary place of residence or business of an End-User upon request, could result in end-user detriment, the reasonable needs of end-users may not be met. This is because primarily elderly users value and use the printed phonebook directory and affordability concerns may arise depending on the level of distribution charge to the end-user, if any (a USP acting as a socially responsible commercial operator may choose to voluntarily absorb any such costs). ComReg would estimate possible costs for end-users associated with the purchase and delivery of the printed phonebook directory to their address, in a range of €5 to €15.

245 Allowing a USP(s) to charge a remunerative price to end-users would generate a revenue benefit to the USP and would offset any costs to the USP. Therefore, the potential for a USO net cost of directories being a burden on the USP is removed. On the other hand, implementation of an end-user pays model may result in additional administrative, set-up or billing costs.

- 246 In summary, imposing a USO for provision of a directory of subscribers service in one of the above formats (Option 3a, 3b, 3c) would likely result in an overall net welfare benefit, benefiting both end-users and competition.
- 247 Changing the form of a subscriber directory USO away from arrangements in place hitherto would likely bring a range of benefits to end-users and industry. Broadly, it can help ensure that:
- End-user welfare is maintained where it helps mitigate the identified end-user protection concerns, as set out above;
  - End users are protected from a blanket removal of USO, yet the USO evolves with demands and technology changes and meets end-users' needs in a more optimum way;
  - In light of market developments set out in section 4, any effect of Option 3 is likely to be largely neutral with respect to competition.
- 248 A USP would incur some costs for the provision of a directory of subscribers USO, where a printed phonebook directory is not a commercial proposition. However, for the reasons set out above, changing the specification a subscriber directory USO is likely to result in solution that is not more burdensome on a USP(s) than is necessary and, any regulatory burden is lightened.

#### **Option 4: Impose a USO to make a specified DQ service available to end-users**

- 249 ComReg considers there is merit in exploring this option. Should the printed phonebook directory no longer be available, and where the market did not provide an alternative affordable way to access phone numbers, it is envisaged the welfare of end-users would be maintained by introducing a minimum accessible DQ service particularly if public websites including online DQ services are not accessible.
- 250 ComReg has identified two possible variants surrounding any practical implementation of a DQ USO as follows:
- i. To provide a capped number of DQ calls/minutes free of charge**
- Introducing a cap or restriction with any DQ USO would accrue benefits to a USP(s) as it would provide a safety net against any potential misuse of the service;
  - Moreover, a targeted approach to a DQ measure may be most effective as it would help make sure the benefits of this measure (if so decided) reach those who need them. Thus, for example, a target customer may consist of those that do not have internet access or smartphones, those 55+ and possibly standalone fixed voice access subscribers etc.

- If a targeted and/or a capped DQ service USO is implemented, ComReg would envisage a relatively low cost to a USP(s) of the scheme. However, imposing a DQ USO which does not target specific end-users may result in a net cost for the USP(s) depending on the uptake of the service.

## ii. To introduce a special tariff for a minimum specified DQ service

- An affordability safeguard (for example, a free service or a special tariff) may help ensure that vulnerable users of ECS would continue to have access to a comprehensive directory service at an affordable price, during this period of transition. ComReg's Survey 2018 demonstrates that elderly users, after the internet and the local printed phonebook directory, use DQ to find phone numbers. Any minimum specified DQ measure without an additional affordability safety net may detriment particular end-users.
- DQ calls can be expensive (see ComReg's [www.compare.ie](http://www.compare.ie) for current prices). Although end-users have access to a choice of DQ providers, competition for DQ services is insufficient to ensure affordability in the near term. Also, there are market failures associated with this sector (e.g. asymmetry of information between operators and end users). This solution should protect vulnerable end-users during this period of transition from a rapid increase in their overall bills or 'bill shock'.
- Should a DQ USO be imposed without an affordability safeguard, DQ calls made by the general population cannot be said to impose any USO burden on a USP(s).

251 In summary, a DQ USO minimum specified would likely result in an overall net welfare benefit, benefiting both competition and end-users. Such a USO with some form of a cap or restriction would accrue benefits to a target consumer and a USP(s).

252 It can help ensure that end-user welfare is maintained, as compared to the counterfactual, as it should mitigate the identified end-user protection concerns, as set out above.

253 Should a DQ USO be imposed without an affordability safeguard, in light of the current pricing models, affordability concerns may arise, in particular, for those that do not have internet access or smartphones and those 55+. With a view to social inclusion, costs of a directory of subscribers' service should not exclude the most vulnerable in the community during this period of transition from making a minimum use of basic services during this period of transition. In light of the counterfactual scenario, it is likely that protections for more vulnerable users should remain in place during this period of transition.

- 254 Where a DQ USO is imposed on every undertaking any effect is likely to be largely competition neutral, otherwise there would be a potential risk of market distortion in light of liberalisation of DQ services in general.
- 255 ComReg is of the preliminary view that, on balance, imposing a USO consisting of a minimum specified DQ service may not achieve the best balance between the needs of vulnerable end-users and changing commercial conditions during this period of transition. Although end-users are protected from a blanket removal of USO, in light of demands and technology changes, under this approach end-users' needs may not be met in the most optimum way.
- 256 This option may introduce an additional administrative burden and possible set-up costs (depending on a specific specification for this type of USO) which, in light of the proposal to have a short designation period, circa 2 years, may not be most appropriate or proportionate at this time.

## 7.5 Step 4 – Assess the impacts and choose the best option

- 257 Having specific regard to the counterfactual no USO scenario (Option 1) and, preliminary reasoning to designate a USP for provision of a directory of subscribers service USO, a complete removal of the USO at this time would likely result in end-user detriment.
- 258 For the reasons set out in section 5 and at paragraphs 216 to 219, the continued application of a USO for 2019 would be objectively justified and proportionate as this safety net would help ensure the end-user demands for universal service are protected. ComReg considers that easily accessible and affordable directory information continues to provide a valuable service to end-users.
- 259 On balance, having regard to evolving technological and social developments and, because of the impact on end-users absent a USO, not imposing a USO (Option 1) at this time would seem premature.
- 260 Should a USO be required, there are a number of possible ways (Options 2, 3 and 4) to implement a USO. In order to help identify the most optimal regulatory approach, the advantages and disadvantages of different options in relation to the potential nature of any USO follows, as compared to the counterfactual scenario.
- 261 Each of the different options implementing a USO (2, 3 and 4), as compared to the counterfactual, would likely result in an overall net welfare benefit in the immediate term. Each can continue to provide affordable access to directory information. Accordingly, each of the options, would to a different extent, address end-user protection concerns for the at risk end-user. Any cost incurred by the USP in respect of these options would, on balance, be outweighed by the benefits that would accrue to end-users.

- 262 Obligations in place hitherto under D07/14 have accrued benefits to those who valued and used the printed phone directory, primarily those 55+ and those who yet have not availed of internet access. However, the disadvantage of maintaining the status quo (Option 2) is that, it may be considered a less cost effective solution compared to potential alternatives and may also negatively impact the environment. As set out above, ComReg's objective for this review, amongst other things, is to ensure that any USO measure is implemented in an effective manner, minimising the potential costs and disruption the USP(s) and to end-users. ComReg is cognisant that any USO solution, if required, is not more burdensome than necessary.
- 263 The advantage of Option 3 is that, a changed USO specification may help ensure that any USO evolves with end-user preferences and, meet demands for a directory of subscribers' service in a more optimum way. It would likely, as compared to the status quo approach, lighten any regulatory burden on a USP.
- 264 In general, for those with internet access, imposing a USO consisting of a requirement to provide free accessible online phone directories (Option 3a), would guarantee in the future a clear, easily accessible form of access to directory information. This is an important consideration for social inclusion concerning primarily those aged 55+ and disabled subscribers. Online versions of a directory of subscribers are a relatively low cost solution and, would not cost the industry financially.
- 265 The risk with Option 3a, however, is that, households without access to internet or smartphones would be excluded which may reduce end-user welfare. Moreover, this Option may involve imposing an unnecessary regulatory condition because this service is provided commercially. Having regard to the market developments set out in section 4 that undertakings already supply free online directories, ComReg is of the preliminary view that it would not seem appropriate to require a USP(s) to provide free online access at this time. However, ComReg will continue to monitor market developments and may revisit this as relevant.
- 266 As regards possible other variants surrounding Option 3, an 'on request' model regarding provision of a printed phonebook directory (Option 3b) will likely assist those end-users who require a printed phonebook directory to have continued access while those who do not want to receive a printed phonebook directory no longer do so. In addition, it would result in possible (printing, delivery and administrative) cost savings and, would lighten any regulatory burden. Because the USP could more effectively match print runs and distribution to demand, this solution may be considered a more workable and cost effective solution as compared to the status quo approach.



- 267 The advantage of allowing a USP(s) to charge end-users who order a printed phonebook directory (Option 3c) over Option 3b is that this approach would remove any potential for a net cost being a burden on the USP. On the other hand, the potential disadvantage of Option 3c is that, depending on the level of costs passed through by a USP(s) to end-users and, their willingness to pay, some end-users could incur additional costs to access the numbers they require and affordability concerns may therefore arise. An approach where end-users pay may result in additional administrative, set-up or billing costs for a USP(s) or undertakings.
- 268 The advantage of making available a minimum DQ service for a target end-user other than disabled users (Option 4) over the counterfactual and the status quo option is that, it could provide an optimal solution if public websites including online DQ services are not accessible. The risk with this Option is that, it is likely to give rise to affordability concerns for end users (primarily elderly users who switch to DQ to find the required phone number) in the absence of an affordability safeguard given pricing and other developments in the DQ market. It may be necessary to have a minimum specified DQ measure with an additional affordability safeguard, should the general market circumstances justify it. The risk for industry is that, introducing a DQ USO without a cap or restriction may result in possible costs to a USP(s) if there was misuse of the service and risks a market distortion.
- 269 In this light and, because of the proposal to have a short designation period, circa 2 years, should a USO be required, imposing a DQ USO may not be the most appropriate or proportionate solution at this time.
- 270 The choice between Options 2, 3 and 4 therefore depends on which of these ComReg considers as the most appropriate and proportionate option to achieve its' stated objectives.
- 271 Having regard to the analysis conducted, ComReg considers that, on balance, Option 3b is likely to provide the most optimum safety net for end-users at this time. A USO requiring provision of a printed phonebook directory 'on request' is a more flexible approach which would possibly align more closely with end-user demands, and result in a lightening of any regulatory burden on the USP(s), yet ensure that end-users demands for the universal service are protected. However, ComReg would monitor possible costs under Option 3b in line with future demands and technology changes.
- 272 Accordingly, ComReg would propose that Option 3b is the most optimal approach to this matter at this time and should be implemented.
- 273 ComReg will review and fully take into account all responses it receives from stakeholders in relation to the options and proposals in this consultation before coming to a final RIA and decision.

Q. 11 Do you agree or disagree with ComReg's draft assessment of the impact of the proposed options? Please set out reasons for your answer.

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## 8 Draft Decision Instrument

### 1. STATUTORY FUNCTIONS AND POWERS GIVING RISE TO DECISION

1.1. This Decision and Decision Instrument, made by the Commission for Communications Regulation (“ComReg”), relates to the provision of universal services in the Irish telephony market and is made:

- i. Having regard to sections 10 and 12 of the Communications Regulation Act 2002, as amended;
- ii. Pursuant to the functions and powers conferred upon ComReg under and by virtue of Regulation 7(1) of the European Communities (Electronic Communications Networks and Services) (Universal Service and Users’ Rights) Regulations 2011 (“the Regulations”);
- iii. Having regard to Regulation 4(2) of the Regulations;
- iv. Having taken account of the representations of interested parties submitted in response to ComReg documents No. xx/xx; and
- v. Having regard to the analysis and reasoning set out in ComReg document No. xx/xx.

### 2. DEFINITIONS AND INTERPRETATION

1.2. In this Decision Instrument, unless the context otherwise admits or requires, the following terms shall have the following meanings:

“**USP**” means the Undertaking, designated by ComReg pursuant to Regulation 7 of the Universal Service Regulations and this Decision Instrument as the Universal Service Provider of Directory Services in the State;

“**End-User**” has the same meaning as it has in Regulation 2 of the European Communities (Electronic Communications Networks and Services) (Framework) Regulations, 2011 (“the Framework Regulations”);

“**Directory of Subscribers**”, means a printed list or lists of all Subscriber Details relating to Subscribers of publically available telephone services either in the State as a whole or by relevant Subscriber area within the State (including those with fixed, mobile and personal numbers), who have not refused to have their personal particulars included in such a directory. A

Directory of Subscribers must be provided on request in accordance with the requirements of Regulation 4 of the Regulations and this Decision Instrument;

**“Subscriber”** has the same meaning as it has in Regulation 2 of the Framework Regulations;

**“Subscribers’ Details”** means those personal particulars of Subscribers who have not refused to be included in the Directory of Subscribers;

**“Distribution Charge”** means a discretionary distribution charge which the USP may impose on End-Users that equates to and must not exceed, the actual cost to the USP of the transit of a Directory of Subscribers to the primary place of residence or business of an End-User upon request. No other costs associated with the distribution of the Directory of Subscribers other than the cost of transit, shall be reflected in the Distribution Charge. Any distribution charge imposed by the USP on End-Users shall meet the requirements of section 2.9 of this Decision Instrument. Any distribution agreement (pertaining to the USP’s distribution of the Directory of Subscribers to End-Users) and any Distribution Charge shall be based upon an Open Tender Process. Any such distribution charge imposed by the USP on End-Users must be affordable, particularly for vulnerable End-Users.

**“Open Tender Process”** means a tender process that is not private, is opened for all qualified bidders and involves at a minimum, an assessment of price and quality.

**“On Request”** means a request communicated by the End-User to the USP designated to provide the Directory of Subscribers as set out in this Decision Instrument

### 3. DESIGNATION OF UNIVERSAL SERVICE PROVIDER

#### Directory of Subscribers

2.1. In accordance with Regulation 7 of the Regulations, X is hereby designated as the USP for the purpose of complying with the obligations, as provided for by Regulation 4 of the Regulations and this Decision Instrument, from xxxx until 31 December 2020.

2.2. The USP shall ensure that a Directory of Subscribers, based on the data provided to it in accordance with Regulation 19(4) of the Regulations, which shall be updated and collated annually in 2019 and 2020, is made available on request and free of charge to all End-Users for each year of a two year period, subject to sections 2.4 - 2.14 inclusive of this draft Decision Instrument. The

provision of and distribution of the Directory of Subscribers must be completed by the end of August in each year of the two year designation period.

## **Communications Campaign**

2.3. In order to give effect to the provision of a Directory of Subscribers, the USP shall undertake a communications campaign with End-Users between 1 January 2019 and 1 March 2019 and in the following year between 1 January 2020 and 1 March 2020.

- I. The USP shall publish an information notice as prescribed at Annex 1 attached to this Decision Instrument.
- II. The USP shall communicate the date by which a Directory of Subscribers will be available in the manner prescribed at Annex 1.
- III. The USP shall communicate the distribution options available to those End-Users who communicate a request to the USP for the provision of a Directory of Subscribers, in accordance with this Decision Instrument. The communicated distribution options shall be as prescribed at Annex 1 to this Decision Instrument.
- IV. The USP shall place the information notice in three national newspapers in each month of the communications campaign.
- V. The USP shall publish the information notice on a prominent section or at the most visited section of its public website for the duration of the communications campaign.

## **End-User Request Process**

- I. The media by which End-Users can request a Directory of Subscribers shall include all of the following:
  - a. A dedicated free phone number; and
  - b. Email address; and
  - c. Postal address

## **Records – End-User Requests**

2.4. The USP shall maintain records of the number of End-User requests received in addition to the following records:

- i. Medium used for the request –Telephone, email and/or post;
- ii. Number of End-User requests received by Directory of Subscriber area;
- iii. Number of End-Users who request that a Directory of Subscribers is distributed to their primary place of residence or business. The End-User must be made aware of any Distribution Charge that is fixed by the USP in advance of the End-User being under any obligation to pay the Distribution Charge;
- iv. Number of End-Users who request that a Directory of Subscribers be made available from a collection point in the locality convenient to their primary place of residence or business;
- v. The commencement and conclusion dates for the receipt of End-Users' requests for a Directory of Subscribers.

### **Directory of Subscribers**

2.5. The USP shall ensure that the distribution of a Directory of Subscribers to those End-Users who have requested one is completed by the date specified in the information notice at Annex 1 to this Decision Instrument.

2.6. All costs associated with the printing of a Directory of Subscribers shall be borne by the USP. Such costs may form part of the USP's funding application in respect of the direct net cost of the provision to End-Users of a Directory of Subscribers.

### **Directory of Subscribers Distribution Options to End-Users**

2.7. The USP shall provide the option of the delivery of a Directory of Subscribers referred to in this Decision Instrument to the End-User's primary place of residence or business whereby a Distribution Charge may be required by the USP to be paid by the End-User. The End-User must be made aware by the USP of any Distribution Charge (which Distribution Charge shall be set in accordance with section 2.9 of this Decision Instrument) in advance of the End-User being under any obligation to pay for it.

2.8. Where a Distribution Charge is imposed for the distribution option identified in section 2.7 the USP shall also provide the option of a collection point from a distribution location convenient to the requesting End-Users' primary place of residence or business, whereby the distribution of a Directory of Subscribers is free- of- charge to the End-User.

## Geographically Averaged Pricing

2.9. In accordance with Regulation 8(3) of the Regulations, the USP, shall apply a geographically averaged Distribution Charge throughout the State where it may decide to require payment by End-Users, for distribution of the Directory of Subscribers referred to in this Decision.

## End-User Distribution Payment Methods

2.10. The USP shall, when satisfying an End-User's request for the Directory of Subscribers referred to in this Decision under Section 2.2 accept any of the following payment mechanisms for a Distribution Charge , where payment is applicable:

- i. Bank Order/Draft;
- ii. Debit Card;
- iii. Credit Card; and
- iv. Postal Money Order.

## 4. CONTINUATION OF COMREG DECISIONS

3.1 All other decisions imposed by ComReg in relation to universal service obligations, which were immediately in force prior to the effective date of this Decision and Decision Instrument, shall continue to have full force and effect.

## 5. EFFECTIVE DATE AND DURATION

4.1. This Decision and Decision Instrument is effective from xx xx 2018 until 31 December 2020 unless or until reviewed by ComReg.

**THE COMMISSION FOR COMMUNICATIONS REGULATION**

**THE XX<sup>th</sup> DAY OF XX 201X**

## Annex 1 - Information Notice

### **INFORMATION NOTICE – USP PRINTED PHONEBOOK DIRECTORY AVAILABLE ON REQUEST [USP logo]**

You have the right to request a USP 2019/2020 [2020/2021] printed phonebook directory from [USP] using any of the following:

- [USP] low call Freephone number ; and/or
- [USP] email address; and/or
- [USP] Postal address.

All requests for a [USP] 2019/2020 printed phonebook directory must be received by [USP] between 2019 - 1/1/19 - 31/3/19 inclusive / [All requests for a [USP] 2020/2021 printed phonebook directory must be received by [USP] between 2020 - 1/1/20 - 31/3/20 inclusive]

#### **[USP] printed phone book directory availability dates**

- [USP's] 2019/2020 printed phonebook directory will be available between 1 April 2019 -1 July 2019/ [[USP's ]2020/2021 printed phonebook directory will be available between 1 April 2020 -1 July 2020]

#### **Distribution options available**

- You may collect a free copy of the USP printed phone book directory from the following distribution points [xxx,xxx,xxx,xxx etc.]; alternatively
- You may opt to have a [free] copy of the [USP] printed phonebook directory delivered to your home address or place of work [for a charge to cover distribution and you may pay the distribution charge, via any of the following mechanisms
  - Bank Order/Draft and
  - Debit Card; and
  - Credit Card; and
  - Postal Money Order

[USP] will advise you of the distribution charge before you are bound by your request for the printed phonebook directory]



## 9 Next Steps

- 274 The consultation period will run from 10 October 2018 to 9 November 2018, during which time ComReg welcomes written responses on any of the issues raised in this consultation document. It is requested that comments within submissions make reference to the relevant question numbers from this consultation document.
- 275 In order to promote further openness and transparency, ComReg will publish all respondents' submissions to this consultation, subject to the provisions of ComReg's Guidelines on the Treatment of Confidential Information – ComReg 05/24 and its obligation under Regulation 15 of the European Communities (Electronic Communications Networks and Services) (Framework) Regulations 2011.
- 276 Respondents are requested to clearly identify confidential material and place such material in a separate annex to responses.
- 277 Respondents are also requested to provide any electronic submissions in an unprotected format so that they can be appended into ComReg's submissions document for electronic publication.

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## Annex: 1 Legal Basis

Regulation 4 of the Universal Service Regulations requires:

*“4. (1) A designated undertaking shall ensure, based on the data provided to it in accordance with Regulation 19(4)*

*(a) that a comprehensive directory of subscribers is made available to all end-users in a form approved of by the Regulator, whether printed or electronic or both, and is updated at least once a year, or*

*(b) that a comprehensive telephone directory enquiry service is made available to all end-users, including users of public pay telephones*

*(2) The designated undertaking concerned shall ensure that the directory or the directory enquiry service referred to in paragraph (1) comprises all subscribers of publically available telephone services in the State (including those with fixed, mobile and personal numbers) who have not refused to have their personal particulars included in those directories. This paragraph is subject to Regulation 12 of the Privacy and Electronic Communications Regulation.*

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## Annex: 2 List of Questions

Section	Page
Q. 1 Do you agree with ComReg’s preliminary view that there is a continued need to apply a USO to ensure availability and affordability of a directory of subscribers’ service in the short term? Please provide evidence and reasons to support your views.....	32
Q. 2 Do you agree with ComReg’s preliminary view that imposing a USO requiring a USP to provide a printed phonebook directory under the same obligations in place hitherto may be sub-optimum compared to alternative approaches? Please give evidence and reasons to support your view.....	36
Q. 3 Do you agree with ComReg’s preliminary view to designate a USP and impose a USO to provide a printed directory of subscribers, upon request by an end-user? Please provide reasons to support your views.....	40
Q. 4 Do you agree with ComReg’s preliminary view that, should a directory of subscribers service USO be required, a requirement on a USP to provide a printed phonebook directory, on request and free-of-charge (i.e. including all printing, packaging and distribution costs) to the end–user would likely be most appropriate to help ensure availability and affordability of directory services?.....	41
Q. 5 Do you agree that (a) USP(s) should have the flexibility to impose a distribution charge for the transit of a printed phonebook directory to the primary place of residence or business of an end-user upon request) or (b) that the distribution of a printed phonebook directory should be free of charge to end-users who request a printed phonebook directory? Please provide reasons to support your views.....	43
Q. 6 If a USP(s) has discretion to impose a distribution charge for the transit of a printed phonebook directory to the primary place of residence or business of an end-user upon request, should this be subject to the parameters identified above? What other factors may be appropriate to consider in this regard? Please provide reasons to support your views.....	43
Q. 7 Do you agree or disagree with ComReg’s preliminary view that the next designation period should run until the end of 2020, unless or until reviewed by ComReg? Please provide reasons to support your view.....	45
Q. 8 What do you consider amongst other things (e.g. level of end-user demand, distribution costs etc.) should be taken into consideration in any ComReg interim review?.....	45
Q. 9 Do you agree or disagree with ComReg’s preliminary view that for the proposed next designation period, the required universal services should be designated for the entire State? Please provide reasons to support your view....	46

Q. 10 Do you agree or disagree with ComReg's proposal that where the legislative matter has not been addressed or where no expressions of interest are received, eir should continue to be the universal service provider for the on request printed directory of subscribers during the next designation period? Please provide reasons to support your view. .... 47

Q. 11 Do you agree or disagree with ComReg's draft assessment of the impact of the proposed options? Please set out reasons for your answer..... 66

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## **Annex: 3 ComReg's Survey 2018 (Red C)**

See ComReg document number 18/90a.

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# Annex: 4 196 Service Registration Form

## Free directory enquiry service for customers with a disability

If you have any questions or need advice about this service, please call our helpdesk on **freephone 1800 574 574**

- Please ensure that parts 1 and 2 of this form are completed.
- An authorised person must complete part 2.

### Part 1 Your Details

To be filled in by the customer or someone on their behalf

1 Name (block capitals) \_\_\_\_\_

2 Address in full (block capitals) \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

3 Would you like your acceptance letter in Braille?

Yes

No

4 Would you like your acceptance letter in large print?

Yes

No

Please specify the font size that you require \_\_\_\_\_

**Continued Overleaf...**

Page 1



<p><b>5</b> Please sign and date this form</p> <p>Signature _____</p> <p>Date _____</p> <p><b>6</b> If you have completed this form on behalf of the customer please insert your name</p> <p>Name _____</p>
---

**Part 2 Confirmation of Disability**

<p><b>The remainder of the form should be filled in by an authorised person. Please complete in block capitals.</b></p> <ul style="list-style-type: none"><li>• Customers cannot certify themselves.</li><li>• A doctor, nurse, social worker, optician, or an employee of a voluntary organisation, for example, the Multiple Sclerosis Society, must provide confirmation of disability.</li></ul>
--

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**1** I certify that the details in part 1 are correct and that this customer (please write customer's name below)

Name \_\_\_\_\_

should be eligible for the free directory enquiry service as he or she cannot use printed eircom phonebooks due to a sensory or physical disability or medical condition.

**2** Please give medical name and details of the medical or physical condition which prevents this person from using the printed eircom phonebook below:

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**Part 2 Continued**

**3** Your name \_\_\_\_\_

Profession or job title \_\_\_\_\_

Address or official stamp \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Official telephone number \_\_\_\_\_

Signed \_\_\_\_\_

Date \_\_\_\_\_

The completed form should be returned in the enclosed eircom freepost envelope to:

Freepost  
eircom Ltd.  
Operator Services (FDQ)  
5th Floor  
Telephone House  
43-46 Marlborough Street  
Dublin 1



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# Annex: 5 DQ Call Costs<sup>54</sup>

**Plan**  
What plan or bundle are you on?

Best standard rates

Number	Cost Per Minute	Connection Cost	Minutes Included in Connection Cost
11811	€2.69	€2.74	0
11850	€2.79	€5.58	1
11890	€0.99	€3.99	1
11822	€0.62	€1.50	1
11827	€0.62	€1.51	1
11860	€2.99	€5.98	1
11891	€0.62	€2.27	1
11824	€2.20	€4.40	1
11888	€0.49	€0.60	1
11818	€1.79	€2.74	0

Vodafone

**Plan**  
What plan or bundle are you on?

Home Essentials

Number	Cost Per Minute	Connection Cost	Minutes Included in Connection Cost
11818	€0.00	€0.00	0
11860	€0.00	€0.00	0
11891	€0.00	€0.00	0
11890	€3.50	€3.50	0
11850	€2.00	€2.00	0
11822	€2.00	€2.00	0
11827	€2.00	€2.00	0
11811	€2.00	€2.00	0
11824	€2.00	€2.00	0
11888	€3.50	€3.50	0

**Network**  
What network are you with currently?

Virgin Media

**Plan**  
What plan or bundle are you on?

240Mb Broadband & Anytime Mobile

Number	Cost Per Minute	Connection Cost	Minutes Included in Connection Cost
11827	€0.00	€0.00	0
11822	€0.00	€0.00	0
11891	€0.00	€0.00	0
11824	€0.00	€0.00	0
11818	€0.67	€1.61	0
11890	€1.20	€3.70	0
11860	€3.20	€4.00	0
11888	€0.31	€0.00	0
11850	€3.00	€4.00	0
11811	€2.50	€3.50	0

**Network**  
What network are you with currently?

Pure Telecom

**Plan**  
What plan or bundle are you on?

Landline Bundle

Number	Cost Per Minute	Connection Cost	Minutes Included in Connection Cost
11860	€0.00	€0.00	0
11818	€0.00	€0.00	0
11891	€0.00	€0.00	0
11811	€2.21	€3.18	0
11888	€0.59	€0.67	0
11824	€2.88	€1.73	0
11850	€3.27	€6.50	0
11822	€1.28	€1.74	0
11890	€1.17	€3.95	0
11827	€0.72	€1.21	0

**Network**  
What network are you with currently?

Sky

**Plan**  
What plan or bundle are you on?

Sky Fibre 100Mb & Sky Talk Freetime - existing Sky TV customer

Number	Cost Per Minute	Connection Cost	Minutes Included in Connection Cost
11860	€0.00	€0.00	0
11891	€0.00	€0.00	0
11818	€0.00	€0.00	0
11824	€1.23	€2.46	1
11888	€0.50	€0.59	1
11811	€2.50	€4.00	0
11827	€0.60	€1.20	1
11890	€0.99	€3.40	1
11822	€0.62	€1.51	1
11850	€2.19	€5.58	1

**Network**  
What network are you with currently?

Magnet

**Plan**  
What plan or bundle are you on?

Choice 30

Number	Cost Per Minute	Connection Cost	Minutes Included in Connection Cost
11818	€0.00	€0.00	0
11822	€0.00	€0.00	0
11860	€0.00	€0.00	0
11891	€0.00	€0.00	0
11827	€2.77	€1.67	1
11890	€0.46	€2.22	1
11888	€0.42	€0.58	1
11811	€0.78	€1.48	1
11850	€0.78	€1.86	1
11824	€2.77	€1.67	1

**Network**  
What network are you with currently?

Digweb

**Plan**  
What plan or bundle are you on?

Digweb Talk Anytime

Number	Cost Per Minute	Connection Cost	Minutes Included in Connection Cost
11818	€0.00	€0.00	0
11827	€1.78	€1.78	0
11890	€1.21	€1.21	0
11822	€1.78	€1.78	0
11860	€0.00	€0.00	0
11888	€1.21	€1.21	0
11811	€1.78	€1.78	0
11891	€0.00	€0.00	0
11850	€1.78	€1.78	0
11824	€1.78	€1.78	0

**Network**  
What network are you with currently?

Imagine

**Plan**  
What plan or bundle are you on?

Imagine LTE

Number	Cost Per Minute	Connection Cost	Minutes Included in Connection Cost
11891	€0.00	€0.00	0
11818	€0.72	€1.73	0
11860	€2.99	€5.98	0
11827	€0.24	€1.12	0
11890	€0.90	€3.40	0
11888	€0.33	€0.00	0
11811	€1.32	€2.10	0
11850	€3.13	€5.58	0
11824	€0.72	€1.05	0
11822	€0.07	€1.33	0

**Network**  
What network are you with currently?

IFA Telecom

**Plan**  
What plan or bundle are you on?

Standard Package

Number	Cost Per Minute	Connection Cost	Minutes Included in Connection Cost
11860	€0.00	€0.00	0
11891	€0.00	€0.00	0
11818	€0.00	€0.00	0
11850	€2.30	€4.30	0
11827	€0.70	€1.70	0
11888	€0.70	€1.70	0
11811	€1.50	€2.20	0
11824	€1.70	€3.00	0
11822	€1.70	€3.00	0
11890	€1.20	€3.40	0

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