

#### Press release

# **OPTICAL FIBRE**

# FttH network access and non-discrimination: Arcep delivers its first assessment of the changes made to Orange business processes

30 January 2019

In 2017, the work that Arcep performed as part of its fixed market analysis led Orange to decide to implement changes to the software tools used to access its fibre network. Arcep then verified the effectiveness of these actions taken by Orange, and produced a preliminary assessment which it is making public in a report being posted online today. Arcep's findings, combined with Orange's announced implementation of a complementary action plan, help to strengthen non-discrimination guarantees from a structural standpoint.

Fibre can only be successful if every operator becomes involved. These non-discrimination guarantees increase everybody's ability to do so. They also fortify Arcep in its regulation strategy at a time when fibre rollouts and product launches are due to intensify.

# The importance of business processes in optical fibre (FttH) network sharing schemes

In accordance with the law, operators **share** the FttH networks deployed in France. Under this system, the business processes used to provide access to the FttH network must be **non-discriminatory**, to ensure that operators using the shared network are on an **equal footing** with the operator that built the network.

To this end, Arcep believes that it is preferable that vertically integrated operators use the same software tools, and the same processes, as those made available to third-party operators, to guarantee equal treatment.

Orange is the main infrastructure operator in France, and had deployed close to 70% of the country's 12.5 million optical fibre lines as of 30 September 2018. As a result, Arcep believed it was especially vital to ensure that this carrier did not enjoy easier management conditions than other operators that were accessing its network, and helping to finance it.

Following a series of discussions with Arcep, Orange was to implement targeted and concrete changes to its FttH information systems (IS), notably by expanding the use of tools that were common to both the carrier's retail and wholesale branches.

# Arcep performed an in-depth technical and IT audit

In accordance with the action plan put into place in late 2017, Orange was to carry out its actions in two stages. Arcep monitored the situation closely as it progressed.

During the first stage, the tool that allows operators to identify their customers' premises when taking orders, and the tool that facilitates technicians' installation of optical fibre in customer premises were reported to be **common tools**, in other words used by both third-party operators and Orange. The same was to be true of the **eligibility** process by **1 September 2018**.

Jean-François Hernandez

It is a summary of Arcep's in-depth technical and IT audit of this first stage that is being published today.

In the second stage, Orange and third-party operators' orders were to be subjected to the same compliance check before 31 December 2018.

The results of this second audit will be the subject of a separate Arcep communication, in the first half of 2019.

## Audit results and complementary actions taken by Orange

The audit revealed that, as it stands today, third-party operators and Orange are using the same eligibility processes and customer premises identification tool. Regarding the tool used to facilitate technicians' installation of optical fibre in customer premises, it emerged that even though it was designed using common building blocks, it is Arcep's view that it does not currently constitute a common tool. Orange has thus begun to work on making this tool common to both its retail branch and third-party operators by Q3 2019.

The work done on this audit also led Orange to launch complementary action plans aimed at:

- improving supervision of internal and external tools' operation all along the IS chain, and providing Arcep with key performance indicators starting on 1 January 2019;
- extending the principle of common tools to the processing of premises to be outfitted on-demand, and to the after-sales service reporting tool. This resulted in the expanded use of common tools by the Orange retail branch and third-party operators, providing strong non-discrimination guarantees along the entire FttH IS chain, with the exception of ordering processes which are subject to heightened supervision;
- increased governance of information system projects, which will take into greater consideration internal guarantees from Orange to meet its non-discrimination obligations and commitments, as well as better informing third-party operators on IS development projects, from the study phase onwards.

The results of this first stage of the audit, coupled with the complementary action plans, will help strengthen non-discrimination guarantees.

# What happens next

In addition to its initially planned audit of the second stage, on order processes, Arcep will also be monitoring the complementary actions described above.

# **Associated document:**

Summary of Arcep's in-depth technical and IT audit (in French)

Arcep at a glance

The Electronic Communications and Postal Regulatory Authority (ARCEP), a neutral and expert arbitrator with the status of independent administrative authority, is the architect and guardian of internet, fixed and mobile telecoms and postal networks in France.



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