

Telephony

Fixed Telephony

The 2005-2009 period is marked by the significant development of infrastructure based competition in fixed telephony, primarily due to the successful unbundling of the local loop. Many operators are by now utilizing the possibilities enabled by LLU in order to offer to their subscribers an array of products in particularly favorable terms.

As a result, already since the end of March 2009, over 12% of main fixed telephony lines are completely served by alternative operators.

Considerable emphasis has also been placed on the development of service based competition, through Carrier Preselection. In this direction, EETT has twice amended the Carrier Preselection Regulation, in December 2005 and May 2008. The first amendment aimed at maximizing the benefits and protecting the rights of consumers, primarily concerning the Preselection application submission process, while the second aimed at clarifying certain critical matters for further facilitating and assuring the consumers. In parallel, supervisory interventions were intensified. As a result, in the period 2005-2008 fines were imposed in excess of 10 million euro,

for violations relating to procedures for attracting or winning-back customers as well as to service cancellation and activation.

In the same line, in 2008, EETT introduced into the Greek market Wholesale Line Rental (WLR), a new tool, seeking to stimulate competition at service level. WLR enables a subscriber using Carrier Preselection to cease his/her business relationship with OTE for the access to the public telephony network and instead to be invoiced for this service by the alternative provider of his/her choice.

Operators, who are primarily engaged in providing services through Carrier Preselection, have utilised this possibility to solidify relations with their subscribers, raising the number of WLR subscribers by mid-2009 to 40,000.

Important steps have also been made in relation to VoIP services. Following an amendment of the General Authorization Regulation in 2007, EETT defined the obligations for the provision of VoIP services, aiming at protecting the consumers and optimizing the use of national resources.

The analysis of the relevant market on fixed

interconnection resulted in the regulation of termination rates not only in the OTE network but also in all alternative operators networks, for which a glide path was imposed to 1.37 euro cents per minute as of 1/1/2007, 1.13 euro cents per minute as of 1/1/2008, and 0.849 euro cents per minute as of 1/1/2009.

Mobile Telephony

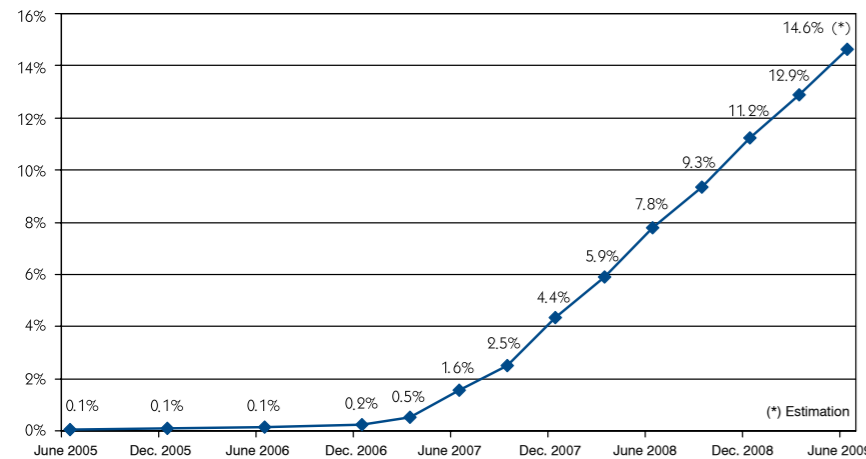
In the period 2005-2009, mobile telephony continued developing significantly in Greece, reaching 13.8 million active subscribers by year-end 2008 (123% penetration per capita).

During this period the actual development of 3G services got under way, exceeding 1.6 million active subscribers by year-end 2008 (although it is uncertain whether all these subscribers fully utilize the possibilities offered by 3G networks). Furthermore, subscribers enjoying broadband access to the Internet through laptops and regardless of location, by means of 3G services reached 180 thousand by year-end 2008.

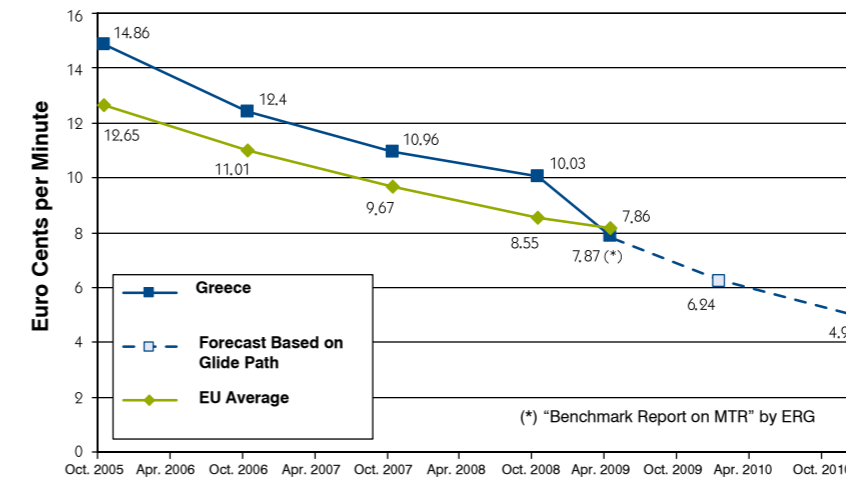
In 2008, EETT imposed a glide path on termination rates, seeking to reduce them from 10.03 euro cents per minute in 2008 to 4.95 euro cents per minute on 1/1/2011 (i.e. to less than half). Already in the first stage of this glide path, at the beginning of 2009, termination rates have been reduced to 7.86 euro cents per minute, falling for the first time ever below the EU average.

Within the European Regulators Group (ERG), EETT participates in the monitoring of the implementation of the European Commission Regulation on International Roaming, which came into effect for the first time in June 2007.

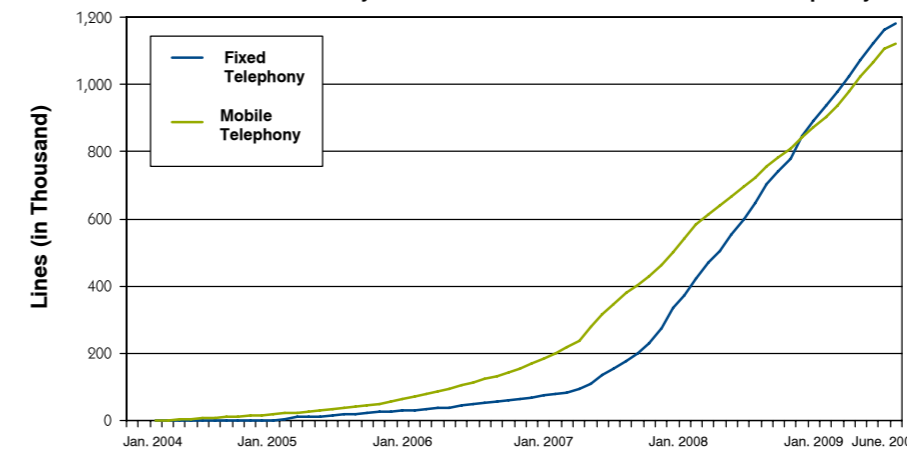
Services Based Competition in Fixed Telephony



Mobile Telephony Termination Rates



Number Portability: Ported Numbers in Fixed and Mobile Telephony



As a result of its application, European citizens see a significant reduction in mobile telephony expenditures, when traveling abroad. With the aid of the ERG, the Regulation has been expanded, introducing further reductions to International roaming costs and expanding its coverage to the costs of SMS, MMS and data services.

Number Portability

The continuous and rapid increase of ported numbers both in mobile and (even more so) in fixed telephony reflects the intensifying competition in the sector.

Numbering Assignment

In 2007 EETT updated the National Numbering Plan (NNP) together with the Regulation for the Management and Assignment of Numbering Resources of the NNP, aiming at facilitating operators in establishing and promoting innovative services. The Plan provides for new number series for the provision of services such as multimedia information, short messages (SMS) etc.

In 2007 also started the assignment of numbers from the 116-series, for the provision high interest social services.

The first assignments pertained to the reporting of missing children (2007) and

to assisting children in need of care and protection. As also reported by the European Commission, Greece is among the first member states in which such numbers were assigned and actually put to operation.

Telephone Directories

The drastic changes in the telecommunications scene created new demands. Phone directories, which traditionally recorded only OTE subscribers, have now been rendered obsolete. EETT proceeded already since 2006 to integration of telephone directories and the deregulation of the directory market.

The consumer may now obtain information regarding telephone numbers of subscribers of OTE, mobile operators and alternative operators, so long, of course, as they have allowed the registration of their numbers. Such services today are provided by OTE, mobile operators as well as a large number of independent companies specializing in the provision of directory enquiry information.

Electronic Signatures

Aiming to develop the electronic signature market, EETT has intensified its supervising activity, primarily through on-site inspections at electronic signature certification service providers in order to ascertain their compliance with the construction, technical, operational, procedural and organizational requirements of the regulatory framework. At the same time, EETT is in close co-operation with the European Commission for the implementation of a national Trust Service List (TSL) with information on certification service providers who issue qualified certificates in Greece. The publication of the relevant Lists by all member states meeting the same technical specifications will facilitate information systems interoperability and the use of electronic signatures across borders.