



Introduction



Telecommunications Sector

The basic goal of EETT's strategy for the period 2008–2011 is the creation of a fully liberated and competitive Electronic Communications market based on a stable and foreseeable regulatory environment that will attract investments in broadband networks infrastructures and consequently will lead to the improvement in the quality of life for citizens and facilitate the development of innovative services, exportable over the Internet. The two basic keystones for the materialization of this specific strategy are the further development of Broadband throughout the Greek Territory and the protection of consumer rights.

In this context, EETT nominated 2008 as a year of «Quality Broadband» and carried out significant actions to this direction. Specifically, via the issue of the Code of Practice for the provision of Electronic Communications' services, EETT aims at resolving crucial issues / problems in the relationship between the consumer and the provider. Similarly, the issue of the Quality Indicators aims at the direct, easy and speedy access of consumers to information related to the quality of the provided Electronic Communications services. Furthermore, the amendment of the Reference Offer for Local Loop Unbundling (LLU) is expected to further facilitate the Collocation to OTE's Local Exchanges and the expansion of Broadband mainly in the Greek region. The development of the Geographical Information Systems (GIS) will benefit the Electronic Communications providers via the plotting of the infrastructures and the optic fiber networks and consumers via the information that they will be able to receive.

Within the framework of its regulatory role, EETT initiated the second round of definition and analysis of the markets of Electronic Communications products and services taking into consideration the new European Commission Recommendation. At the same time, it proceeded with the specification and the adjustment of the details related to the implementation of the accounting separation, which is an obligation imposed on OTE as the operator with Significant Market Power (SMP) in the majority of the Electronic Communications markets. The issue of the Regulations regarding the Wholesale Line Rental and the Leased Lines was of crucial importance in furthering market development.

Furthermore, EETT took actions towards the promotion and the sound operation of the competition in the Electronic Communications' networks and services. Under this scope, it examined OTE's economic and bundled packages while, at the same time, it imposed sanctions on providers for the infringement of the current legislation and the non-observance of the competition rules on issues regarding Carrier Pre-Selection and Number Portability. Moreover, for the first time in the chronicles of the Greek telecommunications market regulation, OTE's cost audit was completed within the first quarter of the audited year. At the same time, the Code of Practice for the Multimedia Information Service (MIS), which foresees a series of obligations on the part of MIS providers,

became effective. Last, EETT's decision on the new reduction in mobile and fixed telephony termination rates is expected to prove very important to and beneficial for consumers.

During 2008, EETT proceeded with actions that aimed at informing consumers about Electronic Communications services. In this context, it issued the Guide of the Informed Consumer and launched its website which was improved on the basis of providing better service to visitors / consumers. Last, EETT completed the Competition regarding the appointment of a Contractor, who will undertake the implementation of a multi-level information campaign for consumers regarding broadband services, wireless communications, consumer rights and alternatives provided to them.

Spectrum Sector

The year 2008 was the year during which the implementation of the regulatory framework in the spectrum sector reached its maturity. With the publication of all regulatory acts stipulated by Law 3431/2006, the Electronic Communications market had already began as of 2007 to function in an environment unencumbered by administrative restrictions and offering more alternative choices.

Moving towards the direction of removing the restrictions governing spectrum use, EETT proposed to the Ministry of Transport and Communications (MTC) a great deal of changes with regard to the National Frequency Allocation Table (NFAT). These changes were implemented in the aftermath of a Joint Ministerial Decision (JMD) by the Ministers of National Defence and Transport and Communications. Given the amended NFAT, EETT prepared a Regulation Draft for the terms of frequency use that is expected to receive approval within 2009 after the relevant Public Consultation. Consequently, a new environment is gradually being shaped in step with the European Community offering more freedom of choice regarding the provided services and the technologies implemented by the holders of rights of use. This environment is expected to favour market operation as it will lead to a more efficient use of spectrum and to more effective competition, ultimately benefiting consumers.

In a similar vein, during 2008, EETT conducted a Public Consultation for the removal of the technological restrictions in the rights of use for mobile telephony operating in the 900 and 1800 MHz band. The aforementioned rights stipulate the use of GSM technology only. Based on existing studies and due to the better diffusion characteristics mainly in the 900 MHz band, the removal of the above restriction with the possibility of implementing 3rd Generation (3G) technology will lead to the significant cost reduction in developing and operating 3rd Generation networks, something which will benefit both the market and consumers.

In the sector of TV frequencies and under the Law 3548,

EETT has been responsible for assigning rights of use mainly to national TV stations since 2007. In this context, it issued a regulatory provision for the procedure to be followed regarding the submission and consideration of relevant requests. For the implementation of this procedure and in collaboration with the National Council for Radio and Television (NCRTV), the technical characteristics of broadcasts of the national, regional and local stations legally operating were collected and imported in EETT's frequency database, generating for the first time a Frequencies' Registry of TV stations. After the completion of the above, the examination of the relevant requests by TV stations commenced.

Moreover, according to the provisions of Law 3592/2006, EETT placed under Public Consultation a Regulation Draft regarding the installation of equipment within the antenna parks defined as such by the Joint Ministerial Decisions (JMD) stipulated by Law.

In the framework of its increased responsibilities in the radio-TV spectrum, EETT now proceeds with the regulation of issues arising during broadcasts of radio-TV stations and relating to the legality of those specific broadcasts, violations in technical characteristics, mutual interferences. Additionally, EETT imposes administrative sanctions but not before the involved parties have been summoned to and heard at a relevant Hearing.

In 2008, EETT reached a Decision regarding a plan to expand its spectrum monitoring throughout the Region. The plan includes the creation of two regional offices in Patras and Iraklion, respectively, as well as the supply and installation of fixed and mobile monitoring stations. Implementation of this programming requires approval by the MTC as well as staffing the new offices with personnel. It should be mentioned that besides its headquarters in Athens, EETT also maintains an office in Thessalonica where it holds the exclusive responsibility of monitoring and controlling spectrum.

Moreover, EETT, in exhibiting the sensitivity that is due to the spectrum users residing in the areas struck by fire in 2007, amended the Regulation regarding spectrum use fees and reduced the latter by 80% for the three-year period following 2007 (2008-2010) in order to assist the businesses / holders of frequency rights of use based in the ravaged areas.

Last, as it is explicitly set out in the next paragraphs of this report, EETT has continued to exercise vigorously its established responsibilities regarding spectrum licensing, monitoring, and management.

Postal Service Sector

The conduct of a Public Consultation, aiming at revising the regulatory framework of General Authorizations and Individual Licenses, as well as the issue of the new General Authorizations Regulation were the two main actions of EETT's Postal Directorate, during 2008. The goal of the new

General Authorizations Regulation is, on the one hand, to boost the relatively slack domestic market (compared to the respective markets of the other member states of the European Union) and, on the other, to protect Postal Services users effectively. Boosting the market is being achieved through the simplification of the licensing procedures and the clarification of the requirements for handling direct mail. The direct mail market is expected to exhibit significant mobility in the future, something which will subsequently result in a substantial increase in the sector's revenues. Consumer protection is being achieved by incorporating "Terms and Conditions" in the Regulatory Framework governing provision of postal services, including provisions such as: pricelist publication, notification of the quality of services provided; clarification of the procedures for the deposit and delivery of postal items; definition of a dispute resolution procedure in cases of insufficient provision of postal services; appropriate use of the Express Delivery Voucher (EDV) in cases of group deliveries; clarification of the procedures for handling non-delivered postal items, determination of the content of the Charter of Obligations to Consumers (COC) and of the Individual Contract etc.

Furthermore, the content of the Universal Service (US), financing its cost (in the case that the service proves to be loss-making) as well as the classification of the provided services, constitute issues of crucial importance for the development of the market. As such, they were extensively discussed among the Public Consultation participants and are expected to be included in the new Regulation of Individual Licenses which is due in 2009.

In addition, the terms and conditions governing access to the Public Postal Network (PPN) by alternative postal operators, under General Authorization or Individual License, constitute one more crucial issue in market development. The determination of the interconnection points of the established private networks to the PPN and the economic terms governing these collaborations (wholesale prices), will be further clarified by the completion of the USP's cost-accounting system which is being developed under EETT's supervision. The operation of the cost-accounting system will ensure the cost-orientation of the US retail prices, making a wide range of postal services affordable for the consumers.

Putting past experience to good use, the audits, conducted in firms registered with EETT's Registry during 2008, aimed at ensuring that those firms operated in compliance with the General Authorization Regulation. Specifically, during those audits, the following matters were investigated: the proper operation of the Special Postal Items Track and Trace System (SPITTS); the existence of the formal requisites governing professional competence, the correct payment of annual fees; and the possibility of infringement of USP reserved area rights. In the framework of its regulatory role, EETT collaborated with other competent bodies (Chambers of Commerce, etc.) in order to eliminate illegal activities and locate those businesses that are providing postal services without the required General Authorization or Individual License.

At the same time, the recording of the quantitative and qualitative characteristics of the postal market indicated that the growth rate of the liberalized part of the market is twice the respective growth rate of the US.

National and International Collaborations

EETT's presence at the national, European, and international level, has been intensely visible through the development of bilateral cooperation and its active participation in official committees, working groups, and conferences.

At the national level and within the framework of its responsibilities, EETT widened and strengthened its cooperation with other Independent Administrative Authorities, public authorities, and citizen organizations. At the same time, it contributed to European developments by actively participating in the proceedings of: the European Regulators Group (ERG); the European Competition Network (ECN), the Postal Directive Committee (PDC); and other European Union (EU) Committees and working groups. Furthermore, it was the first time that the Plenary of the Comité Européenne de Réglementation Postale (CERP), hosted by EETT, was held in Athens.

In the framework of its international cooperation, EETT co-signed the memorandum of establishing the Independent Regulators Group (IRG) as a legal entity and showed a strong presence and participation in its proceedings. It also participated in the Summit for the signing of the foundation act of the Euro-Mediterranean ERG (EMERG), aiming at promoting cooperation in the Mediterranean. Last, in the context of bilateral contacts, EETT conveyed its know-how and experience to the National Regulatory Authorities (NRAs) of other countries. More specifically, it co-signed memoranda with the NRAs of Cyprus and India aiming at establishing relations of cooperation with those countries.

Other Actions

In 2008, EETT continued its actions towards the improvement of its internal organization and operation. To this end, the National Authority carried on with its efforts to meet its needs in human resources and promoted actions which, on the one hand, entailed the training of employees and, on the other, sought to guarantee the safety and health protection of its employees.

In 2008, EETT continued implementing those of its projects that had been included in the Operational Programme "Information Society" (OPIS) of the 3rd Community Support Framework (CSF III). Within the year, the Integrated Information System (IIS), a project of strategic importance whose implementation had begun as early as 2006, became operable. As of the very first months of productive operation, the IIS showed remarkable benefits whose quality, with regard to the operation, efficiency, and services provided by the Regulatory Authority, could be measured.