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## Message from the President

2006 was a year of significant developments in the Telecommunications and Postal Services Sector as EETT's administration undertook decisive actions and interventions at both a regulatory and a supervisory level. This year, the enactment of the new law 3431/2006 constituted a landmark for Electronic Communications. The new law provides all necessary tools for EETT to perform its regulatory and supervisory task and to further boost competition.

In addition, in the context of the new Law, during 2006, EETT completed at a very high speed the 'market analysis', meaning the analysis of competition for all the 17 Electronic Communications markets, in accordance to the national and european framework. EETT following the aforementioned process, first determined all relevant markets and analysed their level of competition and, followingly, in cases where it identified lack of effective competition, EETT designated the provider or providers with SMP on the related market and imposed on these providers such specific regulatory obligations as it considered appropriate. As it has been mentioned in the 12<sup>th</sup> Implementation Report, EETT has imposed the whole of the necessary remedies.

Since August 2005, when the new administration of EETT took up its tasks, the basic goal has been the undertaking of a dynamic and strategic role for the dissemination of broadband services in our country. I ascertain with satisfaction that this goal is being fulfilled and that the coordinated actions of EETT bring the first positive results.

It is worth mentioning the great effort that EETT launched for the penetration of Physical Collocation which resulted to the increase of the number of OTE's local exchanges to 38 at the end of 2006 comparing to only 1 in September 2005. This effort will intensify in 2007, and the goal is the number of Local Exchanges

with physical collocation facilities to overpass the 150 Local Exchanges at the end of 2007.

EETT corresponding to its task for further development of broadband services, alternative network infrastructure and the provision of innovative Electronic Communications Services to Greek citizens, proceeded to the assignment, through auction, of the last remaining Radiofrequencies Right of Use in the zone of 3,5 GHz. This radiofrequency zone is advisable for the development of wireless networks, the implementation of which is fulfilled through the Wi-MAX technology networks. Till now, there have been important delays in the expansion of services provided by the aforementioned networks. However the Wi-MAX technology is expected to boost the development of the Fixed Wireless Access Networks in the following years.

Moreover, 2006 was a year of preparation for the Local Loop Unbundling (LLU) which resulted in the increase of the number of local loops from 7,000 in the beginning of 2006 to 110,000 local loops in which the alternative operators had access at the end of this year. The issuance of the new Reference Unbundling Offer (RUO) for Local Loop in April 2007, initiated a new era for Electronic Communications of our country, in a totally liberalised infrastructure environment, which will act beneficially both for the quality and the cost of services. EETT's estimation is that till the end of 2007 the total number of loops/subscribers will overpass the 600,000.

The market of electronic communications in 2006 was characterized by important reforms in the field of mergers and acquisitions. EETT undertook the responsibility to examine significant agreements, setting the terms that ensure effective competition. During 2006, EETT has taken important actions for the protection, provision of information and training

of consumers. In this context, EETT encountered a series of issues regarding Carrier Pre-Selection, undertook measures for the protection of consumers from dialers, organised congresses/meetings for broadband services, as well as issues mobile telephony antennas. All these actions were only some of the efforts that EETT undertook during 2006.

In the Radio Spectrum Sector, EETT, inter alia, placed further emphasis on the issuance of an explicit and flexible framework of granting radiofrequency rights of use, intensified site inspections for the control of the legitimacy of the installed antennas and many important operations of shutting down illegal stations have taken place.

For the Postal Services Sector, the main issues in 2006 were increased audits to licensed postal companies which aimed at the minimisation of possible illegal activity, the provision of high quality services to consumers and a healthy and competitive environment for the operation of the market. The focal point of EETT was also to ensure quality of Universal Service. In this context, EETT carried out quality measurements of the provided postal services, continued the follow-up of the cost of services provided to the end user and in parallel, continued the investigation and management of users complaints.

Concluding I would like to note that this Report, which presents an overall picture of EETT's action during 2006, shows that the preparation and incorporation of the European legal framework to the Greek legislation has come to an end and that the new and more important issue of the proper and effective application of the new national legal framework is now arising. The success of this new phase is considered to be very crucial for the further economic development of the country, mainly through the new information and communication technology.

Within this context, in the year 2007, which has been named by the Prime Minister as year of broadband services, EETT has set as separate strategic goals (a) ensuring and increasing competition on the broadband infrastructures (with main emphasis to the broadening of LLU) and (b) controlling the quality of the services offered by all the telecommunication providers.

Furthermore, in the context of its programme of actions for the year 2007, EETT will act on the basis of the following guidelines:

1. Creating dynamic and informed consumers, through information and consumer protection actions, so that consumer is able to make deliberate choices.
2. Highlight the quality characteristics of the services/products offered, as well as transparent and reliable presentation to consumer. The consumer faces a number of new/innovative technological and commercial offers and should be able to compare, apart from the cost, the quality, on the basis of commonly accepted quality indicators.
3. Creating a modern EETT, which has to be extrovert, dynamic, flexible and effective in order to complete its role, as well as to maintain a working environment adequate to attract and maintain staff of high quality.

Under the new developing environment, EETT has to complete a very crucial role. EETT will continue its work and will intensify its regulatory and supervisory actions, offering its experience and regulatory tools for the development of digital communications and the Greek economy.

Professor Nikitas Alexandridis  
EETT President

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