

# **EETT Strategy for Regulation of Electronic Communications (2008-2011)**



**EETT**

HELLENIC TELECOMMUNICATIONS & POST COMMISSION

Two years from the enactment of the new Electronic Communications Law, the results of the regulatory policy are evident, both in the market as well as in the benefits reaped by the consumers.

The coordinated actions by the Hellenic Telecommunications and Post Commission (EETT) for the collocation and the unbundling of the local loop have increased competition and have given impetus to the broadband development, with significant benefits for the consumer (new, innovative products and services, with higher broadband speeds at lower prices).

Our first year (2006) was the "year of preparation" (adaptation of the Community Law for Electronic Communications in the National Law, completion of the market analysis by EETT and issuance of the necessary regulatory acts). Our second year (2007) was the "year of application" (strict application of the regulatory acts by EETT), which has caused the operation model of the telecommunications market to change from reselling to investing on infrastructure networks, and has opened the market to competition and has enabled alternative providers to offer new, innovative products –such as convergence of fixed-mobile telephony and combination of telephony, Internet and TV/Video– at higher speeds and lower prices. I am confident that our third year (2008) will constitute a landmark towards realizing our vision, which is the creation of a fully liberalized and competitive market of electronic communications that will focus on providing the best services to the consumer.

During this two-year period, the new regulatory environment, and especially the strict application by EETT of the regulations for the actual unbundling of the local loop, has encouraged alternative operators to invest in infrastructure networks, thus reducing their dependence on the Hellenic Telecommunications Organization (OTE). As a consequence, alternative operators have been able to promote new products on the market, which combine fixed and mobile telephony or broadband Internet access and fixed telephony services and television and/or video on demand over the Internet. Access speeds to the Internet increased tremendously, while prices dropped significantly. This boom gradually spreads from Athens to the rest of the country, enabling an ever-increasing number of consumers to select the operator or the service, which best suits their needs. At the same time, the public gets more and more acquainted with broadband, leading to an "avalanche" of broadband development. As a result, in 2007, Local Loop Unbundling (LLU) increased more than tenfold (!), and Greece emerged as one of the most rapidly developing broadband markets in the EU. At the same time, the deregulation of Wi-Fi networks, in conjunction with the emergence of (reasonably priced) mobile broadband services based on third-generation mobile communications networks, have freed broadband users from all restrictions.

This document presents EETT's vision, its short-term and middle-term strategic goals until 2011, and describes in a concise manner some of the projects through which the goals of EETT's regulatory strategy will be accomplished.

Professor Nikitas Alexandridis  
EETT President

## **A) The Vision of EETT for electronic Communications up to 2011**

**The creation of a completely liberalized and competitive market of electronic communications, based on a stable and predictable regulatory environment, in order to attract investments in broadband network infrastructures which will improve the quality of life of citizens and facilitate the development of innovative and exportable services provided through the Internet.**

## B) Strategic Objectives

Strategic Goals	2008 – 2009		2009 – 2011
	Goals	Indicative projects	Goals
<b>1. Encouragement of competition at the <u>Service</u> level.</b>	<ul style="list-style-type: none"> <li>Strengthening of competition in the <u>Voice</u> and <u>Broadband</u> markets while limiting the asymmetric conditions in the markets.</li> </ul>	E-1 New market analyses E-8 WLR Regulation E-11 Accounting Separation of OTE E-13 Quality Indices E-17 Tapering of fees for voice termination	<ul style="list-style-type: none"> <li>Continuous attainment of <u>effective competition</u> at the service level for all altnets, encouraging at the same time the development of <u>innovative broadband products</u>.</li> <li>Gradual reduction of regulatory remedies imposed to the <u>Incumbent</u> in retail markets, on condition of <u>sufficient competition</u> in such markets.</li> </ul>
	<ul style="list-style-type: none"> <li>Encouragement of the altnets to climb up the Ladder of Investment.</li> </ul>	E-2 Amendments to RUO E-3 Collocation Regulation E-9 Lease-lines Regulation E-19 Optimization of procedures and measures for number portability	

Strategic Goals	2008 – 2009		2009 – 2011 Goals
	Goals	Indicative projects	
<b>2. Development of full competition at the Infrastructures level (permitting Equality of Access and encouraging the development of advanced services).</b>	<ul style="list-style-type: none"> <li>Strengthening the development of <u>LLU</u> and ensuring <u>Equality of Access</u>, aiming, among others, at the development of broadband in the Regions.</li> </ul>	E-1 New market analyses E-2 Amendments to RUO (facilitation of small urban centers, wireless backhauling, etc.) E-3 Collocation Regulation E-9 Lease-lines Regulation	<ul style="list-style-type: none"> <li>Continuous inspection to ensure <u>effective infrastructure competition</u>.</li> <li>Full attainment of <u>Equality of Access and Information</u>.</li> <li>Transition of <u>LLU to NGA</u> and securing of the return of current investments.</li> </ul>
	<ul style="list-style-type: none"> <li>Promotion of regulation of Local Sub-loop Unbundling in access and in FTTC/FTTH, as well as in the collocation / use of ducts.</li> </ul>	E-1 New market analyses E-2 Amendments to RUO E-9 Lease-lines Regulation E-15 Local loop spectrum management	
	<ul style="list-style-type: none"> <li>Evaluation of the regulatory behavior of the incumbent and public consultation regarding the plausible <u>Separation of Networks &amp; Services</u>.</li> </ul>	E-6 Evaluation of possible separation of networks and services	
	<ul style="list-style-type: none"> <li>Encouragement of the development of <u>advanced technologies</u> and determination of the business model during the transition to NGA (VDSL vs. FTTC/H) and encouragement of the development of <u>FTTH networks</u>, wherever that is possible.</li> </ul>	E-1 New market analyses E-3 Collocation Regulation E-7 Study for the infrastructure of networks of optical fiber E-15 Local loop spectrum management	

Strategic Goals	2008 – 2009		2009 – 2011 Goals
	Goals	Indicative projects	
<b>3. Improvement of <u>spectrum availability</u> and support of the creation of advanced infrastructure in <u>wireless networks</u>, (so that more efficient use of spectrum will be attained, competition will be fostered and innovation will be developed).</b>	<ul style="list-style-type: none"> <li>Response to the needs of the market for <u>additional frequency bands</u> so that alternative networks may be developed.</li> </ul>	<p>E-21 Extension of use of GSM band for third generation networks and services</p> <p>E-22 Revision of the regulation for the conditions of use of radiofrequencies</p> <p>E-23 Evaluation of needs for additional spectrum</p>	<ul style="list-style-type: none"> <li>Further <u>simplification</u> and/or elimination of licensing procedures so that access to radiofrequency spectrum will be ensured.</li> <li>Ensure of the proper use of spectrum by augmenting presence in the <u>regions</u> and optimization of the mechanisms for spectrum monitoring.</li> <li>Reinforcement of the <u>derivative market for spectrum</u> after the evaluation of the present conditions.</li> <li>Increase of the <u>flexibility</u> in the functioning of the market of Radiofrequency Spectrum, so that it can respond to technology convergence.</li> </ul>
	<ul style="list-style-type: none"> <li>Attainment of the <u>proper use of the spectrum</u> through means of effective monitoring and management.</li> </ul>	<p>E-25 Extension of spectrum monitoring to the Regions</p> <p>E-26 Monitoring station in Aegina</p> <p>E-28 Rights of use in Radio-TV stations</p>	
	<ul style="list-style-type: none"> <li><u>Simplification of licensing procedures</u> in order to encourage investments.</li> </ul>	<p>E-24 Evaluation of the framework for provision of licenses for antenna constructions</p> <p>E-27 Electronic submission of requests for radiofrequencies and antennas</p>	
	<ul style="list-style-type: none"> <li><u>Provision of information</u> to the altnets and investors on the availability and proper use of spectrum as well as the necessary procedures.</li> </ul>	<p>E-22 Revision of the regulation for the conditions of use of radiofrequencies</p> <p>Redesign of EETT website with new means of providing information</p>	

Strategic Goals	2008 – 2009		2009 – 2011 Goals
	Goals	Indicative projects	
<b>4. Attainment of the availability of innovative services to the consumer.</b>	<ul style="list-style-type: none"> <li>Encouragement of the import/development of <u>products based on fixed-mobile convergence (FMC)</u> as well as of <u>innovative products</u> IPTV/VOD and discouragement of operators with SMP from abusing their power.</li> </ul>	<p>E-4 Derivative law for market 18 (broadcasting).</p> <p>E-16 RIO of mobile telephony.</p>	<ul style="list-style-type: none"> <li>Secure the <u>impartiality</u> of horizontal competition in the various segments of the market.</li> </ul>
	<ul style="list-style-type: none"> <li><u>Provision of Information and training</u> to all stakeholders (involved parties) so as to ensure the adoption of digital services.</li> </ul>	<p>E-5 Campaign for informing the public.</p>	
	<ul style="list-style-type: none"> <li>Amendment of the <u>numbering framework</u> so as to respond to market developments and examination of termination rates (mobile/fixed) to facilitate the use of numbering resources.</li> </ul>	<p>E-17 Gradual reduction of termination fees for voice services.</p>	

Strategic Goals	2008 – 2009		2009 – 2011 Goals
	Goals	Indicative projects	
<b>5. Attainment of the <u>benefits to the consumer</u> in terms of quality of service, availability of networks and transparency of information.</b>	<ul style="list-style-type: none"> <li>Provision of transparency and facilitation of the consumer to compare the available services.</li> </ul>	E-13 Quality indices E-14 Code of practice	<ul style="list-style-type: none"> <li>Continuous attainment of <u>transparency</u>, reconciling the obligations of the providers with the growing complexity of the offerings.</li> </ul>
	<ul style="list-style-type: none"> <li>Attainment of <u>uninterrupted availability</u> of electronic communications networks and services</li> </ul>	E-18 Increase of Surveillance and Control  E-20 Regulation for network robustness and availability	
	<ul style="list-style-type: none"> <li><u>Provision of information and training to the consumers</u> about innovative services.</li> </ul>	E-5 Campaign for informing the public.	

## **C) Illustrative Projects from the EETT Management Plan 2008 for Electronic Communications**

### **E-1 New round of analysis for all individual markets**

During 2008 the second cycle of market analysis will commence, based on the relevant Recommendation of the European Commission and the current legislation. From the 18 markets only international roaming (market 17) and radio-TV broadcasting (market 18) will be exempted.

### **E-2 Amendments to the RUO**

EETT follows the evolution of the LLU market (market 11) and amends accordingly the RUO, whenever market conditions document such a requirement. The emphasis is placed on the promotion of broadband to the regions of the country.

### **E-3 Collocation regulation**

Issuance of a collocation regulation, which will set forth the procedures for the collocation of electronic communications equipment (including antennas) and for the joint use of facilities by electronic communications operators.

### **E-4 Derivative legislation for market 18 (broadcasting)**

Preparation of proposals for the issuance of regulations, according to the provisions of Law 3592/2007.

### **E-5 Campaign for the provision of information to the public in matters of electronic communications**

An international call for proposals is in progress for the selection of a contractor to implement the EETT Action Plan for Information Provision, among others, for the spread of Broadband Services and Internet to the public. The implementation of the Action Plan is expected to begin in September 2008.

### **E-6 Evaluation of the effectiveness of regulatory measures and consultation for the plausible separation of networks and services**

Within the framework of the new market analysis the effectiveness of regulatory measures will be evaluated and on this basis the possible separation of networks and services of OTE will be examined and put under public consultation.

### **E-7 Feasibility study for mapping of optical fiber network infrastructure in Greece**

A feasibility study will be carried out, concerning the use of GIS to map optical fiber infrastructure in Greece. The study will concentrate on the possible technological solutions and its results will be used to evaluate and decide on the implementation of the project.

#### **E-8 Model for Offering wholesale line rental (WLR)**

The offering concerns wholesale line rental services, which OTE offers, in accordance to its obligations, to the licensed operators. The wholesale line rental service enables providers to rent at wholesale level access lines from OTE, in order to offer them to consumers together with call services through carrier preselection. As a result, the customer will receive only one bill from the provider of his choice.

#### **E-9 Leased Line Reference Offer (Terminating Segments, Trunk Segments and Part Circuits)**

The Reference Offer concerns the wholesale provision of leased lines, which OTE offers to the licensed operators. The Reference Offer extends the leased lines, which OTE is obligated to offer under cost-oriented prices, beyond the 2 Mbps.

#### **E-10 Access and interconnection regulation for non-SMP operators in the access market**

Issuance of regulation for issues of access and interconnection of operators, who have not been designated as SMP in the interconnection Market. Since OTE does not fall in this group, the regulation will determine the interconnection relation between alternative operators.

#### **E-11 Regulation for the accounting separation of OTE**

The regulation specifies the imposed remedies to OTE, regarding the cost control of services and the accounting separation. The document is under Public Consultation. The regulation will contribute to increased transparency of OTE products costing and will facilitate EETT in its audit of OTE compliance with its obligations for non-discrimination and cost control.

#### **E-12 Regulation for accounting separation of mobile operators**

The regulation specifies the imposed remedies to mobile telephony operators regarding the cost control of services and the accounting separation. A Public Consultation will precede the issuance of the regulation.

#### **E-13 Determination and publication of quality indicators for electronic communications services**

It concerns the determination, measurement and publication of quality of service indicators for electronic communications services (fixed, mobile telephony and broadband), so that the consumers will be enabled to obtain information on the critical parameters of the communications services they buy and to have a basis for comparing between similar services from different operators.

#### **E-14 Code of practice regarding the relation between operators and consumers**

Issuance of a code of practice, which will govern the relations between operators and consumers and regulate matters regarding retail contracts, promotion of products, provision of information, customer support etc. In addition, it will include the obligation to make public the quality indicators (which were described in the project "Determination and publication of quality indicators"), as a metric of comparison to enable consumers select between operators and services.

### **E-15 Local loop spectrum management**

Definition of commonly accepted requirements between altnets and OTE, for the transmission power/ spectrum of diverse/ heterogeneous DSL technologies which are developed in the OTE copper network in order to minimise interferences.

### **E-16 Reference Interconnection Offer (RIO) for interconnection to mobile communications networks**

This RIO concerns matters of access to and interconnection with mobile telephony communications networks and defines the interconnection relation of fixed to mobile or mobile to mobile networks.

### **E-17 Gradual reduction of voice service termination fees to mobile telephony networks**

Determination of gradual reduction of voice termination fees to mobile telephony networks, for which it is necessary to update the cost-control computation model which employs actual cost data of recent years.

### **E-18 Intensification of supervision and control of electronic communications operators**

Reformation of EETT procedures for the control of electronic communications operators, aiming to intensify and enhance the effectiveness of market supervision.

### **E-19 Optimization of procedures and mechanisms for Number Portability**

It concerns the evaluation of procedures and mechanisms which support number portability, their optimization and possible redesign in cooperation with the involved operators.

### **E-20 Regulation for the Security and robustness-availability of networks**

It concerns the determination of the obligations for the robustness and availability of fixed and mobile communications networks aiming to minimize cases of service provision failures.

### **E-21 Extension of the use of GSM (900 and 1800) band by third generation UMTS networks or/and other terrestrial services and UMTS services**

In view of the upcoming recall by the Council and Parliament of the previous directive for the 900 MHz band (which tied up the band for use by GSM technologies), already submitted requests for use of GSM bands by the technologies UMTS are examined, from the outcome of which the implementation of the project will depend.

### **E-22 Review of Regulation on terms of radiofrequency use**

Clear determination of the framework for radiofrequency rights of use in Greece in a comprehensive document where the terms and criteria for radiofrequency use in every band described in the National Frequency Allocation Table, are mentioned.

### **E-23 Evaluation of possible needs for additional spectrum for Mobile Service or/and Fixed Wireless Access**

The project includes the evaluation of the necessity to use radiofrequency zones for the development of new mobile communications networks or Fixed Wireless Access networks, taking into account the international evolution and the demands of the Greek market. The immediate goal is the promotion of development of new communications services.

#### **E-24 Evaluation of the current framework for licensing of antenna systems**

Evaluation of the current framework for licensing of antennas and report on the problems of the interested parties and the immediate interested (companies/citizens/EETT) and report on the practice of other European Regulatory Agencies.

#### **E-25 Extension of spectrum surveillance to the Regions of Greece**

Proposals to the Greek Ministry of Communications to make possible the extension of spectrum monitoring to the Regions by creating two new regional offices (Patrai and Iraklion Crete), the acquisition of light vehicles with capability of direction finding, the development of 4 stations of spectrum surveillance (Patrai, Iraklion, Volos and Kavalla) and the development of a network of 12 light stations of spectrum surveillance (Alexandroupolis, Larissa, Florina, Ioannina, Kerkira, Lamia, Kalamata, Chania, Mytilini, Syros, Acharnanian Mountains and Geraneia Mountains).

#### **E-26 Implementations of monitoring station in Aegina**

It concerns the installation of the 5<sup>th</sup> fixed Monitoring station in Greece in Aegina island to cover of the south side of Attica, which is expected to contribute to more complete coverage of the region and the more efficient spectrum monitoring.

#### **E-27 Electronic submission of requests (e-government) for radiofrequencies and antennas**

It concerns the creation of proper IT application for the support of electronic submission of requests for radiofrequencies and antennas. In addition, it concerns the transfer to the system OSN (One Stop Notification) of the EU, a central base for the notification of radio equipment in the EU countries.

#### **E-28 By exemption licensing of the rights of radiofrequency use in accordance with article 9 of Law 3548/2007.**

It concerns the issuance of regulations and the resulting provision of rights of radiofrequency use to TV stations which transmit in positions that were not declared to ESR in accordance with current legislation.

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