2005

ANNUAL REPORT **2005**

EETT

HELLENIC TELECOMMUNICATIONS & POST COMMISSION

ANNUAL REPORT
2005

Maroussi
2006

HELLENIC TELECOMMUNICATIONS & POST COMMISSION

Administration

The present Annual Report refers to the activities of the Hellenic Telecommunications & Post Commission (EETT) for the period from January 1st until December the 31st 2005. This period was divided into two administrative periods, during which the composition of EETT appeared as follows:

A. Composition of EETT
for the period January 1st - May 31st 2005

EMMANOUIL GIAKOUMAKIS
PRESIDENT

DIMITRIOS DIMITROPOULOS
VICE-PRESIDENT
FOR THE TELECOMMUNICATIONS SECTOR

ARISTIDES MANTAS
VICE-PRESIDENT
FOR THE POSTAL SERVICES SECTOR

EMMANOUIL KONDYLIS
MEMBER

NIKOLAOS KOULOURIS
MEMBER

VASSILIOS MAGLARIS
MEMBER

PANAGIOTIS POULIS
MEMBER

FILIPPOS SPYROPOULOS
MEMBER

DIMITRIOS CHRYSSOULIDIS
MEMBER

B. Composition of EETT
for the period of August 1st 2005 until the 31st of December 2005

NIKITAS ALEXANDRIDIS
PRESIDENT

NIKOLAOS KOULOURIS
VICE-PRESIDENT
FOR THE ELECTRONIC COMMUNICATIONS SECTOR

THODORIS DRAVILLAS
VICE-PRESIDENT
FOR THE POSTAL SERVICES SECTOR

PANAGIOTIS KOTTIS
MEMBER

IOANNIS PALEOLOGOS
MEMBER

MICHAEL SAKKAS
MEMBER

PANAGIOTIS TSANAKAS
MEMBER

GEORGE TSAPROUNIS
MEMBER

ALKIVIADES-CONSTANTINOS PSARRAS
MEMBER

The New Plenum of EETT

Professor Nikitas Alexandridis
President

Professor Mr. Nikitas Alexandridis is the new President of EETT. He carried out all of his studies in the U.S. He received his B.Sc. degree in Electrical Engineering from Ohio University and his M.Sc. and Ph.D. degrees in Computer Science and Computer Engineering from the University of California, Los Angeles (UCLA).

In 1974 he was elected Professor of the first Chair of "Computer Science" established in the country, at the School of Engineering at the University of Patras. Later on, he was elected Professor of Digital Systems at the National Technical University of Athens, where he served for five years. Since 1984, he is Professor of Electrical and Computer Engineering at the George Washington University, Washington DC, USA.

He was a founding member and the first President of the Greek Computer Society. Moreover, he is a member of the Technical Chamber of Greece (TEE).

He has an extensive record of publications, with numerous monographs and publications in international scientific journals and prestigious conferences and he is the author of 12 textbooks.

Nikolaos Koulouris
Vice-President
for the Electronic Communications Sector

Mr. Nikolaos Koulouris is the new Vice-President of EETT for the Electronic Communications Sector. He holds a BA from the Law School of the National University of Athens (1984) and a DEA (Droit Processuel) postgraduate degree from the University of PARIS-II (1987). In 1992 he was awarded the title of Doctor of Law by the University PARIS-II; his thesis title was: "Independent Administrative Authorities. Comparative study of the institution between France and the USA".

A Registered Lawyer in Athens (1986), already by the High Court (1996), he has been undertaken various issues of telecommunications and media, both on a national and a European law level. He served the National Telecommunications Commission-EET (1993-1998) as a Law Consultant, and he was a member of the Hellenic Telecommunications and Post Commission-E-ETT between 2003 and 2005. He has published a series of scientific articles regarding Greek and foreign law issues, and he has also participated in scientific congresses in Greece and abroad.

Thodoris Dravillas
Vice-President
for the Sector of Postal Services

Mr. Thodoris Dravillas holds the position of Vice-President for the Sector of Postal Services in EETT. He is an Electrical Engineer specialised in Telecommunications and has graduated from the Department of Electrical Engineering of the National Technical University of Athens. Since 1991 he is a member of the Technical Chamber of Greece (TEE). He also holds MSc. degree in Digital Communications from the Imperial College of the University of London, as well as a Master of Business Administration (MBA) degree awarded by the London School of Economics and Political Science of the University of London.

He has worked in the greek telecommunications market as high-level business executive for the last 10 years. He has also published several articles in the related sector journals.

He is an elected member of the General Assembly of TEE since 2003, a member of the Scientific Committee of Electrical Engineers of TEE since 2003 and an elected member of the Board of the Hellenic Association of Mechanical & Electrical Engineers since 2002.

Professor Panagiotis Kottis
Member

He received a Diploma in Mechanical and Electrical Engineering from the National Technical University of Athens (NTUA), in 1979 and he pursued his postgraduate studies at the University of Manchester (UMIST) of the UK and at the NTUA, in the fields of microwaves and telecommunications.

In 1986 he started pursuing his academic carrier at the School of Electrical and Computer Engineering (E.C.E.) of NTUA in which he is a Professor since 1996. He is the author and coauthor of more than 90 papers published in international technical journals or conference proceedings regarding telecommunications. His research work has been recognised at an international level, with numerous references in the international bibliography. He has been the author of 4 technical books on the subject of telecommunications.

He has participated in European and Greek Research Programs as Scientific Manager or Main Researcher.

Moreover, he is the Vice Rector of NTUA and the Chairman of the Board of the Lavrion Technological and Cultural Park.

Professor Ioannis Paleologos
Member

Professor Mr. Ioannis Paleologos graduated from the Department of Economics of the University of Piraeus. He received a Master's Degree in Economics (MA) from Keele University in England as well as a Ph.D in Applied Econometrics.

He is an Associate Professor at the Economic Department of the University of Piraeus, where he currently teaches Economic Theory (Microeconomics and Macroeconomics) and Theory of Economic Policy.

He has also participated in several congresses in Greece and abroad. He has been a member of assessment committees for the evaluation of PhD's at the University of Macedonia, in Thessaloniki.

He is the author of a great number of monographs and publications in distinguished international journals. He has written 4 textbooks concerning the Theory of Economic Policy as well as Microeconomics and Macroeconomics exercises.

Michael Sakkas
Member

Mr. Michael Sakkas graduated from the School of Mechanical and Electrical Engineers of the National Technical University of Athens-NTUA in 1970.

He worked in the Hellenic Telecommunications Organisation (OTE) as a Telecoms Engineer in the Department of Planning and Installations (1973-1989). He was also elected Deputy General Manager of OTE (1990-1993). Moreover, he worked for companies of the telecommunications field as Technical Director and Telecommunications Consultant between 1994 and 2003.

He has been the General Secretary in the Ministries of Culture and Education (1989 and 1993) and, has also been the Secretary of the Parliamentary Section of Transports and Communications. He has taken part in the Secretary of "Telecommunications FORUM" of EETT (1998-1999). He has been elected as member of the Central Assembly and of the Disciplinary Council of the TEE for many years and a member of the Hellenic Association of Mechanical and Electrical Engineers.

Several of his articles and studies have appeared in technical and economical magazines. He has published two books and has contributed to the publication of many others.

Professor Panagiotis Tsanakas
Member

Professor Mr. Panagiotis Tsanakas received his BS degree (Electrical Engineering) from the University of Thessaloniki in 1982, his MSc. in Computer Engineering from Ohio University in 1985, and his PhD in Computer Engineering from the National Technical University of Athens (NTUA), in 1988.

Since 1999 he is serving as Professor in the School of Electrical and Computer Engineering of the NTUA (Computer Science Department). Since 2004 he is serving as Chairman of the Greek Research and

Technology Network (GRNET), being responsible for the development and operation of the national academic network connecting the Greek higher education institutions with each other and, through the European network GEANT2, to Internet.

He has participated in planning and conducting a number of national and European research projects.

He is the author of 4 textbooks on Computer Architecture and Operational Systems, he has published approximately 35 research papers in recognized scientific journals and he has presented more than 60 research articles in international scientific conferences. He is member of Scientific Unions IEEE Computer Society and ACM.

George Tsaprounis
Member

Mr. George Tsaprounis completed his graduate studies at the Law School of the National University of Athens. During the course of his studies he was granted a European Union scholarship through which he attended Commercial and European Law courses at the University of Rouen, France.

He holds a Master's Degree in "Information Technology and Telecommunications Law", from the Strathclyde University, Glasgow, U.K.

Previously he has worked in the private sector providing specialised advisory services with regard to the Electronic Communications legal framework, especially with respect to the subject of networks and services.

He also accepted an invitation from NTUA to teach a seminar for postgraduates on the above issue.

He is a Lawyer before the Court of Appeals, a member of the Athens Bar Association and he practices civil and commercial law.

Alkiviades-Constantinos Psarras
Member

Mr. Alkiviades Constantinos graduated from the Law Faculty of the School of Law, Politics and Economics, of the University of Athens in 1986. He continued his studies at the University of Kent at Canterbury, where in 1988 he was awarded an LLM degree in International Law (European Law of Competition, Intellectual Property and International Business Transactions). Later on, he was awarded, from the same University his PhD degree. His thesis was titled "Trade Mark Licensing in England and Greece. A Comparative Approach.

He practices commercial law, specializing mainly in competition law, intellectual property law and commercial agreements. From 2000 and till 2004, he was head of the Law Department of the Hellenic Telecommunications and Post Commission (EETT).

Since 2004, he is a member of the Board of Directors of the Copyright Organization. He has written on matters of commercial law in law journals.

Message from the President

In August 2005, I was more than delighted to take up the duties of the President of EETT, being fully conscious of the obligations such a position creates. The work of EETT is an important and interesting challenge for me, since I firmly believe that the results of this work can greatly contribute to the general development of Electronic Communications and Postal Services in Greece.

We are now moving to a second phase for EETT, characterized by the effort to create a greater and more flexible organization at the same time. Our aspiration for EETT is to become more than an effective management authority, which sufficiently meets its regulatory and supervisory obligations.

I want to see a European-standard EETT, which will undertake a strategic role, thus forming a main gear for the development and dissemination of broadband services and new Internet applications in Greece. An EETT, which, through its regulatory actions, effective supervision and regulation, ongoing and essential consultation with market agencies and consumers, and also through its Decisions, will be moving to the future. Its aim will be to support the strategy for transition to Internet Protocol (IP) era, to pave the way for new innovative competitive networks and products, and multiple Internet services, as well as to monitor their application, thus significantly contributing to the development of Electronic Communications as a whole.

Contacts and cooperations developed with the State, the users, the market and regulatory authorities in the European Union and the greater area of the Mediterranean and SE Europe, as well as the available know-how, provide us with a strategic overview of the market and enable us to contribute effectively to its development. We can be the Strategic Partner of the State, which can effectively contribute to the creation of a national strategy for the development of broadband, Internet and related applications.

The Law 3431/2006 on Electronic Communications provides EETT with more tools in order to perform its regulatory tasks and allow competition to the benefit of citizens, businesses, technological development and Greek economy in general. Moreover, it opens the way to the full and substantial deregulation of the broadband Internet market, allows for better management and spectrum re-allocation and encourages investments in broadband network infrastructure and services.

Furthermore, a new environment has been created in Postal Services, characterized by radical ongoing technological changes, forming a new technical and economic standard based on knowledge, dissemination and exploitation of information, technology, innovation. We have now reached a crucial point for decision-making as regards full deregulation of the Postal Market.

In this context, we aim at ensuring access to a wide range of networks and communications services for everyone and developing the Postal Services market, by creating a transparent and impartial regulatory environment, according to the principles of competition. Through a renewed regulatory framework in the field of General Authorizations and Individual Licences, we will attempt to lead the sector into a technologically advanced environment in the next three years. Here I would like to note that Postal Services represent the background and infrastructure required for an effective and profitable e-commerce environment.

This Report presents the actions of EETT during 2005, which constituted another year of important developments in Electronic Communications and

Postal Services.
In terms of Electronic Communications, the most important action was the preparation for harmonization of Greek law with the European Regulatory Framework. The main priority was the analysis and identification of individual Electronic Communications markets, focusing on access and broadband services markets. EETT also focused on the more effective management and supervision of the radio spectrum, to meet user needs.

As regards Postal Services, further emphasis was placed on market supervision and monitoring on the one hand, in order to ensure competition, protect consumers' interests, and ensure quality of offered services on the other hand.

Our goals for 2006 are the following:

- Smooth and effective operation of the new Regulatory Framework, especially as regards competition between operating agencies, to the benefit of users.
- Significant improvement of information provided to consumers and their protection in relation to the quality of network and Electronic Communications services.
- Enhancement of the already strengthened, under the new Law, supervisory and regulatory role of EETT in the implementation of the above.

Moreover, EETT pursues the following objectives:

- Contribution in the context of its strategic role and increased competences, in order to achieve the following by 2010:
  - provision of broadband services to all Greek citizens.
  - transition to Digital TV.
  - high-speed interconnection of all public services, educational institutes, schools, research institutes among themselves and to the Internet.
- Turn Greece into an "Internet Node" for the wider area until 2015, with secured optic fiber access for domestic and business users.
- Turn Greece into a provider of competitive high-technology services by 2020.

However, the achievement of these high objectives requires more than ever:

- Consensus: actions and decisions are required at high political level for a long-term and consensus policy.
- Vision: turn Greece into an Internet power in Europe and a country providing High-Tech Services by 2020.
- Coordination: appointment of a competent agent undertaking Internet and IT issues and formation of a flexible and interparty "Strategic Centre", directly reporting to the Prime Minister and coordinating all actions.

EETT will take all efforts and cooperate with all competent agencies to achieve the aforementioned. We are always open to ideas, views and proposals, which can help us to improve our country's performance and stay in line with developments.

On this occasion, I would like to thank my predecessor, Professor Emmanouil Giakoumakis and all the members of the previous EETT Management for their coordinated efforts in previous years to modernize the market in the emerging field of Electronic Communications.

Professor Nikitas Alexandridis
EETT President

Maroussi, May 2006

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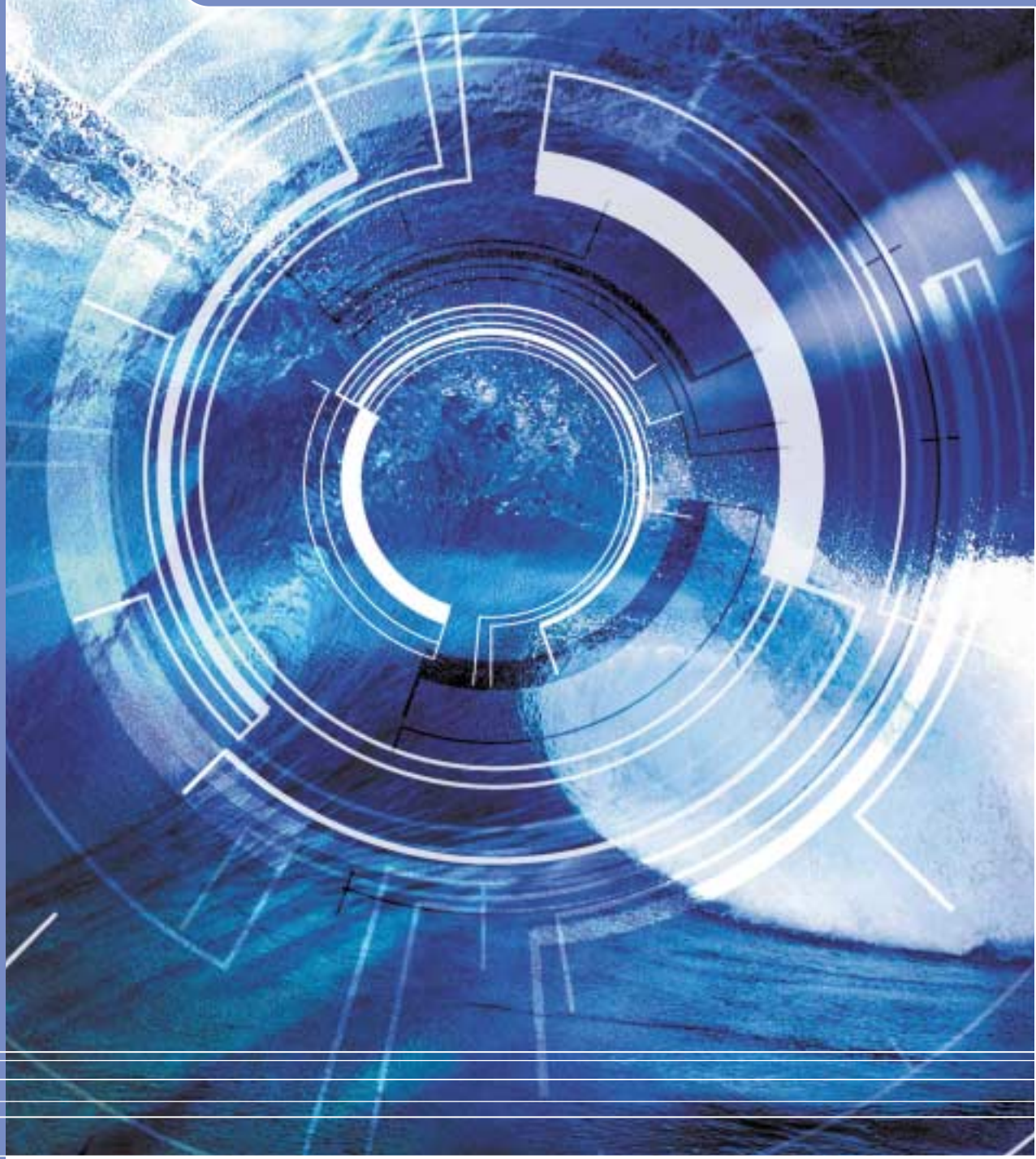
INTRODUCTION



Introduction

In 2005 the top priority of the Hellenic Telecommunications and Post Commission (EETT) was to analyze the secondary telecommunications markets, as specified in the latest European Regulatory Framework. In parallel, EETT continued its multiple regulatory and monitoring work, on the basis of establishing competition in the telecommunications and postal market and meeting the consumers' needs as regards quality and affordability of the services provided. A brief summary of the major activities per sector, follows in this chapter.

Telecommunications Sector

The interventions of EETT during 2005, had the aim of further developing the telecommunications market as well as ensuring the interests of the consumer.

According to the 11th Report of the European Commission, the year of 2005 has been characterized at an international level, by the continuous flourishing of broadband services market, as well as the recovery of the Electronic Communications market, at least in terms of profitability and investments. The pressure from competition and the maturing of traditional voice telephony markets, in combination with the increasing penetration of innovative voice transmission technologies (e.g. Voice over Internet Protocol - VoIP), have led providers to focus on reducing operating costs and seeking for new revenue sources. This context incorporates the creation of innovative packages, which combine voice and data services with the provision of audiovisual material, as well as the promotion of other added value services. Developing especially attractive packages, in terms of services and price, has largely contributed to the rapid development of the broadband market as well as to the profitability of the providers. As a result of the improved results and the continuous need for achieving economies of scale, a new emerging trend in cross-border investments, acquirements and mergers, was evident.

In Greece, the competition at fixed telephony services is still progressing. Alternative providers increase their shares in all call categories (local, national calls, international calls and calls to mobile phones), but with lower rates compared to previous years. Following the international developments, the revenues of traditional fixed telephony market are continually diminishing. Mobile telephony, on the other hand, continues to grow, while the penetration in the population (active subscribers) exceeded 92% at the end of 2005. Broadband market has presented a rapid improvement in the last quarter of 2005, due to advertising campaigns that have been launched but mainly due to significant reduction of ADSL fees by the Greek incumbent (Hellenic Telecommunications Organization - OTE). Greece, as far as broadband penetration is concerned, has remained in the last place among the 25 member states of the European Union (EU).

During 2005, particular stress has been laid on the preparation regarding the immediate application of

the European Regulatory Framework and adoption of the recommended regulatory obligations, after the publication of the new Telecommunications Law. Based on the above, the project of markets' analysis, with emphasis on the examination of the competition level in the wholesale markets of Interconnection, Leased Lines, Local Loop Unbundling (LLU) and broadband access, has carried on.

At the same time, high priority was has been given to the development of access markets and broadband services. The actions of EETT were focused on solving the problems that have arisen from the promotion of LLU and the ADSL access. Moreover, EETT proceeded to a series of interventions aiming at developing wireless access networks, laying emphasis on Wi-Fi (Wireless Fidelity) and Wi-MAX (Worldwide Interoperability for Microwave Access) technologies.

Particular stress has also been laid to Carrier Pre-Selection (CPS) and to Number Portability (NP) by the modification of the respective regulations, aiming at further developing the two facilities and maximizing the benefits in favour of the users. At the same time, important steps have been made for the operation of the enquiry service of the Comprehensive Telephone Directory.

Furthermore, in the context of developing Internet applications in favour of the consumers, the introduction of Domain Names with Greek characters and the suffix [.gr] has been launched, while a more flexible procedure for the assignment of greek Domain Names has been developed due to the modification of the relevant Regulation.

In parallel, EETT proceeded to further actions in order to ensure the operation of telecommunications networks and the quality of the provided services. In this regard a telecommunications contingency plan has been developed, in collaboration with the competent state agencies as well as the telecommunication providers. Of equal importance was the identification and measuring quality indicators for telecommunication networks and services. Within the framework of this initiative, the definition of a comprehensive frame of indicators will be not only to the benefit of the consumers allowing them to readily compare services, but also to service providers, due to the increased competition among them.

Radio Spectrum Sector

The year 2005 constituted the first post-Olympic year and the efforts of EETT were focused on the more effective management and monitoring of Radio Spectrum for meeting the needs of domestic market. To this end, the equipment as well as the know-how acquired during the Olympic Games have been fully exploited. As a more general conclusion, it has to be noted that the response time to requests and needs of the users was significantly reduced entailing to the improved operation of the market.

In the frame of assigning individual radio frequencies, it becomes evident from the data given in the respective section, that, the majority of applications was related to fixed service and derived from telecommunication services providers. Consequently, fixed wireless connections are used more extensively by the

providers in comparison to wire or fiber-optic connections.

Moreover, the category of Private Mobile Radio Networks (PMR), despite the commercial launch of TETRA application, which constitutes the respective digital system, continued to concern an important number of applications. It is expected that the demand shall further increase in the next year thanks to the elimination of administrative restrictions introduced by the new Law on Electronic Communications.

As far as the use of Spectrum that has been distributed throughout the Greek territory for the development of mobile telephony applications of 2nd and 3rd Generation is concerned, taking into account the number of applications for antenna mast constructions licences, there is a tendency towards the installation of new base stations. This tendency is justified by the increased use of mobile telecommunications as well as by new applications. Note that EETT, based on the Decision of the State Council issued in 2005, has modified the Antenna Mast Constructions Regulation and, prior to issuing the relevant Licence, the Approval of the Environmental Terms is now required. Moreover, as mentioned in the respective sections, the number of complaints and queries regarding extension of the duration of mobile telephony antennas mast constructions throughout the Territory, was significant. In cases in which illegal installations were found, all necessary procedures were followed for imposing any necessary administrative and criminal sanctions.

An important part of EETT's activities on the Spectrum monitoring issues in 2005, was dedicated to supervise the legal operation of radio and television stations. It is noted that the responsibility of EETT is restricted to supervising the use of radio and television Spectrum. The capability of radio and television stations to operate without issuing of the appropriate licence, has led to the existence of a much larger number of stations compared to the potential number provided in the Frequencies Charts. Consequently, given that the appropriate technical coordination criteria are not met, harmful interference occurs. This interference may endanger the right operation of other critical services (such as wireless communications used by air navigation), while at the same time the quality of radio and television service may be degraded.

Finally, during 2005 EETT has intensified Radio and Telecommunications Terminal Equipment (RTTE) market surveillance activities. At the same time, EETT informed all parties involved in the distribution of the specific equipment, on the applying legislation, in order to ensure the use of legal equipment and avoiding harmful interferences.

Postal Services Sector

In 2005, EETT has focused its efforts in auditing, supervising and monitoring of the postal market, aiming at ensuring a healthy and competitive environment for the sector in favour of the consumers.

All scheduled and unscheduled audits that had been carried out during 2005 in a number of postal

companies, holding a General Authorization or Individual Licence, were aiming at identifying provision of inefficient postal services to consumers and/or illegal operation of the audited undertaking. At the same time, customers' complaints made known to EETT, have been fully investigated. In cases where problematic operation of the postal market was identified, a Hearing procedure took place in order to further investigate and resolve the problem occurred and, if necessary, to impose the appropriate administrative sanctions.

Ensuring the quality of provided postal services, has been a major concern of EETT for the year 2005. EETT has continued measuring end-to-end postal quality service for 1st class Priority Domestic Mail, the results of which have been published in EETT's web site. These measurements evaluate the time required for domestic mail to be delivered end-to-end, regardless of the induction point of Greek territory from which this item was posted. At the same time, the reliability of the services of the Universal Service Provider (USP) to the residents of the country is evaluated. Quality of postal service measurements for Cross-Border Mail are conducted by International Post Corporation (IPC). The results of domestic measurements have shown a slight improvement in the quality of postal services for the year 2005, compared to 2004. However, the quality of provided services does not meet quality standards, as specified in the Ministerial Decision (MD) 79293/2000.

The monitoring of Courier Services Market in 2005, has shown that the quality of the provided services constitutes the most important driver for increasing their demand. The revenues of Courier Services companies are generated mainly from servicing corporate clients deploying their business activity in the sectors of industry and trade. Moreover, public sector seems to trust more the use of Courier Services.

The intense price competition noted in the market for the year 2005, constitutes the most decisive factor affecting the supply of postal services. The Courier Services sector plays an important role in the development of domestic economy, since it increases substantially Gross Domestic Product (GDP), while reducing unemployment rate in our country.

There are of course many problems arising from the every day operation of the market, for which EETT has made every possible effort to tackle them effectively. One of these problems is the operation of small, mainly family-run, undertakings that provide courier services without the required Licence.

Despite the problems and the adversities, it is anticipated that in the next three years , there will be an increase in the volume in all postal items categories, that courier undertakings are allowed to transfer as defined in the current legislative framework.

European and International Partnerships

During 2005, EETT continued its multidisciplinary

work in the field of European and international partnerships. With its actions, EETT has contributed to the formation of European developments in the sector of Electronic Communications, while at the same time it has strictly observed the European progress of postal services.

EETT has maintained its collaboration with European associates in the frame of European Regulators Group (ERG), Independent Regulators Group (IRG), as well as other official commissions. In parallel, it has contributed to the 11th Report of the European Commission on Regulatory Settings and Electronic Communications Markets in Europe.

Finally, EETT has imparted its know-how and its experience within the context of a number of conferences and bilateral contacts with National Regulatory Authorities (NRA) of other states.

Other Actions

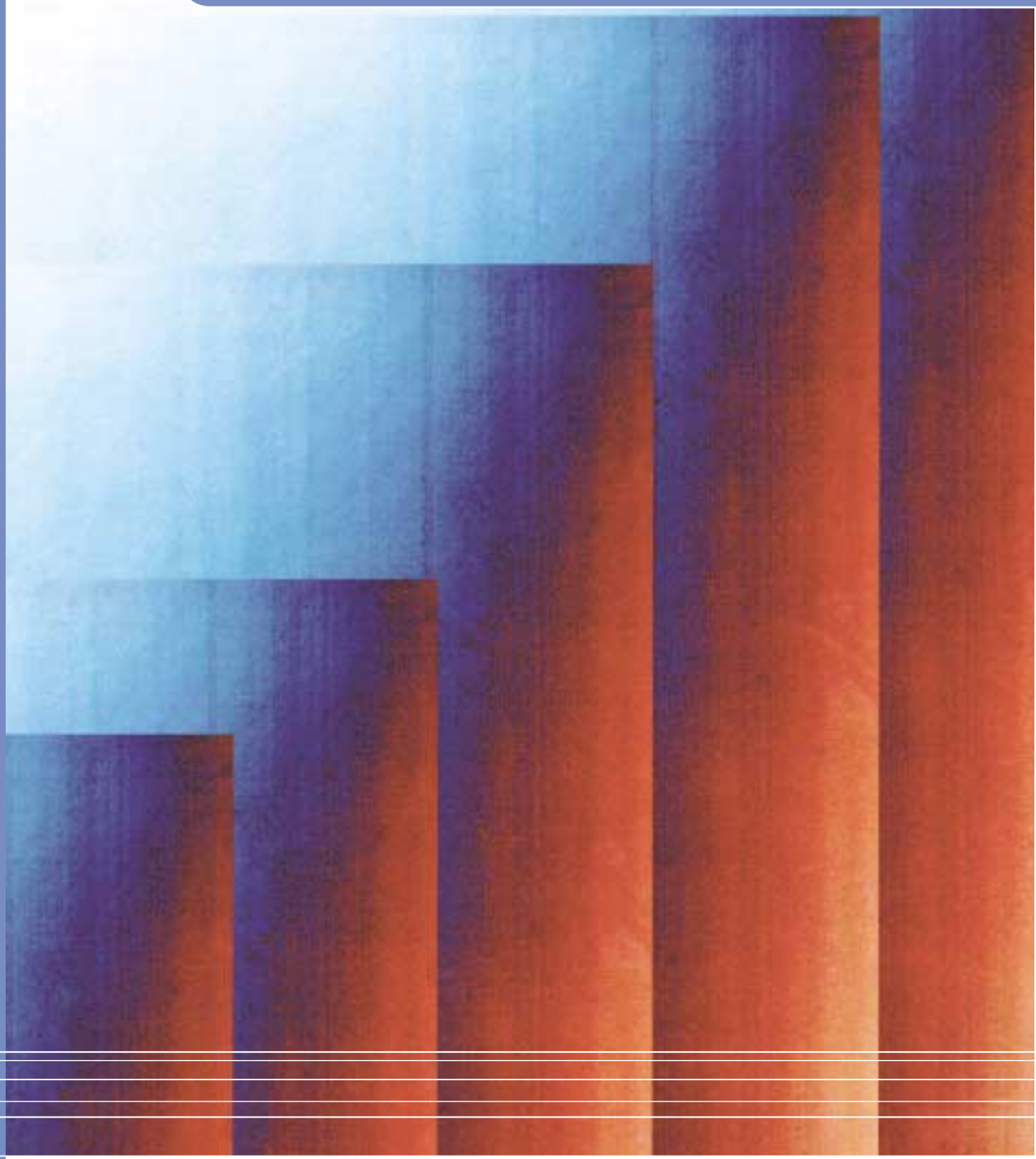
In 2005, EETT continued its effort to enhance its resources with dynamic staff, that is able to meet the requirements of its role. Towards this direction, there was an especially important increase in the number of Permanent Personnel members while, at the same time, EETT placed particular emphasis on the actions of incorporating new executives in its structure, as well as on the training actions for the personnel as a whole.

Aiming at the more efficient and productive operation of EETT, during 2005 new Information Technology systems were applied and software applications were upgraded. Moreover, a procedure has been initiated for the supply and installation of an Integrated Information System (IIS). In parallel to the above, EETT's web site and internal portal were further enriched, with useful and up-to-date information.

Moreover, in 2005 EETT has continued the implementation of those projects that had come under the Information Society Operational Program (OPIS) of Community Support Framework III (CSF III).

The following Chapters present EETT's actions per sector. In parallel, quantitative information is provided, which confirm the positive results of EETT's interventions in the markets of Electronic Communications and Postal Services in 2005.

1. OVERVIEW OF MARKETS



1. Overview of Markets

1.1. Overview of Markets

In the Chapter "Overview of Markets", a series of statistical data regarding the Electronic Communications and postal services markets, is illustrated.

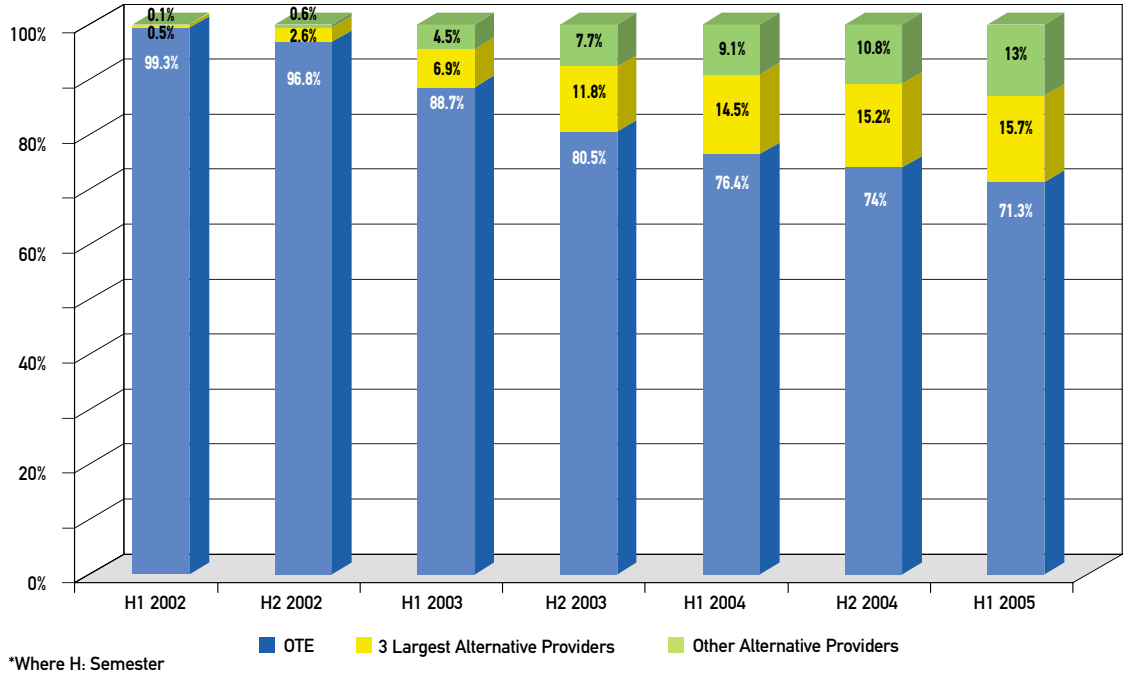
In the sector of Electronic Communications, from the financial overview results that as regards fixed telephony, the competition is still developing, while at the same time the penetration of mobile telephony in the population is continually increasing. Moreover, Interconnection traffic among Mobile Telephony Operators (MTOs) is on the upward. In the broadband sector, a significant increase in the number of lines is observed, a fact that implies the intense interest of the market. Regardless of the above, Greece occupies the last position in the Europe of 25, as underlined in the 11th Implementation Report of the European Commission[1] on Electronic Communications market in Europe. As far as the greek postal services sector is concerned, it keeps growing at high rates. Particularly in the courier services market, there has been an increase in the volume of postal items handled in 2005.

1.1.1. Fixed Telephony

The competition in the fixed telephony services is further enhanced, as shown by the increasing share maintained by the alternative providers (Chart 1). This share during the first half of 2005, based on the traffic volume, stood at approximately 29%, while the respective traffic exceeded 3 billions minutes.

Chart 1

Evolution of Fixed Telephony Market Shares based on Outgoing Calls Volume, (except Dial-up Calls)

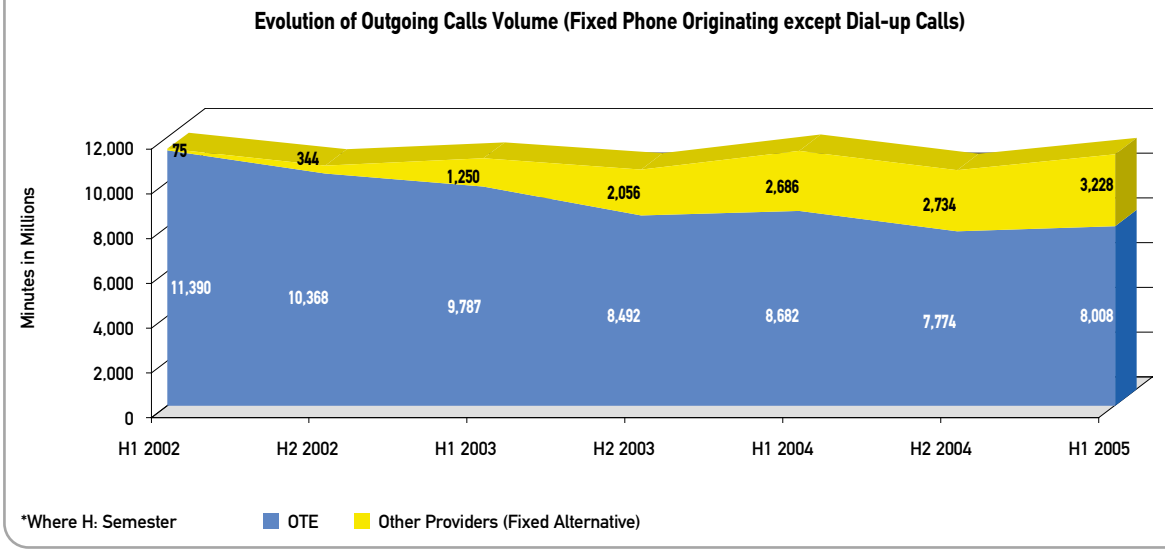


*Where H: Semester

Source: EETT (based on figures of licensed providers)

[1] *http://europa.eu.int/information_society/policy/ecomm/implementation_enforcement/annualreports/11threport/index_en.htm*

Chart 2

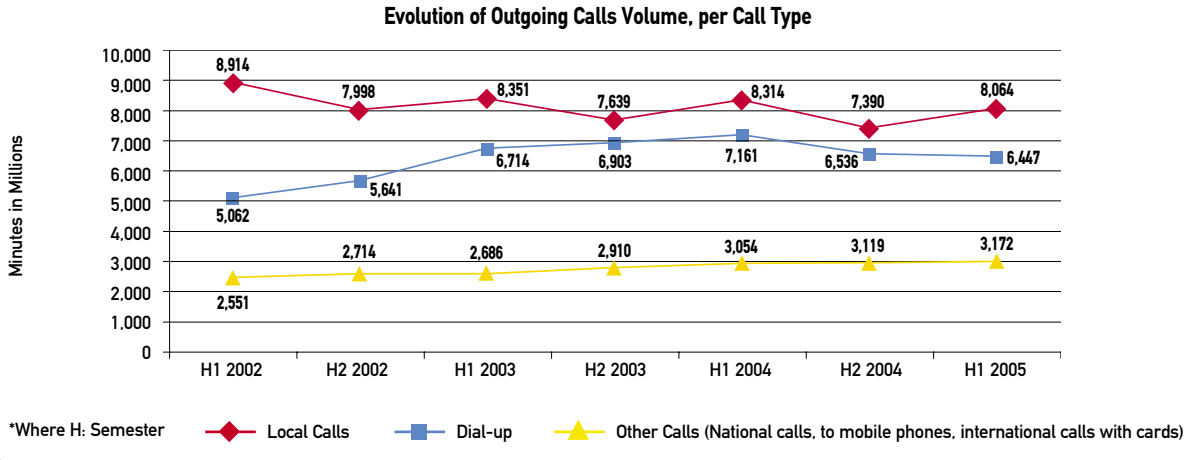


Source: EETT (based on figures of licensed providers)

In total, the respective volume (i.e. the volume of local, national, international calls and calls to mobile phones) presents intertemporaly a relevant stability as shown in Chart 2.

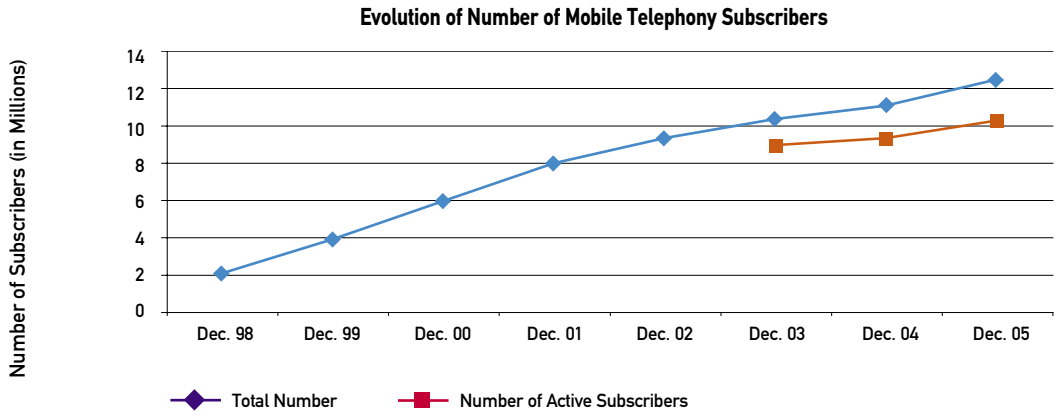
Per call type, however, as shown in Chart 3, a slight increase of national, international and calls to mobile phones is noted, while local calls, which stand approximately at three quarters of the total volume, seem to be diminished. As regards dial-up calls, the obvious reduction is attributed to the increased penetration of broadband access in the Greek market.

Chart 3



Source: EETT (based on figures of licensed providers)

Chart 4



Source: EETT (based on figures of licensed providers)

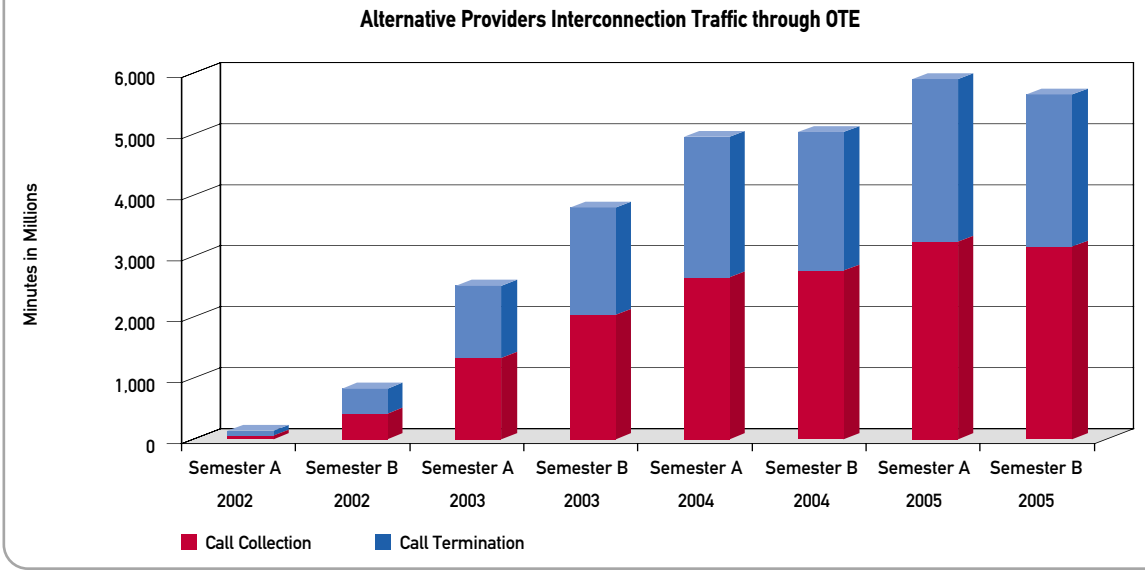
1.1.2. Mobile Telephony

The number of mobile telephony subscribers is on the upward and at the end of 2005 stood at 10,240,000 active subscribers, a number that corresponds to 92.4% of penetration in the Greek population.

1.1.3. Interconnection of Fixed and Mobile Telephony

Chart 5 shows the evolution of Interconnection traffic of the alternative fixed telephony providers, which consists of the call collection and the termination of calls within OTE's network.

Chart 5



Source: EETT (based on figures of licensed providers)

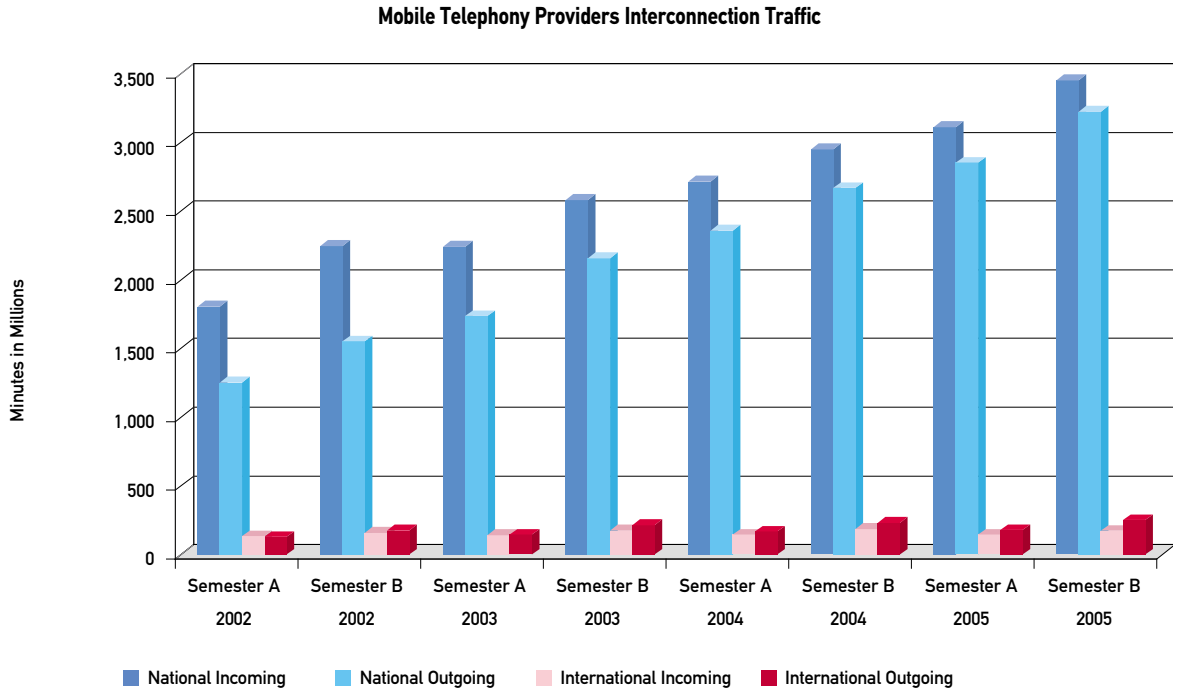
During 2005, both call collection and termination have presented an increase, though of slower rates compared to previous years. More specifically, the annual change (2004-2005) for call collection stood at 11%, while for call termination at 8%.

MTOs' Interconnection traffic has presented in 2005 a significant increase, as shown in Chart 6, which presents the national and international Interconnection traffic (incoming and outgoing) for all four MTOs. National outgoing traffic has shown a more important increase (10%) compared to 2004, followed by the national incoming traffic, which was increased by 7%. On the other hand, international incoming and outgoing traffic has shown marginal changes.

1.1.4. Broadband Services

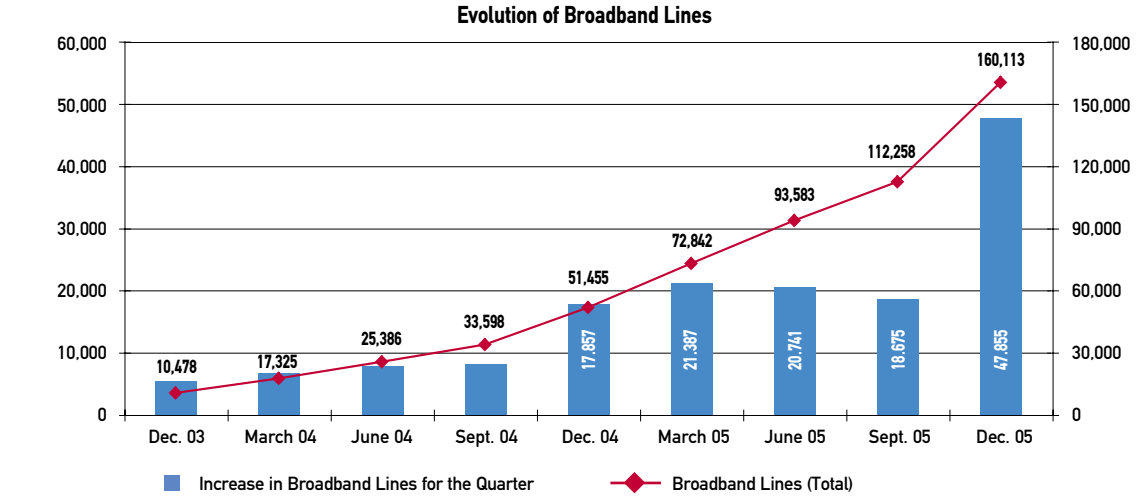
Broadband access in Greece, as shown in Chart 7, has demonstrated a significant development in 2005 compared to the previous year. The number of broadband lines stood at the end of the year to 160,113, with an important increase in the last quarter due to reductions in ADSL (Asymmetric Digital Subscriber Line) prices.

Chart 6



Source: EETT (based on figures of MTO and OTE)

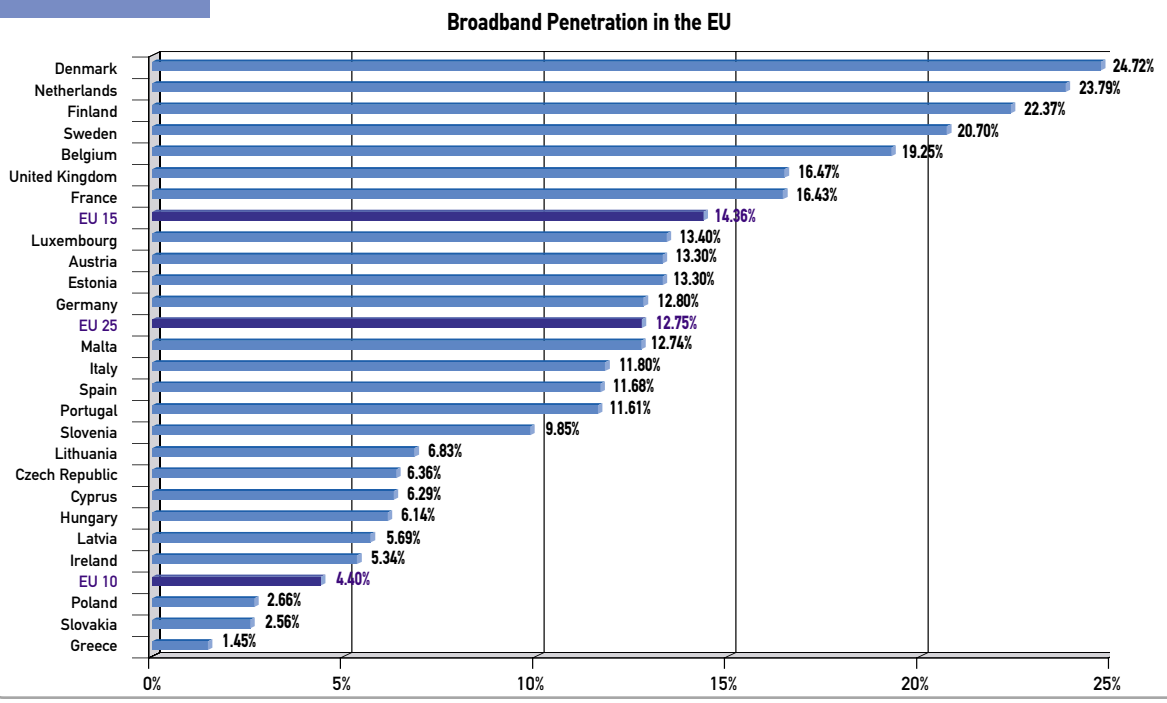
Chart 7



Source: EETT (based on figures of licensed providers)

Regardless of this important development, broadband penetration in Greece remains exceptionally low compared to the rest of EU member states, as demonstrated in Chart 8. More specifically, at the end of 2005 Greece remains in the last position of the EU with the penetration reaching only 1.45%, exceptionally lower than the average penetration in the 25 member states (12.75%).

Chart 8



Source: Communications Committee - COCOM

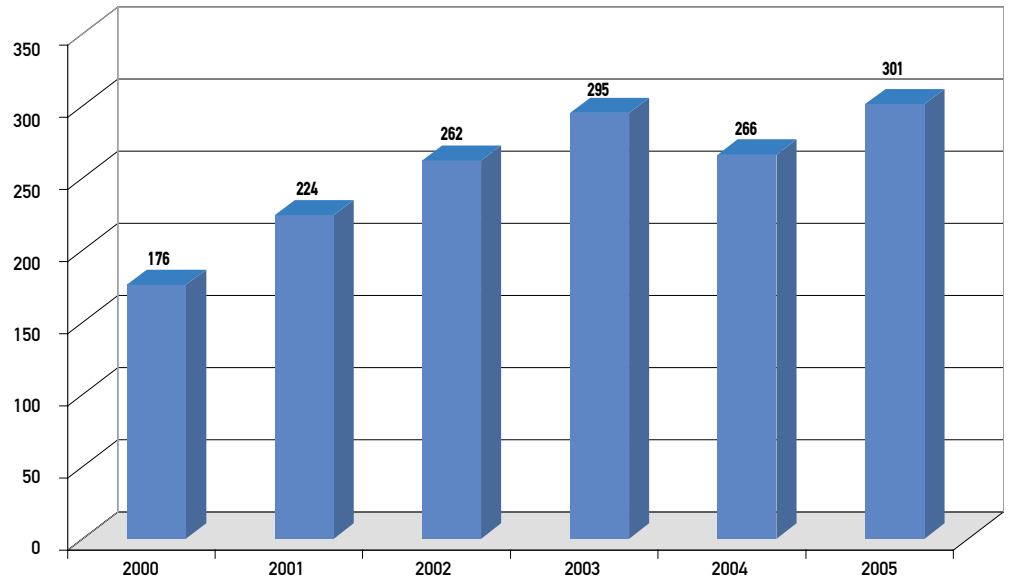
1.2. Postal Services

1.2.1. The Courier Services Market

In 2005, a 13% increase compared to 2004 was recorded in the number of undertakings registered with EETT's Postal Undertakings Registry. The evolution in the number of registered companies for the period 2000-2005 is shown in Chart 9.

Chart 9

Evolution of the Number of Courier Undertakings holding a General Authorization during the period 2000-2005



Source: EETT

During 2005, the estimated total revenue of the postal market approached 0.5% of the Gross National Product (GDP). Courier Services, that constitute the liberalized part of the market, have handled more than 5% of postal volume and have generated more than 35% of the total market revenue.

In terms of geographical distribution of registered undertakings, 60% are resided in the region of Attica and in the region of Central Macedonia. The activity of Courier undertakings is mainly concentrated on the collection, transfer, sorting and delivery of domestic postal items, with emphasis on the transfer of unaddressed advertising items. The handling of unaddressed advertising mail is conducted with the exclusive use of the undertaking's network that collects the item (autonomous mail collection and distribution). The majority of the items are delivered to their destination within a day and they weigh no more than 500 grams.

Moreover, it is worth mentioning that key domestic clients of registered undertakings are based in big urban centers. In 2005, courier services were used

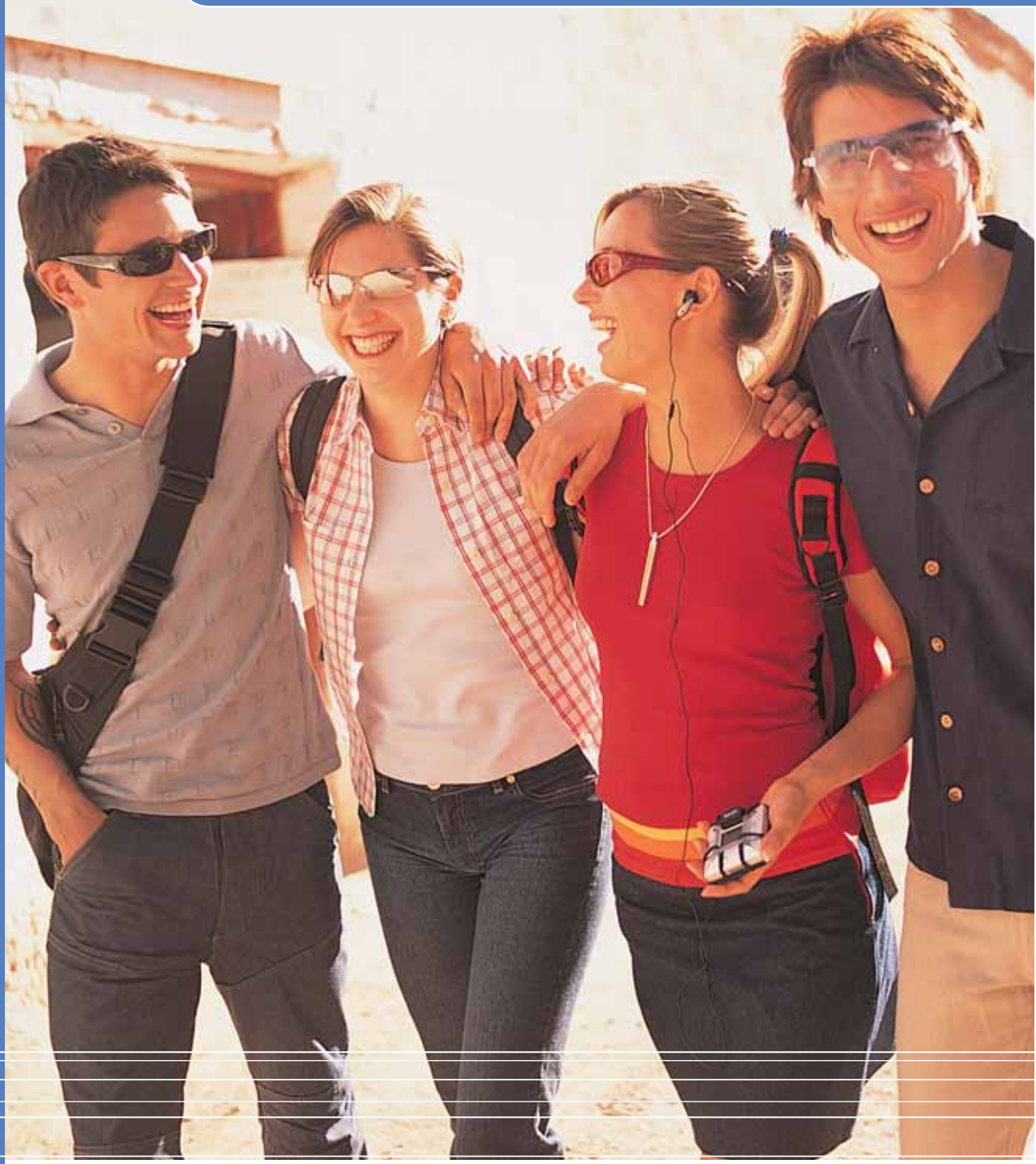
widely by undertakings specialising in trading and in the provision of services. As far as cross-border mail is concerned, the most popular destination/ origination countries are the European Union (EU) and the USA - Canada. The postal items with the prementioned characteristics generate the majority of revenues for Courier undertakings.

The most important factors affecting the demand of postal services in our country are the quality of customer service and the undertaking's reputation in the market. Factors such as the future development of the Greek economy, alteration in the legislative framework and changes in the prices of postal items, shall play a decisive role in the development of the sector, according to Courier undertakings.

As far as it concerns the prices of the handled postal items, they are largely influenced by the weight, the destination and the expected delivery time. It is noted that service provision cost for 2005 was mainly driven by the wages of the personnel and the operating expenses.

Regarding the development of competition in Courier services, more than 80% of the mail volume in the liberalised postal sector was processed by the 5 biggest undertakings of the sector, in 2005. It is estimated that there was an intense competition of prices, a fact that contributed to improving the quality of the provided services. Courier companies anticipate that key factors for their future growth, are the expansion of their existing Network, as well as the provision of specialized services to their clients.

2. FOCUSING ON CONSUMERS



2. Focusing on Consumers

In this Chapter we present EETT's actions for the protection of consumers, as well as the creation of a proper mechanism to handle issues of concern, related to the telecommunications and postal services provided. Also, reference is made to the various benefits for the consumers during 2005, arising from the enforcement of competition and the regulatory and supervisory interventions on behalf of EETT. Emphasis is given to the reduction of prices and the spectrum of options the consumers are enjoying, as a result of the competition between telecommunications providers. Finally, we present the actions of EETT for safeguarding the interests of the consumers in terms of Carrier Pre-Selection, Number Portability, Domain Names and Universal Service (US).

2.1. Consumer Service Sector

One of EETT main priorities is to inform the consumers and solve the problems concerning telecommunications and postal services issues. EETT has established the Consumer Service Sector (CSS), which has accomplished an important task in enforcing the position of the consumer in the telecommunications and postal market, as well as in creating a communication node with him/her. In 2005, CSS has completed 3 years of efficient operation, during which CSS has received 11,990 calls and 7,960 written requests/complaints.

The main actions of the CSS are:

- To inform the consumers and process their requests/complaints.
- To record the problems and identify those issues which can be handled with EETT's intervention.
- To proceed to consumer information actions.

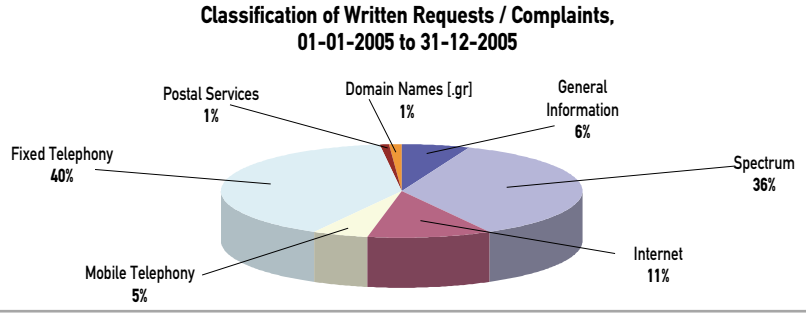
During 2005, CSS has received 4,896 written requests/complaints, marking an increase of 149% and 345% compared to 2004 and 2003, respectively. The classification of written requests/complaints by subject, as well as their percentage change, are presented in Table 1 and Chart 10.

Table 1

Classification of Requests / Complaints from Consumers, 2003-2005

Classification Category	2005 (%)	2004 (%)	2003 (%)
TELECOMMUNICATIONS SERVICES	**93**	**90**	**95**
Spectrum (antennas and interferences)	36	54	35
Internet (availability of services and tariffs)	11	7	29
Mobile Telephony (availability of services, quality and tariffs)	5	10	15
Fixed Telephony (availability of services, quality and tariffs)	40	18	14
Domain Names holding the (gr.) suffix	1	1	2
POSTAL SERVICES	**1**	**2**	**3**
GENERAL INFORMATION	**6**	**8**	**2**

Chart 10



The majority of requests for fixed and mobile telephony, as well as the majority of requests of general interest has focused on the issues of Carrier Pre-Selection and Number Portability, as well as on issues such as: disputed bills, providers obligations, quality and availability of services.

In the case of Radio Frequency Spectrum, the total of issues pertained to mobile telephony antennas licencing and cases of interference. As regards the Internet, most issues pertained to the allocation and management of Domain Names with the [.gr] suffix.

Finally, only a small percentage pertained to postal services and issues relating to the quality of services and the obligations of postal undertakings.

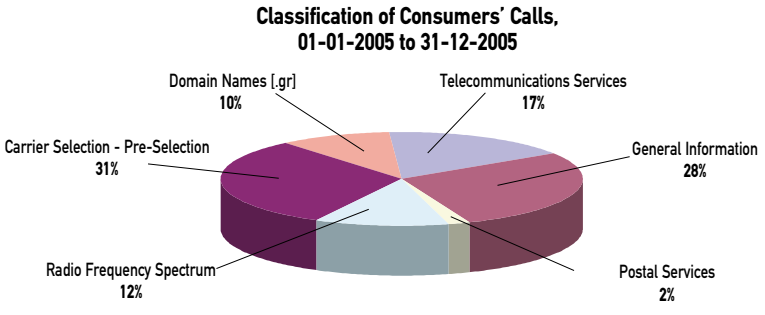
Also, the Consumers Communication Line (801 11000 80) has received during 2005, 6,702 consumer phone requests/complaints, marking an increase of 129% and 184% compared to 2004 and 2003, respectively. The classification of telephone calls by subject is shown in Chart 11.

2.2. Telecommunications - Radiocommunications

2.2.1. Benefits due to the Competition

The establishment of competition in the sector of Electronic Communications constitutes a basic factor for the further development of the market and the increase in the penetration of telecommunications services. The benefits to consumers are multiple, with the most important being the improvement of the quality of the services provided, the wider range of options and the reduction of services cost.

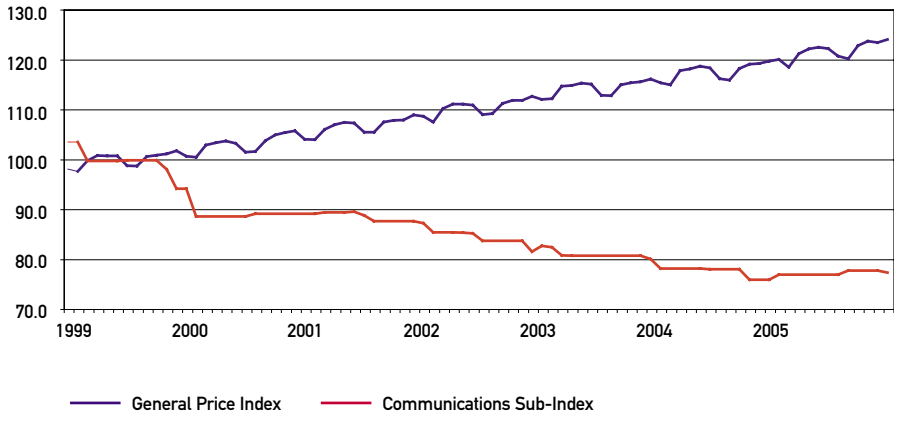
Chart 11



In 2005, fixed telephony invoices remained stable in general, with only slight reductions in calls to mobile phones and international calls. The more general evolution in the cost of telecommunications services is reflected in the course of the General Consumer Price Index (GCPI), as presented in Charts 12 and 13. The Communications Sub-Index retains its decreasing trend, as opposed to the GCPI, while the annual change for the specific Sub-Index was negative for the sixth consecutive year, with a much lower modification compared to previous years.

Chart 12

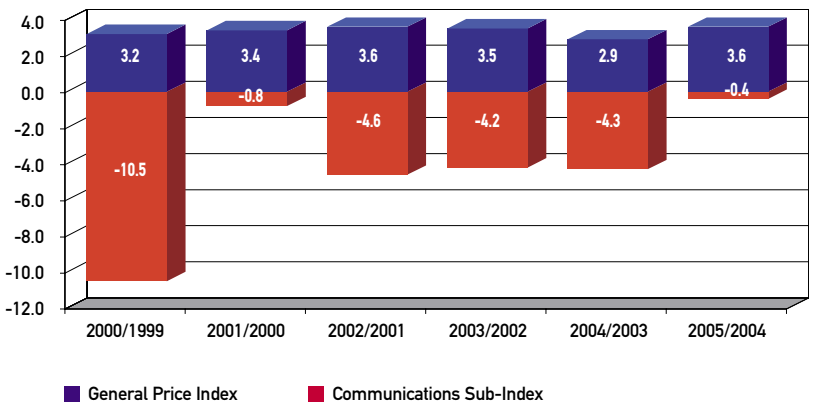
Evolution of Monthly Consumer Price Index
General Communications Index and Sub-Index



Source: National Statistical Service of Greece (NSS)

Chart 13

Annual Rate of the Average Consumer Price Index (%) compared to the Respective Index of Previous Year



Source: EETT (based on figures of NSS)

2.2.2. Carrier Pre-Selection

The interest of consumers for Carrier Pre-Selection (CPS) in 2005 marked a significant increase.

EETT, aiming at further developing the specific facilitation and safeguarding the protection of the consumers, modified in December 2005 the Regulatory Framework[1] for the issues pertaining to CPS.

The most important regulations are the following:

- In case the subscriber submits the application in written or by fax, the said application must be accompanied by a copy of his identity card. The digital submission is only allowed with the use of a digital signature. Also, the submission of a request by phone is only accepted if the relevant conversation has been recorded, with the prior consent of the subscriber.
- The subscribers do not submit anymore the applications for the revocation of Pre-Selection to the Previous Provider but to OTE. In this case, the subscriber, is allowed to cancel the revocation application by submitting the relevant request to the Preselected Provider.
- In order to stimulate competition, OTE was prohibited from proceeding to the cancellation of CPS, before the lapse of 2 months from the date of its activation.
- The possibility of Pre-selection will be offered to all non-geographic numbers (e.g. shared access numbers and additional charge) and short codes.
- EETT proceeded to further regulations, precisely identifying the rights of the consumers, aiming at their protection. More specifically, the following apply:

a) Pre-selected Providers are obliged to provide the subscribers, upon calling to a special telephone number, with a recorded message informing them on the activation of the Pre-selection.
b) As regards Pre-selection issues, the consumer is entitled to appeal to EETT, which decides by a relevant committing Decision.
c) Pre-selected Providers and OTE are obliged, if requested, to send forthwith to the consumers, in any appropriate way, the EETT approved application forms for the Pre-selection.

2.2.3. Number Portability

Number Portability (NP), especially in the last months of 2005, has presented an upward trend, a fact that confirms that the consumers utilize the benefits of the specific facilitation. Moreover, regulatory and supervisory interventions of EET have largely contributed to the intensification of interest on behalf of the consumers.

The evolution in Portability use in fixed as well as mobile telephony for the time period between 01-03-2004[2] and 31-12-2005 is reflected in the following Charts 14 and 15.

77,044 fixed and mobile telephony numbers were transferred to another provider in 2005, compared to the respective number of 17,279 in 2004. Portability demonstrated an upward trend, especially following the completion of the relevant information campaign made by EETT, and the implementation of the last modification to the Regulation on NP. Nevertheless, the penetration rate of Portability compared to other EU member states, remains low.

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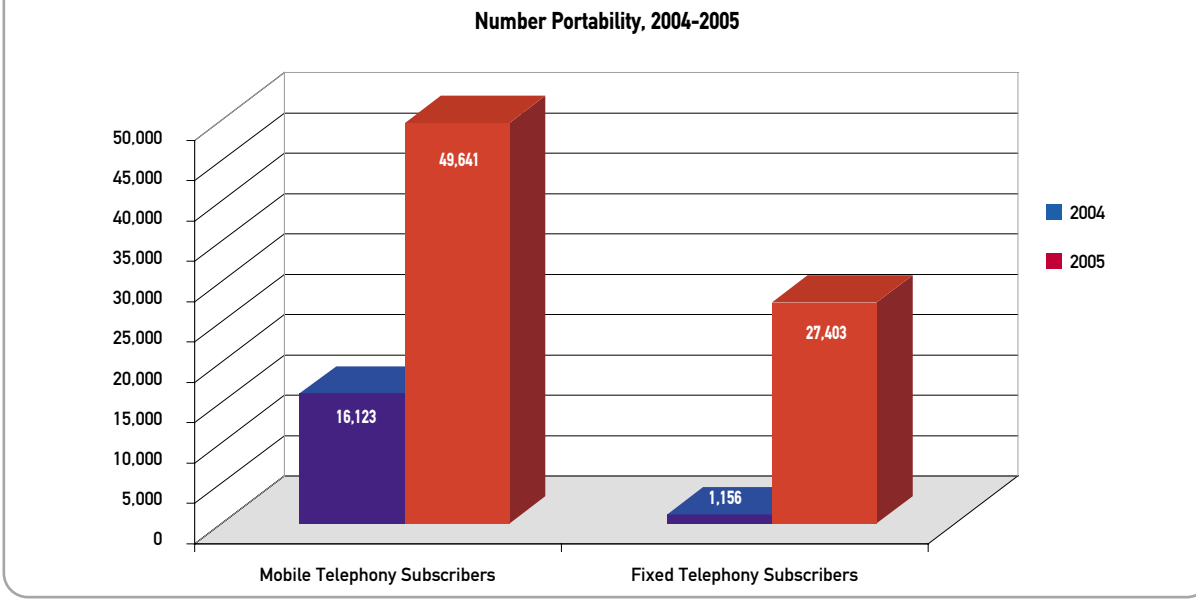
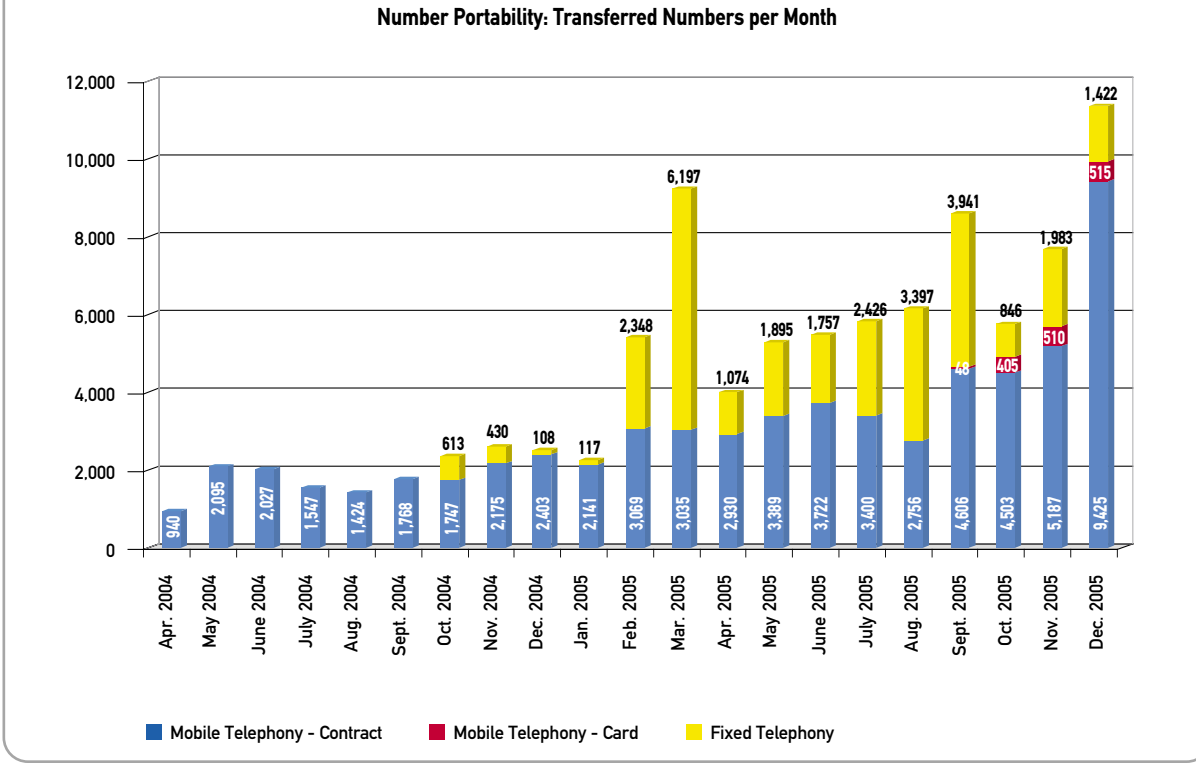
[1] *EETT Decision 366/48/08-12-2005, GG Issue 22/B/17-01-2006.*
[2] *When the operation of Number Portability started through National Reference Database on Number Portability (NRDNP), which constitutes the special data base that facilitates the implementation of Portability in Greece.*

Chart 14



Source: EETT

Chart 15



Source: EETT

In the context of its actions to maximize benefits to consumers and develop competitiveness on the market, EETT proceeded to a modification of the Regulation on NP. The new Regulation became effective in September 2005.

The most important interventions were, as follows:

- Providers must offer subscribers requesting for Portability the same level of service and terms of connections applying to other subscribers.
- Subscribers must be able to submit their applications at all points of submitting applications for new connections available by providers.
- Anonymous users of prepaid card telephony may use Portability. The necessary prerequisite is to declare the phone number to transfer and the code stated on the SIM (Subscriber Identification Module).
- The reasons for rejections of Portability applications were reduced, since the absolutely necessary details of applicants required for identification have been limited.

2.2.4. Universal Service: Telephone Directory

In the context of providing a basic level of telecommunications services to all citizens, the Universal Service Provider (USP) undertakes the important obligation of providing Comprehensive Telephone Directory information services and issuing the relevant document for all areas of Greece.

Both the service and the printed directory must contain the telephone numbers of all fixed and mobile telephony subscribers, except for those who have objected to their inclusion. It is noted that, in accordance with EETT Decision[3], the USP responsible until December 31st 2005 was OTE.

To implement the aforementioned and also to deal with certain issues which arose, the actions taken by EETT were as follows:

- EETT invited all voice telephony providers to deliver details of those subscribers who agreed to their inclusion in the Directory (phone number, full name and address), until May 2005.
- EETT invited OTE to commence the provision of Directory Services in June 2005 and proceed to its issue in September 2005.
- EETT has intervened to solve the difference between OTE and Mobile Telephony Operators (MTOs) as regards contracts and compensation for the provision of subscribers details to OTE and access to the relevant Comprehensive Telephone Directory data base.
- EETT was regularly briefing the Ministry of Transport and Communications (MTC) and the European Commission about progress in this matter.

The Comprehensive Telephone Directory information service commenced on June 21st 2005, when OTE started providing information about fixed and mobile phone numbers through the short call code "11888". Also, in November 2005, OTE issued the first printed Telephone Directory containing fixed and mobile telephony numbers of Western Greece. The issue of all Comprehensive Telephone Directories is expected to be complete in May 2006.

2.2.5. Domain Names with the [.gr] suffix

In July 2005, a new method for the registration of Greek Domain Names was provided for the first time to Internet users (www.name.gr). Also, a new procedure for the assignment of all Domain Names with the [.gr] suffix[4] was launched (also see paragraph 3.3.6.).

As regards Greek Domain Names, the assignment and management rules were regulated. According to the procedure, when a user requests for a Greek

[3] *EETT Decision 264/140/04-10-2002, GG Issue 1368/B/24-10-2002.*
[4] *EETT Decision 351/76/20-05-2005, GG Issue 717/B/27-05-2005.*

Name, all possible forms for the same Name are automatically committed to the same user.

Moreover, a more flexible and simplified application submission procedure was created and completion deadlines were further reduced. Furthermore, by means of an EETT Decision[5], when a Domain Name expires, the beneficiary until expiry has the exclusive right to submit a new application for the assignment of the same Name, as well as committed forms thereof, within 15 days.

The use of Greek Domain Names is expected to enhance the use of the Greek Internet and promote the use of new technologies. It should be noted that Names assigned in 2005 significantly increased by 42%, compared to the previous year (see paragraph 3.3.6).

2.2.6. Mobile Telephony Antenna Mast Constructions

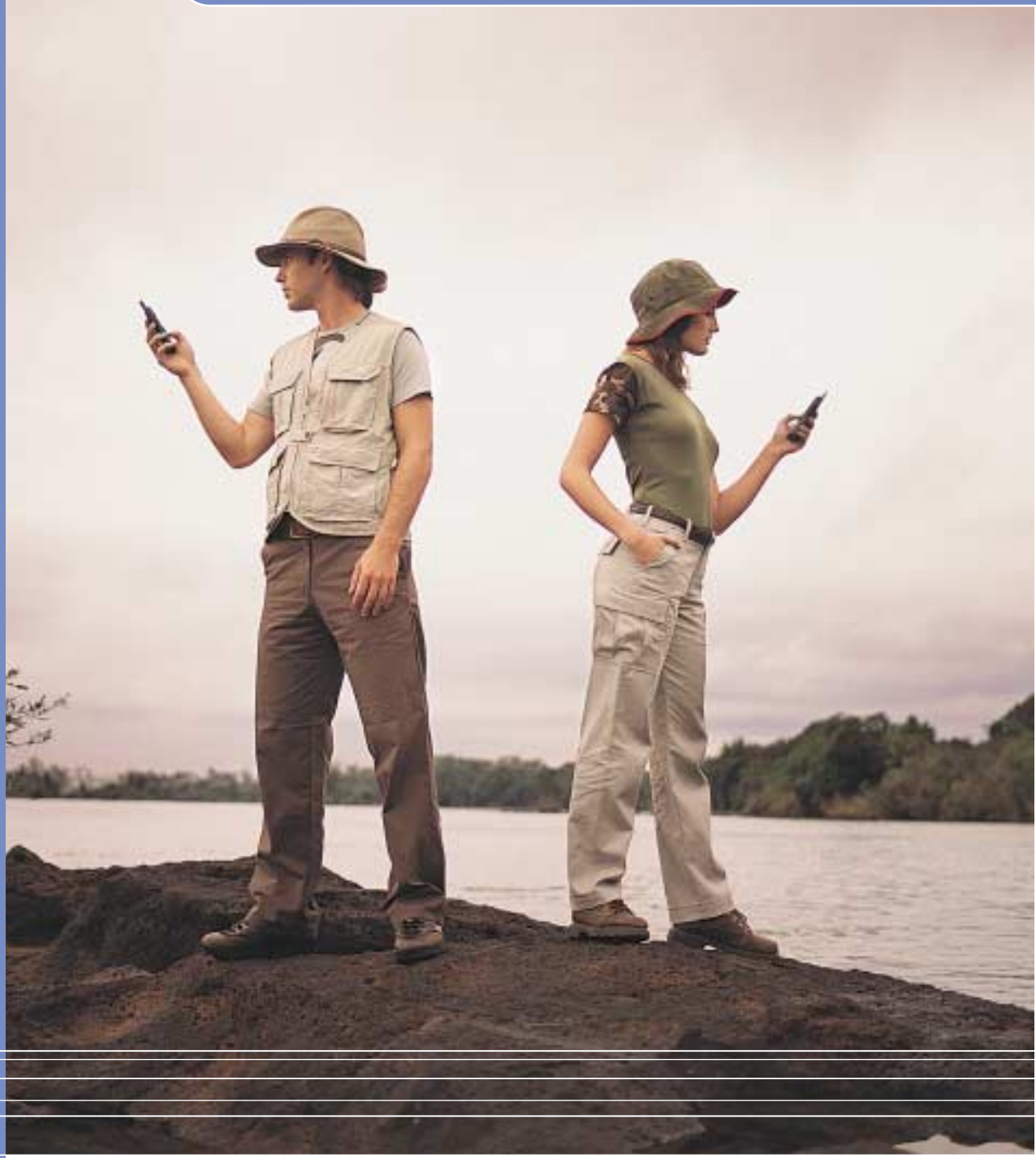
The penetration of mobile telephony in the Greek market and the launch of new telecommunications applications based on wireless networks, has increased the volume of Antenna Mast Constructions required all over the Greek territory.

During 2005, EETT received 997 requests/complaints from citizens and other bodies in relation to mobile telephony Antenna Mast Constructions. The majority of those cases (767) were related to licensed antennas.

Regarding illegal Antenna Mast Constructions, EETT intervened by performing the necessary inspections/examinations, in order to identify their holders and impose the administrative sanctions according to the law. Following that, EETT informed the responsible Town Planning Authorities and the competent Public Prosecutor of the Court of Misdemeanors to ensure removal of any illegal site and impose the necessary penalty sanctions. The complaints and penal sanctions related to mobile telephony antennas mast constructions are detailed in subsection 4.2.2.

[5] *EETT Decision 353/185/17-08-2005, GG Issue 1251/B/06-09-2005, modifying articles 4 (1) and 7 (1) of the Management and Assignment Regulation of the Domain Names with the [.gr.] suffix.*

3. ELECTRONIC COMMUNICATIONS



3. Electronic Communications

This Chapter presents the main actions of EETT in the Electronic Communications in 2005, which are summarized in four main directions:

- Development of Broadband in Greece: EETT actions aimed to solve problems regarding Unbundled Access to the Local Loop (LLU) and ADSL access (Asymmetric Digital Subscriber Line), as well as to develop the market of Wireless Access Networks.
- Market analysis on the basis of the European Regulatory Framework: The relevant actions of EETT focused on the identification of individual markets and the analysis of competition in each one of those markets.
- Promotion and safeguarding of fair competition in networks and services: EETT took coordinated actions to solve problems in the fields of Interconnection and Leased Lines, improved the procedures for Carrier Pre-Selection and Number Portability, while it launched the registration of Domain Names in Greek characters.
- Monitoring of availability and quality of networks and services: Public consultations were held by EETT for the creation of action plans aimed to deal with contingencies in telecommunications as well as identify specific quality indicators for networks and services.

3.1. Actions for Broadband Development

3.1.1. Broadband in Greece

Broadband is the high speed access to Electronic Communications networks and services, including constant access to the Internet. The prioritization of EETT's interventions in this specific field, reflects the significance of broadband services for citizens in today's Knowledge Society, in view of the particularly low performance of Greece in the area.

Despite the upward trends, Broadband development in Greece remains at very low levels compared to the rest of Europe. In December 2005, the number of broadband lines, as a percentage of the entire population, was 1.45%, while the average for the 25 EU member states was 12.75%.

Low Broadband growth is attributed on the one hand, to the level of supply of access services (in order to boost the market) and on the other hand to the level of demand. The following factors include, but are not limited to, the following:

- Significant delay in the development of ADSL market (compared to the rest of Europe, given that Greece got started in 2003).
- Parallel delay in the LLU market. According to December 2005 data, LLU lines correspond to less than 5% of broadband lines, despite the full absence of alternative infrastructures.
- The lack of alternative networks, especially Cable Television (CATV), is hinders the development of Broadband in Greece.
- The absence of value added services, such as triple-play (Internet access, Voice over Internet Protocol - VoIP, video-on-demand), or other interactive services, combined with the limited dissemination of e-commerce and the low use of the Internet in transactions with the State (e-government).

Taking the aforementioned factors into account, EETT has proceeded to the following actions for further LLU and ADSL access exploitation, as well as to the development of the Wireless Access Networks market.

Unbundled Access to the Local Loop

In the context of an ex officio Hearing in January 2005, EETT ascertained violations of the telecommunications and competition legislation by OTE, as regards the provision of collocation under LLU and Interconnection with the remaining providers. More specifically, issues like the provision of information, the progress of collocation contract signing and relevant schedules were examined. In view of the above, EETT imposed[1] on OTE fines standing at 1,500,000 euros (also see paragraph 3.3.1.).

Moreover, the work of the Collaboration Group for the development of LLU continued under the auspices of EETT, with the participation of OTE and the contracting (to OTE) telecommunications providers. The Group focused its efforts on the identification and resolution of problems related to the provision of collocation and local loops.

ADSL

In 2005, the work of the Collaboration Group continued under the auspices of EETT for the development of ADSL services, with the participation of OTE and its contracting providers. The Group reviews current issues related to ADSL connections.

Wireless Access Networks

Wireless networks, as these are implemented by means of Wirelles Fidelity (Wi-Fi) and Worldwide Interoperability for Microwave Access (Wi-MAX) technologies, are internationally applied to meet various networking and telecommunications service needs for a wide range of different users. Their great penetration is attributed to the low cost and support of high-speed data services.

In accordance with the applicable legislative framework, the provision of Wi-Fi networking at 2.4 GHz with the creation of hot spots, as well as private use for non-commercial purposes, is allowed in Greece upon acquisition of an Individual Licence, which can be obtained through brief and simplified procedures. Aiming at the development of broadband networks and estimating that Wireless Access networks promote equal participation of all citizens in the Knowledge Society, EETT submitted an official proposal to the MTC for the issue of a Ministerial Decision (MD) in order to regulate zones at 2.4 GHz and 5 GHz, in which the development of Wireless Access systems will be allowed, regardless of topology. The aforementioned regulation will lift current limitations on Wireless Network licensing in the particular radiofrequency zones.

Moreover, following relevant requests by providers, EETT commenced a procedure for the granting of temporary Radio Spectrum licences at 3.5 GHz for Wi-MAX technology tests, which had great appeal. The procedure will be completed in 2006.

Additionally, in 2006, EETT will exploit the possibilities provided by the new Law on Electronic Communications and proceed to a number of systematic actions to further increase the use of broadband services.

3.2. Market Analysis on the Basis of the European Regulatory Framework

The European Regulatory Framework on Electronic Communications has set the following policy goals to govern the actions of National Regulatory Authorities (NRAs) in the performance

[1] *EETT Decision 351/88/20-05-2005.*

of duties in the provision of Electronic Communications networks and/or services:

1. Promotion of competition.
2. Contribution to domestic market development.
3. Promotion of user interests inside the EU.

In this context, the NRAs are invited to identify and analyze the relevant markets, taking into account national covenants, on the one hand, and specify the obligations of providers with Significant Market Power (SMP) on the other hand.

Despite the delay in harmonizing the Greek law with the European Regulatory Framework, EETT has already started the market analysis procedures. More specifically, the up to date analyses correspond to the following markets:

- Markets 8-9-10 (Wholesale Interconnection Markets): In spring 2005, a Public Consultation took place for the identification of the specific markets and in September EETT published[2] its answers to comments made by providers.
- Market 11 (LLU): A Public Consultation was held for the identification, competition analysis and proposed regulatory obligations[3]. The examination of this market is expected to be completed in 2006, with the announcement of the Draft Measure to the European Commission.
- Market 12 (Wholesale Broadband Access Market): A Public Consultation was completed for the identification of the market and EETT's answers to the comments of providers were published[4]. The Public Consultation for competition analysis and regulatory obligations is expected to be complete in 2006.
- Market 16 (Call Termination to Mobile Telephony Networks): Taking into account the comments of the European Commission on the Draft Measure notificated in July 2004, EETT proceeded to the necessary modifications and updates of the information used to identify and analyze the market. It subsequently, subjected the modified Draft Measure to a new national Public Consultation and repeated the notification to the European Commission in April 2005. The response of the European Commission did not contain any comments or remarks on the modified Draft Measure.

The analysis for all other markets are expected to be completed in 2006.

3.3. Promotion and Safeguarding of Fair Competition in Networks and Services

3.3.1. Interconnection

In 2005, the main issues of concern for EETT in relation to Interconnection were:

a) Contract terminations by OTE and renewal procedures.
b) Collocation of alternative providers at OTE facilities.
c) The method to set the amount of guarantee letters to OTE and terms of forfeit.

Interconnection of Alternative Providers with OTE

EETT, acting ex officio, ascertained non-compliance of OTE as regards implementation of requests for Access/Interconnection of telecommunications providers with the OTE network, for the provision of free-of-charge, share-cost and premium-rate services. Upon examination of issues, it imposed[5] a total fine of 71,000 euros.

[2] *http://www.eett.gr/ -> Section Electronic Communications -> Market Analysis -> News.*
[3] *www.eett.gr/ Section Electronic Communications / Market Analysis/ News.*
[4] *www.eett.gr/ Section Electronic Communications / Market Analysis/ News.*
[5] *EETT Decision 346/166/18-03-2005.*

Collocation of Alternative Providers at OTE Centers

Following complaints from telecommunications providers and the relevant Hearing of OTE, EETT ascertained[6] infringements as regards the obligations of OTE to provide collocation for Interconnection needs, but also abuse of its dominant position in the market (see paragraph 3.1.). More specifically, refusal to provide collocation was observed, either expressly, however on no objective reasoning, or tacitly, through non-response to submitted requests.

Moreover, in the resolution of a difference between OTE and VODAFONE, EETT decided[7] that 72 digital circuits, already used as Interconnection links, fall under the field of application of the Reference Interconnection Offer (RIO) 2003 and, therefore, tariffs must be specified accordingly.

Amount of Guarantee Letter

EETT invited OTE ex officio to a Hearing, in order to investigate the unilateral interruption of Interconnection services made against TELEDOME on April 19th, 2005. By means of an Interim Order[8], EETT invited OTE to activate the Interconnection services until issue of an EETT Decision on the specific proceedings.

Moreover, following a relevant request of TELEDOME, EETT decided[9] to take injunction against TIM HELLAS in order for the latter to proceed to temporary provision of Interconnection services to TELEDOME, upon deposit of a 150,000 euros guarantee letter by the latter.

3.3.2. Leased Lines

In the context of further securing competition in the Leased Lines market, EETT took systematic and coordinated actions to control the implementation of the relevant Regulatory Framework by OTE, which holds a dominant position in this market.

Following a relevant Hearing, EETT ascertained telecommunications legislation infringements by OTE (refusal or unjustified delay in the provision of services, incomplete information about the terms of provision, untimely restoration of faults and non-compliance with the minimum contractual obligation envisaged) and imposed[10] a fine of 500,000 euros. Also, it imposed[11] a fine of 1,500,000 euros for infringements of the competition legislation, given that OTE had abused its dominant position in the Leased Lines market.

Furthermore, upon request of TELEDOME, EETT invited OTE to a Hearing, in order to investigate the threatened interruption of all services provided by OTE to that provider. By means of an Interim Order[12], EETT prohibited the adoption of such practices, provided that TELEDOME would pay the amount of 1,350,000 euros or submit an equivalent guarantee letter.

3.3.3. Carrier Pre-Selection

In the application of Carrier Pre-Selection (CPS),

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[6] *EETT Decision 351/88/20-05-2005.*
[7] *EETT Decision 349/54/22-04-2005.*
[8] *Interim Order 11756/F800/20-04-2005.*
[9] *EETT Decision 346/167/18-03-2005.*
[10, 11] *EETT Decision 341/105/28-01-2005.*
[12] *Interim Order 9377/F800/20-04-2005.*

issues arose in 2005 mainly as regards procedures to win back subscribers, service cancellation and activation. The issues, rendered the intervention of EETT necessary at monitoring and regulatory level.

The main issues investigated during the hearings are summarized as follows:

- Non-compliance with the schedules specified in the CPS Regulation to activate Preselection. Following a relevant complaint of TELLAS, EETT imposed[13] a fine of 400,000 euro on OTE for telecommunications and competition legislation infringement.
- Non-compliance with the CPS cancellation procedure by OTE. Telecommunications providers complained that OTE proceeded to cancellations without having received relevant requests. By means of Interim Orders[14] EETT invited OTE to abstain from all cancellation or non-activation actions of subscribers' CPS, unless in line with the relevant procedure.
- OTE complained that certain providers submit requests for activation without the subscribers' consent. The complaints related to TELLAS and TELEDOME. By means of its Decision[15] EETT made a Recommendation to TELLAS, inviting it to follow the CPS procedures and abstain from any action to win back customers in violation of the applicable legislation. In parallel, it invited TELEDOME by means of an Interim Order[16] to comply with the provisions on CPS activation.

Also, EETT, having taken into account the views of participants in the Public Consultation held from 26-10-2005 to 11-11-2005, modified the Regulation on CPS[17]. The most significant points of the procedure are shown in paragraph 2.2.2.

The new Regulatory Framework is estimated to contribute to the safeguarding of consumer rights and resolve any issues, which had arisen.

3.3.4. Number Portability

Number Portability (NP), as also mentioned in paragraph 2.2.3., has attracted the attention of consumers, thus resulting in an increase of fixed and mobile telephony numbers transferred.

Since March 2004, when the National Reference Database on Number Portability (NRDNP) was launched until end of 2005, 94,323 subscribers kept their phone numbers switching to another telecommunications provider. 65,764 corresponded to mobile telephony numbers and the remaining 28,559 to fixed telephony numbers.

The total number of requests submitted stood at 161,645. The rejection percentage was high standing at 26.4% of all requests, while the main reason of rejections was inaccurate filling of the subscriber or company name (35%).

Compared to other EU member states, Portability in Greece demonstrates lower rates, despite the upward trend in 2005 (see Chart 16).

Following a Public Consultation held in April 2005, EETT modified[18] the Regulatory Framework on NP[19], to enhance competition in the market (see paragraph 2.2.3.).

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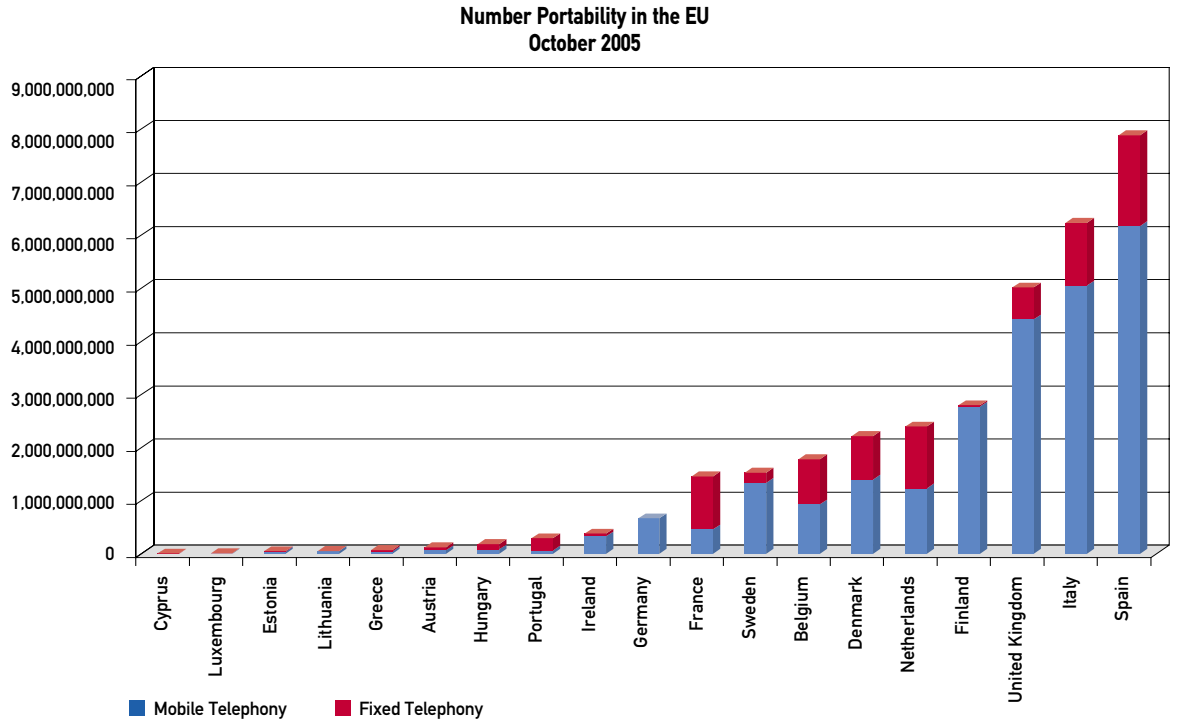
[13] *EETT Decision 348/164/15-04-2005.*
[14] *Interim Orders were issued by EETT on 03-03-2005, 18-04-2005 and 27-09-2005.*
[15] *EETT Decision 355/40/15-09-2005*
[16] *This Interim Order was issued by EETT on 7-10-2005.*
[17] *EETT Decision 366/48/08-12-2005, GG Issue 22/B/17-01-2006.*
[18] *EETT Decision 351/75/20-05-2005, GG Issue 717/B/27-05-2005.*
[19] *EETT Decision 254/71/31-05-2002, GG Issue 791/B/26-06-2002.*

Moreover, in August 2005, following relevant Hearings, it imposed fines[20] of 500,000 euros to the MTOs COSMOTE, VODAFONE and TIM HELLAS for telecommunications and competition legislation infringements in relation to the provision of NP. The infringements were mainly related to non-availability of Portability at all points of sale of MTOs and the rejection of requests for NP. It was also found that all three MTOs followed a harmonized practice.

3.3.5. Control and Determination of Cost of Service

In accordance with the applicable Regulatory Framework in Greece, OTE has a cost-orientation obligation in terms of tariffs in fixed telephony, Leased Lines, LLU and Interconnection. This means that tariffs must be calculated on the basis of the cost for the relevant service, including a reasonable percentage of gain. These tariffs are subject to the approval of EETT.

Chart 16



Source: 11th Report of the European Commission

[20] *EETT Decisions 353/247/17-08-2005, 353/248/17-08-2005 and 353/249/17-08-2005.*

In 2005, EETT proceeded to the following actions:

- In the context of cost accounting audit for 2004, EETT allowed[21] the implementation of discount schemes OTEPICHIRO and OTEPICHIRO PLUS of OTE and reserved to perform an actuarial audit of the aforementioned economy programs, as these would be implemented by OTE.
- A cost accounting audit began for 2005, whose commencement delayed for one year due to the untimely submission of cost accounting information by OTE. The results of this audit are expected to be announced in the first quarter of 2006.

In the context of its market monitoring duties, EETT invited OTE to a Hearing in September 2005, to review compliance with the applicable telecommunications and competition legislation, as regards the following:

1. Announcement of 11th of July 2005 about a 0.5 euros increase in monthly fees for PSTN and ISDN BRA connections and effectiveness as of August 1st 2005, without the approval of EETT[22].
2. Delayed submission of cost accounting details for the audit of 2005 (actuarial information of 2003, budget information for 2004-2005).
3. Non-submission of cost accounting information for the performance of cost accounting audit for 2006 (actuarial 2004, budget information 2005-6).
4. Delayed or non-provision of information required for the ex ante control of a potential price compression by OTE.

The Decision of EETT is expected to be issued in the first quarter of 2006.

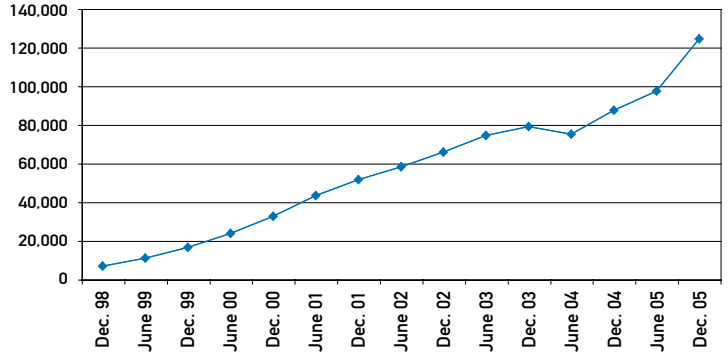
3.3.6. Domain Names holding the [.gr] Suffix

In 2005, the number of assigned Domain Names with the [.gr] suffix exceeded 120,000[23]. Moreover, the number of Names assigned within one year was increased by 42% compared to end of 2004. The contribution of the new Regulatory Framework introduced by EETT was decisive to the aforementioned increase of interest (also see paragraph 2.2.4).

Chart 17 shows the evolution of the total number of Names for the period 1998-2005.

Chart 17

Evolution of Domain Names, 1998-2005



Source: EETT

[21] *EETT Decision 341/103/28-01-2005.*
[22] *EETT Decision 277/64/28-02-2003, GG Issue 514/B/02-05-2003.*
[23] *Including those with the suffix com.gr, net.gr, org.gr, edu.gr, gov.gr*

A major factor contributing to the increase was also the introduction of Domain Names in Greek characters. In 2005, 7.472 names with Greek characters were assigned, comprising the 17% of the total assigned Names. In parallel, the average percentage of assignments on the number of applications for 2005 stood at 87% (compared to 73% in 2004). Furthermore, the period between submission of the application and issue of the EETT Decision was reduced to 8 days.

3.4. Availability and Quality of Networks and Services

3.4.1. Contingency Planning

In collaboration with an external consultant, EETT developed and submitted for Public Consultation between 06-06-2005 to 29-07-2005, a contingency plan for telecommunications.

These are situations where a telecommunications network might be led, due to external or internal factors (e.g. natural or industrial disasters, etc), during which the telecommunications needs of subscribers cannot be met nor the agreed standard service quality offered.

The action plan submitted for included a number of actions deemed necessary to deal with such conditions, such as the setup of a Crisis Management Team and a Call and Crisis Management Center, the dissemination of information to citizens about the actions they should take, as well as the determination of providers' performance indicators.

The main points of participants' replies in the Consultation were:

- The need for cooperation and coordination of the competent State agencies and services was underlined in terms of contingencies in telecommunications, so that they form part of a single national plan coordinated by one public authority.
- The elucidation of basic principles was proposed (such as "Contingencies/ Emergency situations in Telecommunications", etc) and the view was expressed that internal failures to providers' networks should not form part of the action plan, since these are internally arranged by providers.
- To the extent that project design creates new costs for providers, financing should be envisaged, so that plans do not impede the development of the telecommunications sector.
- The majority of participants in the Public Consultation agreed with the setup of a Crisis Management Team and underlined that its main role should be the ongoing cooperation and formation of a communication node between the State and operators.

The results of the Public Consultation were notificated to the General Secretariat for Civil Protection (http://www.civilprotection.gr/).

3.4.2. Telecommunications Networks and Quality of Service Indicators

From January 5th until February 4th 2005, EETT held a Public Consultation aimed at collecting views and comments of interested parties as regards: (a) the most appropriate quality of service (QoS) indicators for fixed telephony, (b) the exact methodology of measurement and (c) the procedure of publication of the relevant results.

All participants in the Consultation agreed that the determination of an aggregate framework of fixed telephony, QoS indicators would have beneficiary results for consumers, since they will be able to compare services, but also for service providers, due to increased competition. The availability of accurate and objective information, as well as suitable selection of QoS indicators are necessary prerequisites.

The main conclusions drawn from participants' replies in the Consultation were:

- The number of indicators should be about 5.
- The indicators which are considered subjective should not be used.
- Indicators must be independent from the technology used and any differentiations and particularities per geographic area should be taken into account.
- No minimum standard/acceptable values for QoS indicators should be set.
- The indicators must be published in each provider's web site, in EETT's web site as a whole and be subject to annual updates.
- Provisions must be made for the access of disabled persons to QoS indicators (e.g. through methods of voice assistance, the Internet, post, special writing system or relief printouts, accessible web site).

3.4.3. Safeguarding Universal Service Provision

EETT decided[24] that OTE shall continue to be the Universal Service Provider (USP) for 2006, until completion of the procedures for the appointment of a USP according to the new Law on Electronic Communications. It is noted that OTE had been appointed USP[25] until 31st of December 2005.

The USP is bound to submit an annual Report to EETT in relation to the provision of the Universal Service (US). Table 2 presents the information for 2003-2005.

Table 2

Comparative Information for Universal Service Provision, 2003-2005

	31-12-2003	31-12-2004	31-12-2005
Outstanding applications for connection to the fixed public telephony network due to lack of network or need for upgrading.	1,541	2,133	1,817
Number of subscribers connected to analog centres and therefore could not have all network facilities.	18,093	617	0
Number of subscribers who cannot be availed of data transfer services at a speed over 9.6 Kbps. (The majority of those subscribers were connected to PCM-4 systems, whose replacement is gradually performed by the USP.)	75,945	153,641	130,381
Number of public payphones installed by the USP.	64,619	64,105	64,298

[24] *EETT Decision 367/46/14-12-2005, GG Issue 22/B/17-01-2006.*
[25] *EETT Decision 264/140/04-10-2002, GG Issue 1368/B/24-10-2002.*

As arises from the aforementioned information, the number of subscribers connected to analog centers was brought to zero, while the number of public payphones remained stable. The most important problem faced by OTE, relates to the provision of digital facilities and Internet access at speeds higher than 9.6 Kbps, as these services are not available to a significant number of subscribers, despite the reduction demonstrated in 2005.

Additional information about the provision of US by the USP is shown in Table 3. The first column shows QoS indicators with the expected performance set[26] by EETT, while the adjacent columns show the performance declared by the USP for 2003-2005.

Table 3

Performance of the Universal Service Provider, 2003-2005

Indicator	2003	2004	2005
Time for the provision of initial connection: 1 week for 95% of applications	Not available	Not available	Not available
Frequency of failures per 100 connections: 13.5%	13.6%	13.8%	12.8%
Percentage of Call failure: 2%	2.8%	3.2%	2.3%
Percentage of failures repaired by the following working day: 85%	82.1%	80.8%	82.3%
Response time for operator services: 20 seconds	20	Not available	15
Response time for Directory Services: 15 seconds	20	Not available	12
Complaints about erroneous bills: 0.2%	Not available	Not available	0.044%

3.5. Controlling and Monitoring Actions of EETT

Subject	Number of Hearings	Fine	Recommendation	Release	Other Sanctions/ Decisions
Carrier Pre-Selection	10	3	2	1	4
LLU- Interconnection	12	2	5	-	5
Domain Names with the [.gr] suffix	47	-	14	12	21
Total	**69**	**5**	**21**	**13**	**30**

It is noted that Decisions on Hearings held by EETT are subject to judicial control in accordance with the applicable law.

[26] *EETT Decision 253/83/14-06-2002, GG Issue 874/B/12-07-2002.*

3.6. Goals

As a result of the establishment of the new European Regulatory Framework in mid 2003, the procedure of drafting the new Law on Electronic Communications in Greece was completed in 2005, as the need for completing immediately the transition to the new environment set by the new Law was imperative.

In this context, the immediate priorities of EETT for 2006 include:

- Drafting and issuing of the envisaged secondary legislation, as well as revision of the current Regulatory Framework.
- Completion of market analysis, aimed at an in-depth evaluation of current regulatory obligations.

This effort aims at protecting and developing competition to the benefit of consumers, citizens and national economy. Individual interventions by EETT will focus on the following:

- Smooth operation and development of fixed and mobile telephony markets.
- Development of Broadband.
- Creation of innovative services.
- Further enhancement of competition, especially at infrastructure level.

The decisive factors to influence EETT actions are the radical technological developments and the convergence of content and networks.

Emphasis shall be placed initially on the establishment and effectiveness of any additional Regulatory Framework, but it shall gradually shift to monitoring/auditing actions, in accordance with the provisions of the European Regulatory Framework for increased implementation of competition rules. The constant observation of domestic and international markets will be the crucial element in rating future interventions and evaluating their effectiveness.

4. RADIO FREQUENCY SECTOR

4. Radio Frequency Sector

In 2005, the work of EETT in the Radio Frequency Sector focused on the optimized management and exploitation of the equipment and of the know-how acquired during the 2004 Olympic Games, in order to exercise its duties more effectively. Faster and higher-quality response to the requests submitted to EETT by consumers and various entities was achieved. Moreover, surveillance activities on the Radio Equipment and Telecommunications Terminal Equipment (RTTE) market were intensified. A description of the individual actions involved, is provided in detail in the sections below.

4.1. Radio Spectrum Management and Monitoring

4.1.1. Fixed Service

The Fixed Service includes radio communications networks at specified fixed points used:

- Either for the provision of public telecommunications services (such as backbone networks of mobile and fixed telephony providers);
- Or to meet private telecommunications needs, such as telemetry and tele-education applications or transmission of radio and television station signal from production point to the transmission center.

Radio frequency assignment is required for the operation of these particular radiocommunications networks. In 2005, 3,700 radio frequencies were assigned in total for "Point-to-Point" links, primarily concerning telecommunications services providers' networks. Also, 120 radio frequencies were assigned to private radio stations.

Moreover, EETT received 5 complaints regarding interference from/or to radio links of the Radio/TV stations, which were successfully resolved.

Finally, aiming at more effective spectrum management, EETT set up a Working Group with the participation of officers from the Ministry of Transport and Communications (MTC), in order to prepare a Channelization Plan of Fixed Service radiofrequency zones (over 1 GHz), in accordance with the National Frequency Allocation Table (NFAT). This corresponds to the determination of a channel plan in one or more radiofrequency zones for a more rational and effective use of spectrum by one or more services. The Group studied the relevant international recommendations and specifications of the International Telecommunication Union - Radiocommunication Sector (ITU-R) and Conference of European Postal & Telecommunications (CEPT) and prepared a Channelization Plan, which was sent to the MTC so as to issue a relevant Ministerial Decision (MD).

4.1.2. Satellite Services

According to International Telecommunication Union (ITU), the installation and operation of satellite earth stations requires national and international coordination with existing fixed and fixed satellite service terrestrial networks in order to avoid interference. EETT, being responsible for the aforementioned coordination, harmonized satellite stations in 2005 (domestic and foreign) with the existing terrestrial wireless networks. Moreover, EETT notified the domestic satellite earth stations to the MTC, so that they may be communicated to ITU, as required by the International Radio Regulation.

Furthermore, EETT licensed 6 infrastructure satellite earth stations (HUB), which correspond to 10 frequency pairs in the Ku band, as well as 81 VSAT topology dependent stations among which:

- 2 to domestic academic institutions for tele-education purposes via satellite.
- 1 to the Greek satellite organization HELLASAT.
- 1 to OTE for a Satellite News Gathering (SNG) station.

It should be noted that the specific frequency assignments indicate the infrastructure development of Broadband Services in Greece.

Moreover, EETT assigned one frequency to the National Observatory of Athens for the Meteorological Service, via a non-geostationary satellite.

Regarding spectrum monitoring for the satellite services, most interference problems are due to Fixed Service earth radio links, which interfere with satellite earth receivers. Complaints for interference with satellite data gathering systems were submitted in 2005 by the Hellenic National Meteorological Service (HNMS) and European National Regulatory Authorities (NRAs). EETT immediately performed all necessary measurements and inspections to resolve these problems. At the same time, EETT regularly performs inspections at the specific frequency bands.

4.1.3. Mobile Service

Mobile Telephony Networks

This category includes wireless digital sound and data transmission systems, using the GSM/DCS/UMTS cellular technology, whose operation requires licence from EETT.

In 2005, EETT received 42 complaints related to interference in the spectrum assigned to Mobile Telephony Providers (MTP) and more specifically at the reception frequencies of base stations with which mobile telephones communicate.

The main sources of interference were: analogue wireless phones operating in the aforementioned frequency zone, which had been illegally placed on the Greek market, GSM Jammers and radio fixed links used for the transmission of video and audio signals from radio and television stations and/or state agencies.

Finally, a case of emission from an unknown source outside the Greek territory was identified, The technical details recorded were sent to the MTC in order to brief ITU.

EETT technical units took all the necessary actions for the immediate investigation and resolution of complaints.

Private Mobile Radio Networks

Private Mobile Radio (PMR) networks are used to meet communication needs of various business users. such as communication networks used by radio-taxis, as well as networks used for emergency services, e.g. by the Fire Brigade (FB) and the National First Aid Centre (NFAC). EETT is responsible for the assignment of frequencies for PMR networks. Relevant licences for PMR Networks are issued by the Prefectural Authority, following a concurring opinion by EETT.

In 2005, in total 162 requests were submitted for local and regional area networks. The respective radio frequencies were assigned in 124 of the cases, while 38 applications with insufficient data were returned to the respective Prefectural Authorities for resubmission. Of the above

applications 4 were related to temporary radio frequency assignment for PMR networks used by foreign delegations visiting Greece during special events.

Moreover, in 2005 EETT received 25 complaints for interference related to PMR networks, mainly ones used by radio taxis, bank networks and Municipality radio networks. The majority of them were related to conformity issues of Antenna Mast Constructions licences and radiated power, as well as interference to other radio networks as a result of using non-licensed frequencies.

In all cases, technical inspections were performed and the necessary actions to resolve problems were immediately scheduled, with the imposition of sanctions, where deemed necessary.

4.1.4. Services Ancillary to Broadcasting or to Program Making (SAB/SAP)

An important category of services is support services in the transmission of video and audio signals over radio links. Examples of such services are the coverage of a sports event, an open show or any other special event. For the coverage of such events, radio equipment, such as wireless cameras, wireless microphones, portable microwave links and audio systems, is required. EETT temporarily assigns radio frequencies to cover scheduled events and the maximum duration of licence is 2 months.

In 2005, following relevant applications, radio frequencies were assigned to 5 Satellite News Gathering (SNG) stations. The aforementioned applications mostly concerned video and audio for the coverage of events such as VIP visits and various athletic events (European football championship, Acropolis Rally) by users from abroad. Moreover, 2 microwave radio frequencies were assigned to radio stations for the needs of a Greek television station and 6 radiofrequencies for the coverage of an international conference held in Athens.

4.1.5. Radio - Television

EETT's authority in radio and television issues is limited to monitoring and control. The National Radio-Television Council (NRTC) is competent for the licensing of stations and the assignment of radio frequencies, as well as for the imposition of administrative penalties. Furthermore, the MTC is competent for issuing the Radio Frequency Maps.

EETT is also competent for the assignment of frequencies used for radio and TV radio links, as well as for the imposition of administrative penalties to stations using illegal radio link frequencies. In this context, EETT holds relevant Hearings.

The situation concerning radio-television environment in Greece remained the same as in previous years, since licensing of TV and radio stations is pending, as is the subsequent organization of antenna parks at the locations constituting broadcasting centres. This has resulted in:

- A number of illegal emissions, both in urban centres and the province, especially non-licensed installations at broadcasting centres.
- Mutual interference between TV and radio stations.
- Harmful interference with air aeronautical services.
- Interference with other services and spectrum uses.

EETT has repeatedly stated that the safeguarding of the legal and effective Radio Spectrum use and the

protection of legally operating users from interference requires the licensing of radio and TV stations in Greece, as well as the organization and inspection of installations of those stations at Broadcasting Centres.

In parallel, EETT through regular inspections ensures the efficient resolution of interference and contributes to the discontinuance of illegal broadcasts.

Complaints

In 2005, 984 complaints related to interferences, illegal broadcasts and illegal radio-television station installations were recorded:

- 173 for radio stations within the region of Attica and 458 for stations outside Attica.
- 99 for television stations within the region of Attica and 254 for stations outside Attica.

EETT proceeded to the investigation of the majority of the aforementioned complaints, while in some cases (complaints regarding problems in relatively remote areas from the regions of Attica and Thessaloniki) the collaboration of the respective Prefecture Authority was requested.

In cases of licensed and legally operating television and radio stations, the reports from technical controls were forwarded to the NRTC, which is responsible for the imposition of administrative penalties according to the provisions of the radio-television legislation.

In cases of non-licensed stations, in collaboration with the local prosecution authorities (Police, Public Prosecutor), EETT ceased illegal transmissions during 38 operations within the region of Attica, 14 operations in Northern Greece (including the region of Thessaloniki) and 10 in the rest of the Territory.

Recording of Radio and Television Stations all over the Greek Territory

The imprint of the broadcasting centers and of the frequencies used by the radio and television stations, all over the Greek territory constitutes – due to the lack of licensing – a significant tool for the management and control of Radio-television Spectrum.

In 2005, EETT's technical units performed recordings in 29 Prefectures all over the Greek Territory, the results of which were forwarded to the NRTC, which is the competent National Regulatory Authority for investigating the legal operation of radio – television stations. Based on the findings of the recording, the total number of operating private radio stations per Prefecture is on average triple or in some cases quadruple, compared to the number of broadcasts specified in the Frequencies Charts. This results in an increased possibility of harmful interferences to legal users of the Spectrum, and consequently to a decreased quality of the provided service.

Apart from the aforementioned investigations, EETT carried on with the task of updating the imprint of television broadcasts installations in the Broadcast Centre of Hymettus. Also, the procedure of recording and imprinting television and radio stations installations in the Broadcast Centre of Chortiatis, Thessaloniki, was initiated.

In parallel, EETT, aiming at eliminating the sources of illegal broadcasts, is coordinating with all co-competent Bodies, in order not only to terminate illegal broadcasts but also to remove any

containers and masts that accommodate them. In one of these operations in the location Pirovoleia of mount Egaleo, following the issue of a Public Prosecutor order by Piraeus Public Prosecutor's Office, with the presence of the Public Prosecutor and strong police force of the Police Station of Koridallos, all illegal containers have been opened and all illegal active equipment has been confiscated, with simultaneous dismantlement of the relevant antenna systems and power cut by the Public Power Corporation (PPC).

4.1.6. Air Navigation

The unobstructed operation of wireless networks that are related to the protection of human life and public safety is a top priority for EETT. Indicative examples of such networks are the networks of the Civil Aviation Authority (CAA), the Armed Forces, the Hellenic Police, the FB, and the NFAC.

In 2005, most of the problems were related to the CAA networks due to the adjacency of the Air Navigation Band (108 - 137 MHz) with the band used for FM radio broadcasts (87,5 - 108 MHz). The large majority of interferences occurring in these networks, is due to the lack of licensing and, consequently, to the lack of harmonization of radio stations all over the Territory. This fact results in preventing the smooth operation of radio aids and CAA communications. Also, in 2005, many problems appeared to the CAA networks due to the adjacency with the transmitters of radio television stations.

EETT monitors the air navigation spectrum all over the Greek Territory on a permanent basis, aiming at dealing with the above problems. Inspections were performed with the assistance of Fixed Monitoring Stations (FMS), which have been installed by EETT at Athens International Airport (AIA) and at the airports of Heraklion and Rhodes, and also with the assistance of the Mobile Monitoring Stations (MMS) mainly for the areas outside Attica and Thessaloniki. The interference problems that CAA faces, are expected to be limited only with the implementation of licensing of radio stations in the Territory and when land use planning and antenna installations control regulations are imposed on the broadcast centres.

In 2005 EETT has received 200 complaints for interferences in telecommunications systems of the CAA, of which 132 related to interferences in flying aircraft communication receivers, 64 related to land communication receivers and 4 related to radio aids. The number of complaints marked a decrease of 26% compared to the respective number in 2004. EETT has taken immediate action and resolved the total of interference cases in land receivers and radio aids.

4.1.7. Public Services Wireless Networks

A number of public services, such as Hellenic Police and Fire Brigade, install all over Greece mobile radio networks used for their service needs.

In 2005 the licence of Financial Audit Body coming under the Ministry of Finance, has been renewed while the said Body has been granted 32 new wireless voice and data transmission links.

Regarding cases of interferences in State security and emergency networks, 17 complaints have been submitted to EETT in 2005, which have been investigated according to priority and have been resolved promptly.

4.1.8. Radio Amateurs

Radio amateurs install, apart from radio amateur stations, retransmission stations, which enable the communication between regions where, due to their geomorphology, there could not be any direct communication. In order for a radio amateur station to operate, MTC must grant approval[1].

The constantly increasing number of retransmitters makes their coordination essential, in order to achieve operation free of interference. EETT conducts studies on the harmonization of frequencies of these stations.

In 2005, EETT has received 39 complaints for radio amateur communication systems. The complaints related to illegal broadcasts, interferences to legal radio amateurs and requests on behalf of radio amateur stations owners in order to confirm their correct operation. In all cases, all necessary measurements, inspection of the equipment and of licence documents, were performed in order to confirm proper operation and compliance with the applicable legislation.

4.2. Antenna Mast Constructions

4.2.1. Antenna Mast Constructions Licensing

In April 2005 the State Council decided that, prior to antenna construction licensing, the Environmental Terms Approval must be issued. EETT has modified the Regulation of Antenna Mast Constructions Licensing in order to harmonize the applying procedure with the aforementioned Decision of the State Council.

During 2005, EETT has received 780 new applications for antenna mast constructions lisensing, of which 575 were processed (395 granted licences, 180 rejected applications, and 67 licence revocations).

4.2.2. Illegal Installations of Mobile Telephony Antenna Mast Constructions

In 2005, as it has already been mentioned in the sub-section 2.2.7., EETT has received 997 complaints for mobile telephony antenna mast constructions. Following a thorough investigation, it was found that 767 cases concerned licensed antennas, on the legitimacy of which the complaining parties/applicants were informed.

The remaining 230 concerned non-licensed constructions. EETT's technical units have performed in total 193 autopsies in mobile telephony base stations, 179 of which were performed within the region of Attica. The contribution of the competent Prefectures has been requested for the resolution of 35 complaints.

In 120 cases, EETT performed Hearings that led to imposition of penal sanctions in cases of illegal installations. All relevant Decisions were forwarded to the local competent Town Planning services and Public Prosecutor Offices for further actions.

4.3. Ensuring Compliance of Radio and Telecommunications Terminal Equipment

4.3.1. Regulatory Framework

Placing into the market and use of RTTE is free in all member states of the European Union (EU), provided the following conditions are met:

- Protection of health and safety.
- Protection with respect to electromagnetic compatibility (without causing electromagnetic disorders).
- Effective use of Radio Frequencies Spectrum so as to avoid harmful interference.

[1] *MD fin.68000/762/2002, GG Issue 1579/B/18-12-2002*

The compliance of the equipment with those specific requirements is denoted by special CE and CE! marking.

EETT is the competent Authority[2] for ensuring the placing of legal RTTE in the Hellenic market.

Expansion of Application Field of PD 44/2002

As of October 20th 2005, according to the Regulation of the European Parliament[3], Air Traffic Management (ATM) equipment and systems must be controlled by EETT in terms of compliance[4] with the applying Regulatory Framework. EETT has informed all interested parties and follows the issue so as to handle any eventual problems during the adaptation of the specific equipment category to the new regulatory framework.

Publication of Interfaces of Telecommunication Providers

By means of its Decision[5], EETT had specified those providers that must publish interface specifications, through which telecommunications services are provided to the public. According to the above Decision, those providers are:

- Public telecommunications network providers to which terminal equipment can be connected via a network terminal point or a radio interface.
- Public telecommunications network providers having access to the final subscriber via other provider networks.
- Providers of public telecommunications services, offered via other provider networks.

In 2005, EETT continued performing the necessary examinations of the content of the interfaces published by the telecommunications providers and in cases where omissions have been found, EETT has informed the responsible providers.

4.3.2. Management of Radio Equipment Notifications

In the case of radio equipment using non-harmonized frequency bands all over the EU[6], the radio equipment manufacturer, or his authorized representative in the EU, or the responsible person for placing the equipment on the market must notify EETT of the technical characteristics of the equipment and its intention to place it on the market. In 2005 EETT handled 1,445 radio equipment notifications.

Moreover, EETT defined the procedures for the development of a support application for on-line submission and management of notifications via Internet interfaces. The application is expected to reduce response time to requests, and facilitate the submission procedure. EETT follows, in parallel, the completion of the platform for the electronic submission of notifications at a European level (one stop notification).

4.3.3. Market Surveillance

EETT performs administrative and technical controls of RTTE market, in order to ensure that the equipment placed on the market complies with the requirements of the existing regulatory framework. Thus, EETT is actively protecting consumers from illegal equipment and harmful interference is avoided.

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[2] *PD 44/2002 "Radio and telecommunications terminal equipment and mutual acknowledgement of the compliance of this equipment - Adaptation of Hellenic legislation to the Directive 99/5/EC of the European Parliament and Council as of March 9, 1999".*

[3] *Interoperability Regulation 552/2004 of the European Parliament and of the Council of 10th of March, 2004 on the interoperability of the European Air Traffic Management network.*

[4] *Directive 99/5/EC and PD 44/2002.*

[5] *EETT Decision 294/55/2003, GG Issue 1590/B/30-10-2003.*

[6] *PD 44/2002 and Notifications Regulation (EETT Decision 296/49/2003, GG Issue 1881/B/17-12-2003).*

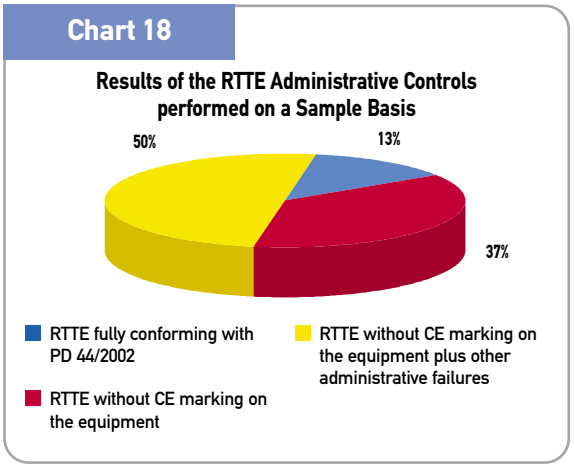
In 2005, EETT performed regular controls in RTTE distribution stores and checked 198 equipment samples. These controls covered various RTTE categories. Indicatively, Chart 18 presents the results of administrative controls in 103 RTTE samples, which belong to the wider category of toys. This radio equipment mainly included remote controlled toys, intercommunication devices (baby monitors) and portable transceivers (walkie-talkies).

EETT in order to ensure the circulation and use of legal equipment published at the end of 2005 an informative leaflet[7], providing manufacturers, importers, distributors and distribution stores with information on RTTE. The leaflet was distributed to the aforementioned interested parties, in the framework of scheduled surveillance controls of the market, in Athens and Thessaloniki.

Moreover, EETT participates in the European market surveillance campaign, which was initiated in September 2005 and will be completed in July 2006. In the framework of this campaign, administrative and technical controls will be conducted on 10 types of Short Range Devices (SRDs) placed in domestic market, aiming at drawing useful conclusions on the substantial and complete compliance of RTTE at a European level.

Also, EETT exchanges experiences with the respective European authorities and is informed on the developments in the sector of RTTE Market surveillance through its active participation in the Administrative Cooperation Group (ADCO) of the European Commission. EETT is also developing bilateral cooperation with other National Regulatory Authorities (NRAs). In 2005, EETT executives visited the respective Authority of Switzerland and were informed on their RTTE market surveillance activities and procedures.

Chart 18



Source: EETT

(Informative Leaflet)

[7] *www.eett.gr/ Section Publicity / Information Leaflets / RTTE in European Market.*

4.4. Controlling – Monitoring Actions of EETT

Subject	Number of Hearings	Penalty	Composition	Exemption	Other Penalties/ Decisions
Mobile Telephony Antenna Mast Constructions	82	71	-	7	4
RTTE	1	1	-	-	-
Radio - Television	18	1	17	-	-
Others	7	-	5	-	2
Total	108	73	22	7	6

Note: The Hearings reported in the table above were completed during the year

Note that the Decisions over EETT's Hearings are subject to court control, in accordance with the applying legislation.

4.5. Goals

EETT has set the following goals for 2006 in the radio frequency spectrum sector:

- To publish the necessary regulatory acts deriving from the application of the new Law on Electronic Communications and adaptation of the operation of EETT to its provisions. The new legislative framework abolishes an important part of administrative limitations in assigning and using the Spectrum, offering new possibilities to the possible users. At the same time, it requires changes in the procedures of EETT. The complete adaptation of the new framework for Electronic Communications is expected to reinforce the market and encourage the appearance of new applications and services.
- To focus on the optimized performance of EETT's duties in the field of managing and monitoring commercial Spectrum, in order to facilitate the access of the users to the available Spectrum, to ensure its efficient use from technical and economic point of view, to meet the imposed terms of use and finally to protect the interests of the citizens and consumers.

5. POSTAL SERVICES SECTOR

5. Postal Services Sector

EETT continued in 2005 the surveillance of the postal market, in order to identify to what extent undertakings comply with the Regulatory Framework in force. In parallel, EETT has performed measurements of the quality of Universal Service (US), aiming at protecting the consumers' rights.

5.1. The Regulatory and Monitoring Role of EETT in Postal Market

EETT, as mentioned before, has performed a series of scheduled and unscheduled audits for detecting violations of the Regulatory Framework in the daily operation of the registered companies, in an attempt to ensure the smooth operation of the entire market. The auditing process includes the performance of on site investigation, expert evidence collection, and sampling of relevant material.

As regards scheduled audits, in 2005 particular emphasis was placed in the following issues:

- Compliance with the Charter of Obligations towards Consumers (COC).
- Violations in the exclusive rights of the Universal Service Provider (USP) from undertakings holding General Authorization.
- Tariff policy issues.
- Deficiencies of the Special Postal Items Track and Trace System (SPITTS) of the undertaking.
- Deficiencies of the Express Delivery Voucher (EDV) of processed postal items.
- Confirmation of the proper operation of the sorting centers.

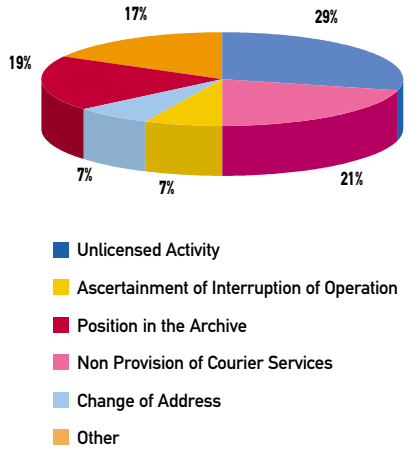
Unscheduled audits focused on identifying undertakings, which:

- Continue to provide postal services, while they have been deregistered from the Postal Undertakings Registry of EETT.
- Provide postal services without possessing the requested Licence.
- Misquote payment of fees to EETT.

42 unscheduled and 4 scheduled audits, in total, have been carried out during 2005. As regards the unscheduled audits, 35 of them were performed within the region of Attica and the rest of them in the rest of Greece. In the majority of cases it has been found that the undertakings were operating without the necessary Licence or did not provide Courier services despite the fact that they were holding General Licence. In the latter case, some companies were deregistered from the respective Registry. The results of unscheduled audits are presented in Chart 19.

Chart 19

Percentage Allocation of the Results regarding Unscheduled Controls in Postal Undertakings, 2005



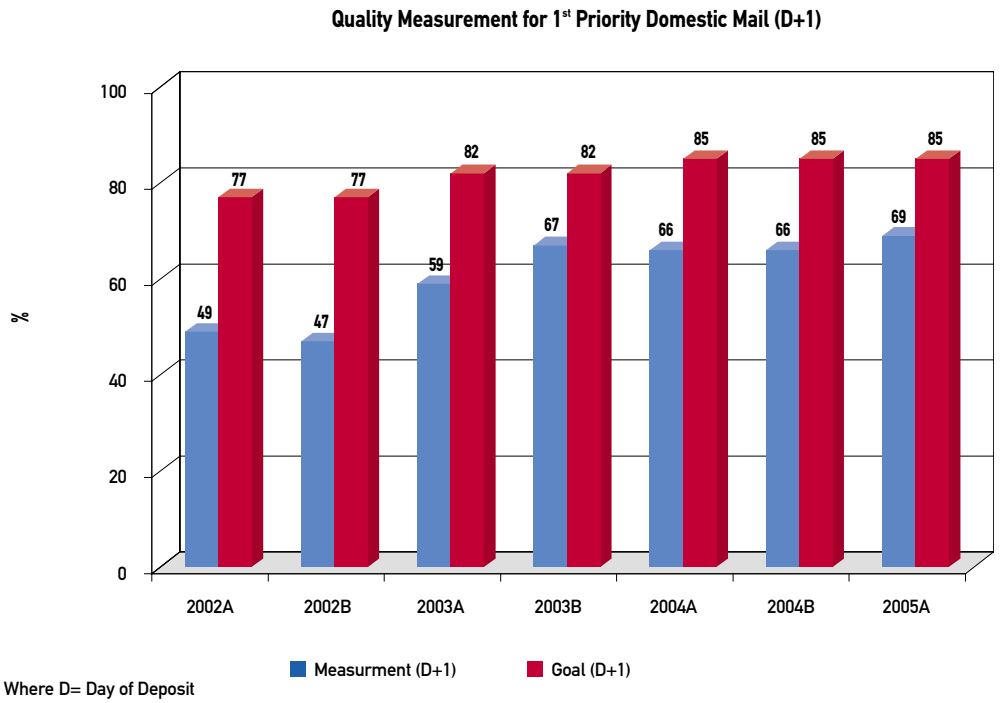
Source: EETT

5.2. Universal Service

Universal Service (US) ensures the provision of a minimum standard quality of postal services to all citizens. The provision of US has been assigned to Hellenic Posts (ELTA), that constitute the Universal Service Provider (USP). Quality Measurements for 1st Priority Domestic Mail are performed by an international corporation, under the close supervision of EETT and ELTA, in order to confirm whether the quality standards specified in Ministerial Decision (MD) 79293/2000 are met. Moreover, quality measurements for 1st Priority Cross-Border Mail are conducted by International Post Corporation (IPC).

The results of the measurements, compared to the quality standards that USP must meet, are presented in Charts 20 and 21.

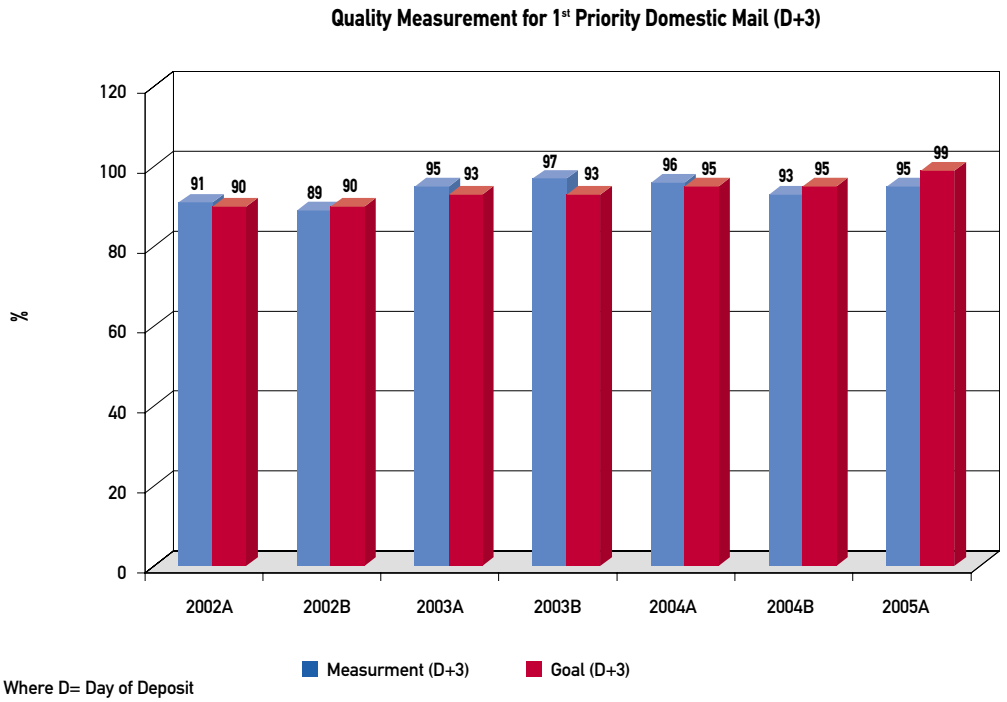
Chart 20



Where D= Day of Deposit

Source: EETT

Chart 21



Where D= Day of Deposit

Source: EETT

It is concluded, from the above Charts, that the on time percentage of 1st Priority Domestic Mail [within a day - (D+1)[1]] from USP is lower compared to the quality standards specified in the relevant MD. On the other hand, the percentages for the delivery of mail within 3 days (D+3) are closer to the quality standards specifications.

5.3. International Markets

According to international reports, referring to the main developments in the European postal market of the 25 member states, published on July of 2005 by independent consultants on behalf of the European Commission, it was found that postal market represents approximately 1% of the Gross Domestic Product (GDP) of EU.

The largest part of the generated revenue of the postal sector comes from letter mail and the share of USPs of the member states in the market turnover exceeds 75%. Note that from January 1st 2006, the exclusiveness of USPs has been limited to mail items weighting under 50 grams or to mail items the price of which is under 2.5 times the price of an item in the first weight range.

In 2005, in the majority of EU member states, more than 90% of the revenue of letter mail was generated by the USPs, while in the courier services sector the respective share of USPs, has been diminished to 50%. It is noted that USPs, in the majority of the member states, have established a subsidiary deploying its business activity in the courier market, thus the actual USP revenue share from the specific

[1] *D = Day of deposit*

sector, exceeds 50%. The 4 largest USPs are those of Germany, France, United Kingdom and Netherlands. These 4 USPs, generate more than 80% of the revenues of USPs total in the EU, with continuous upward trend. The volume of letter mail processed by the USPs in these 4 countries remains relatively stable after 2000, handling approximately 70% of letter mail volume and more than 80% of parcels volume in the EU.

It is worth noting that postal market employs approximately 1% of the workforce in Europe of 25. It is anticipated that the development in the advertising and transport sectors will largely contribute to the development of postal market.

The liberalization pace of letter mail is extremely low in the entire Europe. There are member states that, while they have liberalised completely the postal market for a decade, bringing the relevant legislation into force, the market share in the letter mail volume that used to be processed by the USP and now is being handled by competitive undertakings, is less than 10%.

The activities of undertakings operating in the liberalised part of the postal market, have focused on handling items where both the sender and the receiver are companies (Business to Business – B2B). Moreover, newly introduced undertakings in the courier sector, deploy their business activity in the final part of the delivery process of items to the consumers (last mile delivery), which is considered to be the fastest way to depreciate invested capitals.

5.4. Controlling and Monitoring Actions of EETT

Number of Hearings	**69**
Fines	**28**
Recommendations	**8**
Exemptions	**7**
Other Sanctions/ Decisions	**26**

Note: These are Hearings that were completed during the year.

It is noted that Decisions on Hearings held by EETT are subject to judicial control in accordance with the applicable law.

5.5. Goals

In the postal services sector EETT has set the following goals for 2006:

- Continuing to monitor the quality of Universal Service provision for 1st Priority Domestic and Cross-Border Mail.
- Reviewing the regulatory framework on General Authorizations and Individual Licences for the provision of Postal Services, after a Public Consultation has been completed. The new Regulations shall further establish the existed rights of the consumers and companies.
- Preparation of studies aiming at identifying the steps required to be taken for the full liberalization of the postal market.

- Organizing sessions presenting both current and future European and National legislative framework. These sessions, are aiming at addressing concerns of both consumers and postal operators regarding the provision of postal services, ensuring the smooth operation of the market and the provision of quality postal services to consumers.
- Encouraging the healthy entrepreneurship among courier undertakings, which should also be encouraged to recruit high quality personnel and to invest on technological equipment; similar to those that could be met in other European countries. The ultimate goal is to introduce new products and services for the benefit of consumers.
- Continuing to monitor the postal market, by conducting scheduled and unscheduled audits, while fully investigating consumers' complaints.

6. EUROPEAN & INTERNATIONAL PARTNERSHIPS

6. European and International Partnerships

The objective of EETT's activities in the sector of international relations is to participate in the shaping of European regulatory developments, to monitor the European course of Electronic Communications and postal services and, finally, to present its work both at a European and an international level. EETT is in close cooperation with its European associates, the European Commission and the other international entities for issues of its competence. Also, EETT provides every necessary support to the Ministry of Transport and Communications (MTC) for the representation of the country to European and international organizations.

6.1. European Union

6.1.1. European Regulators Group (ERG)

In 2005, EETT continued to actively participate in the tasks of ERG, outlining the Greek regulatory experience and contributing to the achievement of the goals of the Group. More specifically, EETT has contributed to the elaboration of the following projects:

- Common Declaration pertaining to regulatory approaches on Voice over Internet Protocol (VoIP) issues.
- Report on broadband market competition issues.
- Revision of Common Position on bitstream wholesale access.
- Common Position on wholesale Roaming Services.
- Common Position pertaining to the revision of the European Commission Recommendation on accounting separation and regulatory cost-accounting.
- Working Document on Significant Market Power (SMP) in the light of the European Regulatory Framework.
- Report on the transparency of retail prices after the application of Number Portability.
- Report on transparency measures pertaining to charges of International Roaming tariffs.
- Approval of the Report presenting the experience of National Regulatory Authorities (NRAs) from the procedure of assigning and analyzing markets, as well as from the imposition of regulatory obligations.
- Revision of the Common Position of the Group on Regulatory Obligations Imposition, the final version of which is expected at the beginning of 2006.

Moreover, the Public Consultations held by ERG throughout 2005 has allowed all interested parties to express their opinions and contribute to the formation of European regulatory developments in the sector of Electronic Communications.

6.1.2. Independent Regulators Group (IRG)

EETT, in the frame of its participation in IRG, has presented Greek positions in relation to regulation issues and has cooperated with its associates, aiming at further developing the Electronic Communications unified market. More specifically, EETT has contributed in the following actions of IRG:

- Report presenting the trends and actions that have affected the analysis of Electronic Communications for the two-year period 2003-2004.
- Report describing the secondary regulatory accounting methodologies used by European NRAs.
- 4th Meeting between the NRAs of IRG and the respective Latin American REGULATEL group.
- Formation of the Workgroup "2006 Review" for the processing of IRG's positions in relation to

the revision of the existing European regulatory framework pertaining to Electronic Communications.

- Publication intended for Public Consultation of a series of Principles of Implementation and Best Practices (PIBs) on accounting issues.
- Comparative table of termination fees in mobile networks in the member states of the EU.

6.1.3. Other Official Committees

Last year, EETT contributed to the formation of European developments in the sectors of Electronic Communications and postal services, participating in a number of workgroups of the European Commission and other entities. Indicatively, it is mentioned EETT's participation in the following Committees: Communications Committee (COCOM) and Electronic Communication Committee (ECC), Radio Spectrum Committee (RSC), Telecommunications Conformity Assessment and Market Surveillance (TCAM), Administrative Cooperation (ADCO), Postal Directive Committee (PDC) and Forum of European Supervisory Authorities for Electronic Signatures (FESA).

6.1.4. 11th Report of the European Commission

The 11th Report of the European Commission presents the main developments in the market of Electronic Communications in Europe and underlines the critical points that need the attention of the member states. The Report describes the regulatory situation as of December 1st, 2005, while the figures of the market cover as a rule the period between January 1st and September 1st, 2005.

As regards the course of the market at European level, despite the important competitive pressures, the providers of fixed and mobile telephony have presented improved results. The Report attributes these results to the development of new revenues sources, with the creation and the promotion of innovative products and service packages that combine, inter alia, traditional voice services, access to the Internet and provision of audio-visual content. In parallel, the most important providers, in order to enforce the effort to create scale economies, return to interfrontier investments, acquirements and mergers.

Broadband services all over Europe present fast development, by means of competition development. Alternative providers possess almost 50% of broadband lines, while the trend to move from the competition at services level to the competition at infrastructures level, is obvious. In the most broadband developed countries extensive use is made of alternative networks (mainly cable television). At the same time, Unbundled Access to the Local Loop (LLU) is rapidly developing. LLU, given the trend towards high-value service packages (e.g. "triple play"), constitutes the most attractive access method for newly introduced providers.

In the case of Greece, the Report welcomes the incorporation of the European Regulatory Framework in the Greek legislation with the voting of the new Law on Electronic Communications in January 2006. However, there is a clear mention that this delay had important consequences on the Greek market and mainly on Broadband development. The important delay of Broadband, places Greece in the last position in terms of broadband penetration among the 25 of EU member states.

However, the reference of the Report to the steps made by EETT is deemed to be positive, even prior to the voting of the new Law, as far as it concerns the

analysis of the markets, laying the stress on the markets that pertain to Broadband and Interconnection.

6.2. International Partnerships

EETT continued in 2005 its international activities, by participating in regional conferences (such as the regional conference of Montenegro and the international conference in Brussels on cooperation, competition and regulation), where EETT presented its work and secondary suggestions on issues pertaining to the sector of Electronic Communications. EETT participated in meetings, mainly with the General Directorate of Information Society and Mass Media, having as subject the procedure for communicating EETT's results from the analysis of secondary markets of Electronic Communications, on one hand, and the elaboration of the 11th Report of the European Commission, on the other hand. In parallel, EETT had bilateral cooperations with NRAs of other states (such as Cyprus, Spain, Switzerland, Bahrein, China, Korea) aiming at the exchange of know-how.

6.3. Goals

EETT has set the following goals for 2006 as regards International and European Partnerships:

- Continuous participation in the shaping of telecommunications regulatory developments, especially through the ERG.
- Monitoring and continuous participation in the shaping of European developments in radio frequency spectrum sector.
- Continuous collaboration with the European Commission on issues of competence.
- Further development of EETT's presence in regional conferences and bilateral partnerships.

7. EETT: ORGANIZATIONAL DEVELOPMENT

7. EETT: Organizational Development

EETT is an Independent Administrative Authority, enjoying administrative and financial independence. Its main role is to supervise and regulate the telecommunications and postal market in Greece. Its aim is the smooth operation of the two markets in a competitive environment on the one hand and the protection of consumers' rights and interests on the other hand.

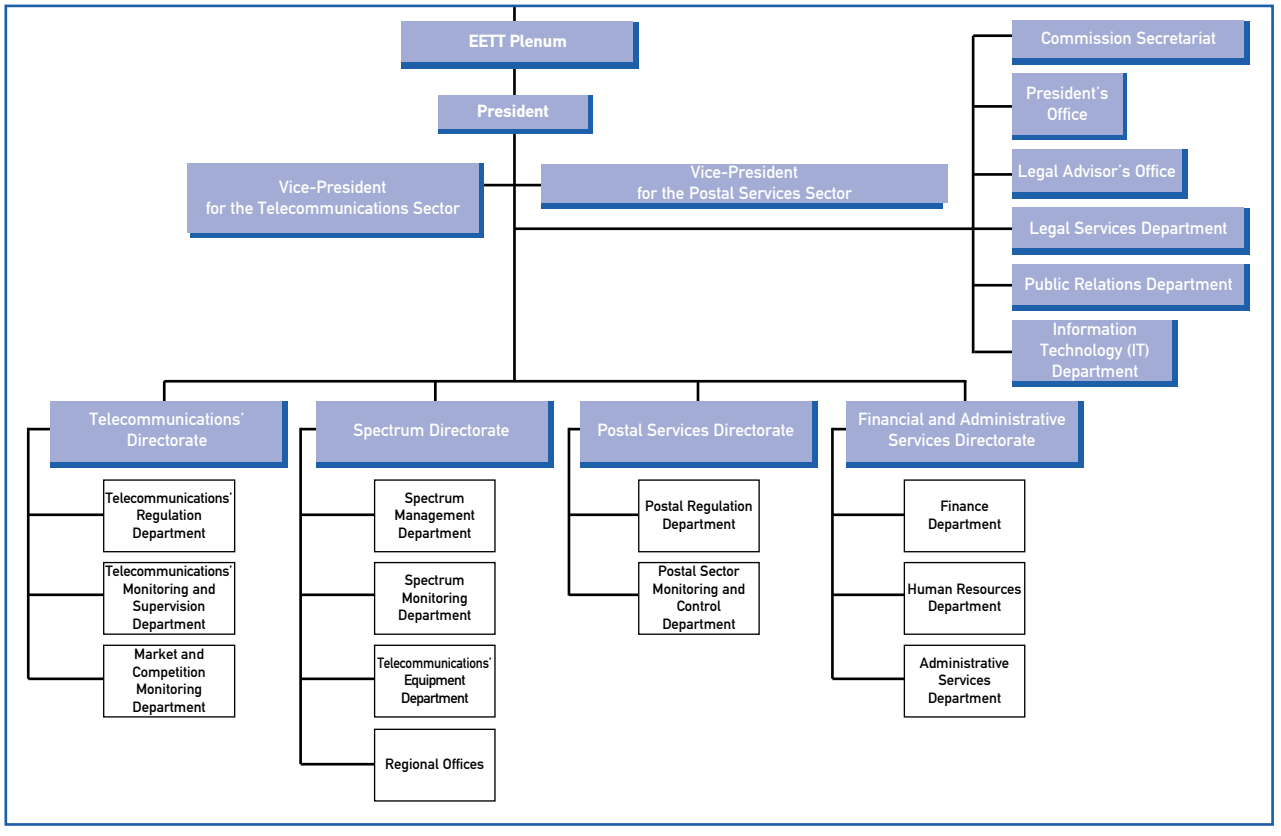
7.1. Internal Organization

7.1.1. Organizational Structure

EETT consists of:

- The nine-member Committee, which consists of the President, the Vice-President for Electronic Communications, the Vice-President for Postal Services and the Members. The President and the Vice Presidents are selected by the Ministerial Council and they are appointed by means of decision of the Minister of Transport & Communications and the Parliaments' Committee of Institution and Transparency. The rest of the members of EETT are appointed by the Minister of Transport and Communications. As members of EETT are elected persons of recognized reputation, who have gained a wider social acceptance and are distinguished for their scientific background and professional competence in the technical, financial or legal sector.
- The Legal Advisor.
- The Scientific Experts.
- The Permanent Personnel.

Figure: EETT Organizational Chart



The organizational structure[1] of EETT is presented in detail in the Organizational Chart (see page 69).

7.1.2. Human Resources

At the end of 2005, EETT's personnel stood at 171 employees compared to 160 at the end of 2004, due to the 34 seasonal employees, who assisted in the especially demanding work of EETT during the Olympic Games of Athens. Out of the above, 130 are permanently employed, 38 served as external associates-members of Working Groups and 3 were seconded policemen serving at EETT for the meeting of relevant spectrum monitoring needs.

It is worth noting that the number of EETT's permanent personnel members marked an important increase in 2005 standing at 55%. In parallel, 10 Experts were employed. The evolution of EETT's human resources from 1998 until 2005 is presented in Chart 22, while the educational level of human resources is shown in 23.

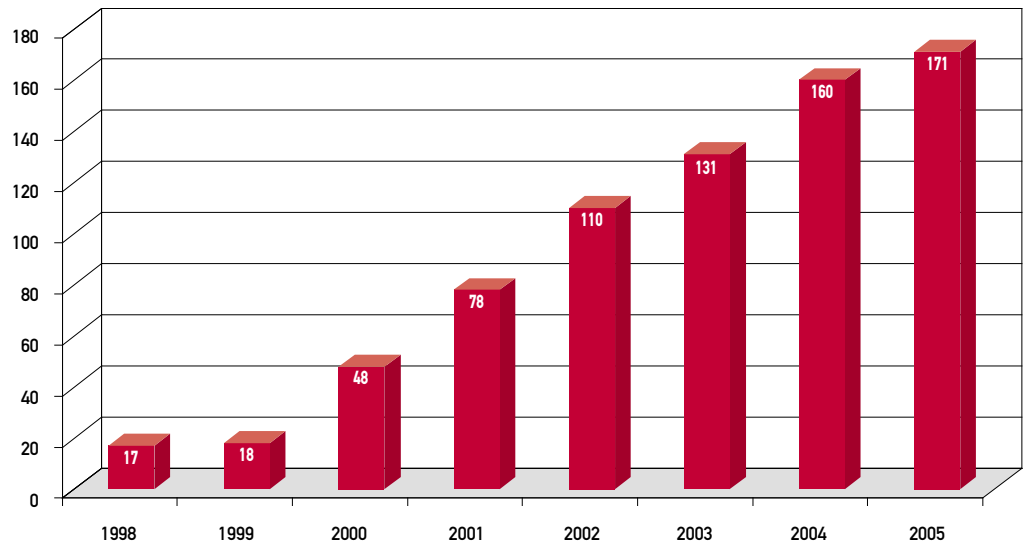
In 2005 EETT continued its actions for the qualification of the personnel, aiming at the faster integration of the newcomers into the operations of EETT, on the one hand, and the further education of the remaining persons on the other hand. In 2006 a new training program per organizational unit is elaborated.

7.2. Operational Program Information Society

During 2005, EETT continued implementing the projects coming under the frame of the Information Society Operational Program (OPIS), which is part of the third Community Support Framework (CSF III).

Chart 22

Evolution of EETT's Human Resources, 1998-2005

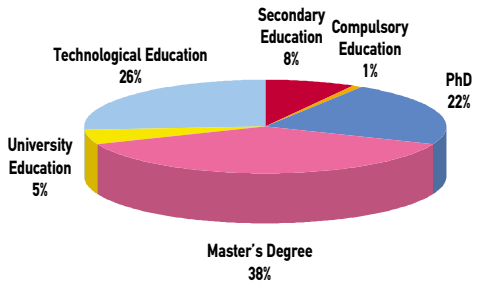


Source: EETT

[1] *PD 387/2002.*

Chart 23

Educational Level of EETT's Personnel, 31-12-2005



Source: EETT

In total, 9 OPIS projects have been introduced, which consist of 13 sub-projects. Out of them, 10 have already been completed, 1 is at the stage of re-announcement of tender and 2 are expected to be completed during the first six-month period of 2006. In 2005, 3 sub-projects in total were at the implementation stage, the majority of which was completed according to the predefined time schedules. Also, the Managing Authority of the OPIS processes the application of EETT for 3 more projects.

7.3. Information Technology Infrastructure

The EETT local network includes 8 central servers, approximately 200 workstations and 70 printers. The activities of EETT supported by software applications are the following: Management of the Telecommunications and Postal licensed companies Registry, NSMMS, Consumers Service System, presentation of telephony tariffs on EETT's website, management of complaints concerning the spectrum, market data analysis, management of contacts, recruitment management, fixed asset management, financial management, payroll, electronic protocol, security system and EETT's Intranet.

In the framework of supporting the administrative units of EETT with Software applications, in 2005, new information systems were developed and integrated in the productive operation. More specifically, the application "Market Data Management" has been put in full operation, which allows automated collection, storage and analysis of telecommunications market data. Also, a new application has been developed for the electronic submission and monitoring of the suggestions of the Plenum of EETT. Moreover, a central data base was installed for the electronic management of EETT's projects, aiming at the optimized monitoring of their implementation course. In parallel with the implementation of new information systems, the applications of Telecommunications Companies Registry, Fixed Asset Management, NSMMS and Consumers Service System, have been upgraded aiming at the optimization of their features.

At the beginning of 2005, EETT held a tender for the implementation of the Integrated Information System (IIS), aiming at upgrading the mode of operation for the organization and optimizing its efficiency. In 2006 the completion of the tender is expected as well as the initiation of the implementation stage of the project.

In parallel, in 2005 EETT continued enriching its intranet portal, which constitutes an effective tool enabling the exchange of information within the organization and the reinforcement of communication among its executives.

7.4. Web Site

The provision of updated information to the visitors of the web site constitutes top priority for EETT. All important documents and actions of EETT are published in its web site. Particular emphasis is given to ensuring the possibility of easy access and the creation of a node of communication with consumers, providers and telecommunication and postal market entities within Greek territory or abroad.

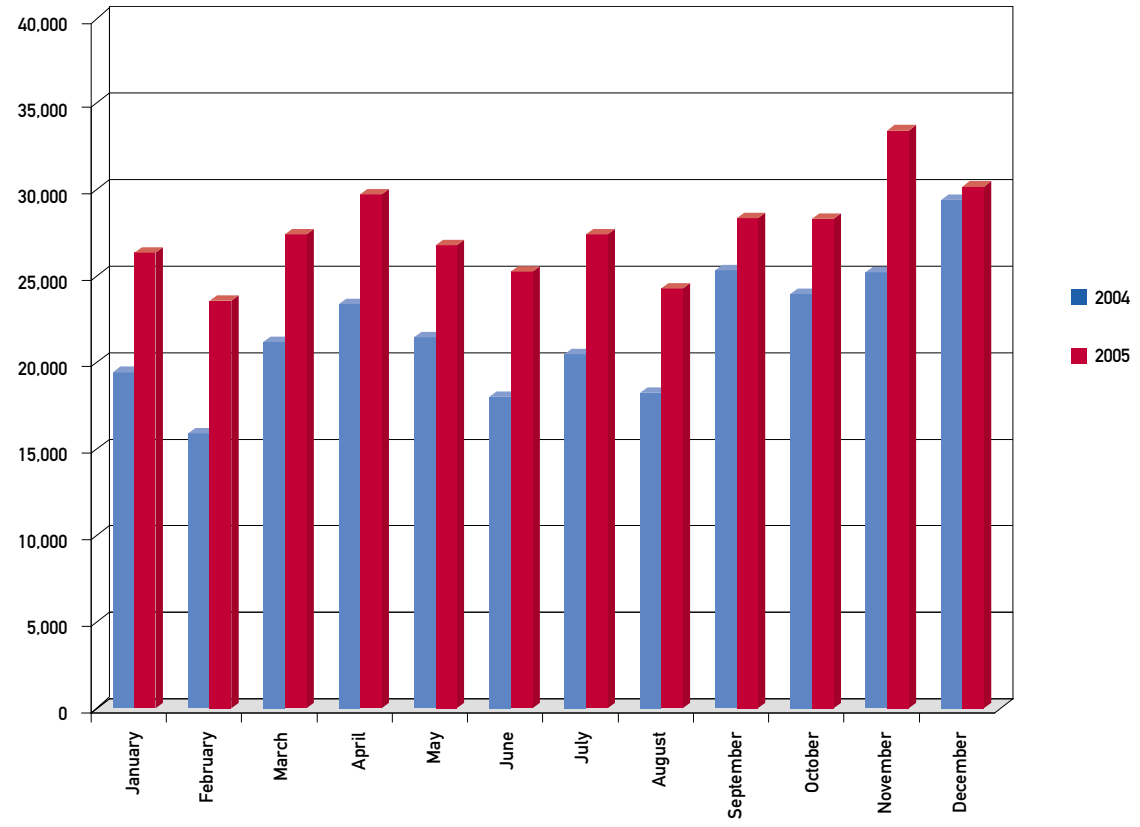
In 2005 the enriching of the web site of EETT continued. Moreover, new sub-sections were created, as the one which presents the Reports of the European Commission on the developments of electronic communications in European market, as well as the sub-section, which presents the vision, the mission and the values of EETT.

Moreover, a technical study has been elaborated for the presentation in the web site of the authorized antennas of the Greek Territory, by means of the geographic information system. In 2006 the implementation of the study is expected.

The number of visits to the web site of EETT for the year 2005 has surpassed 330,000, marking an

Chart 24

Number of Visits at EETT's Web Site, 2004-2005



Source: EETT

increase of approximately 26%, compared to the previous year. Chart 24 presents the monthly number of visits compared to 2004.

The highest number of visits was noted in the sections of Telecommunications and Publications, followed by the section of Postal Services and the web pages with the comparative presentation of fixed and mobile telephony tariffs. Out of the sub-sections of Telecommunications, the highest number of visits was noted in the sections of Licensing and Regulations. The second sub-section has presented an important increase due to the publication of EETT Decisions on Hearings and the total of the Regulatory Framework in Greece and the EU.

7.5. Goals

As regards the internal operation and information support of EETT, the following goals have been set:

- Increase of efficiency in the internal organization and operation of EETT, by meeting its needs in human resources and operating a modern and effective human resources management system.
- Transition to an integrated Information Technology infrastructure with the implementation of the IIS.
- Adjustment of the existing software applications to the framework of the new Law on Electronic Communications.
- Enhancement of the web site of EETT with new applications.

7.6. Financial Statements

HELLENIC TELECOMMUNICATIONS & POST COMMISSION

BALANCE SHEET AS OF 31ST DECEMBER 2005 - 11TH FISCAL YEAR (1ST JANUARY - 31ST DECEMBER 2005) (AMOUNTS IN EUROS)

ASSETS	Amounts for the year ended 2005			Amounts for the previous year 2004		
	Acquisition Value	Depreciation	Undepreciated Value	Acquisition Value	Depreciation	Undepreciated value
B. SETUP EXPENSES						
1. Setup & formation expenses	465,538.60	118,079.99	347,458.61	465,538.60	24,971.23	440,567.37
4. Other setup expenses (PC software)	2,087,849.39	1,263,162.63	816,686.76	1,866,739.39	688,527.01	1,308,212.38
	2,553,387.99	1,381,241.62	1,163,145.37	2,460,277.99	713,498.24	1,748,779.75
C. FIXED ASSETS						
II. Tangible Assets						
5. Transportation Equipment	176,431.05	119,609.24	56,821.81	169,117.69	87,140.26	81,977.43
6. Furniture & other equipment	11,223,737.23	4,963,421.25	6,270,315.98	11,112,980.54	2,687,313.51	8,425,669.83
7. Assets in progress - Advance payments	164,930.80	0.00	164,930.80	164,930.80	0.00	164,930.80
Total Assets (C II)	11,564,692.08	5,089,030.49	6,486,661.59	11,436,828.03	2,784,453.77	8,842,178.06
III. Participations & other long-term financial receivables						
7. Other long-term receivables		169,117.00			169,117.00	
Total Fixed Assets (C II+C III)		6,655,778.59			6,867,295.06	
D. CURRENT ASSETS						
I. Stock						
4. Fixed assets parts		277,840.00			277,840.00	
II. Receivables						
1. Customers		1,223,006.57			775,206.97	
11. Sundry debtors		8,381,130.84			2,849,260.05	
		9,604,159.41			3,624,447.02	
IV. Cash						
1. Cash on hand		1,332.55			2,377.61	
2. Sight & time deposits		204,529,942.10			174,805,660.46	
		204,531,274.65			174,808,067.07	
Total current assets (DI+DII+DIV)		214,413,254.06			178,710,354.09	
E. DEBIT TRANSIT BALANCES						
1. Prepaid expenses		1,879.26			209,129.22	
2. Non-current receivables from currently earned income		1,381,096.32			1,379,461.93	
		1,382,973.58			1,588,591.15	
TOTAL ASSETS (B+C+D+E)		222,219,851.73			190,681,711.05	
DEBIT MEMO ACCOUNTS						
2. Debit balances of guarantees & collaterals		23,398,313.96			27,541,606.18	
4. Various debit information accounts		97,323,886.73			145,987,304.73	
		120,722,200.69			173,528,910.91	

NOTE: Balance sheet account "Sundry debtors" includes receivables standing at 8,267,115.06 euros from penalties by means of EETT decisions to liable persons due to violations of the applicable legislation during this year as well as previous years, and shall be collected with the procedure laid down in the Public Revenue Collection Code and shall be registered under the respective revenues of the periods to be collected. The respective amounts of those penalties have been entered under credit transit account "Unearned & Deferred income".

CAPITAL & LIABILITIES	Amounts for the year ended 2005	Amounts for the previous year ended 2004
A. OWNERS' EQUITY		
IV. Reserves		
2. Extraordinary Reserves	293,470.29	293,470.29
3. Special reserves		
Capital Equipment former CET	15,430.67	15,430.67
Special Reserve from 3rd CSF financing	5,453,417.41	0.00
	5,762,318.37	308,900.96
V. Results carried forward		
Profit balance carried forward	212,079,120.39	186,029,269.76
Payments to be accounted for MTC	-4,156,739.57	-3,281,987.14
(Law 2867/2000 article 13 paragraph 5)	207,921,380.82	182,747,282.62
Total Equity (AIV+AV)	213,683,700.98	183,056,183.58
C. OBLIGATIONS		
II. Short - term obligations		
1. Suppliers	781,889.65	4,408,672.88
4. Customers down payments	141,430.52	46,134.52
5. Tax & duties payable	198,387.55	255,311.73
6. Insurance & pension contributions payable	150,467.22	176,606.80
11. Sundry creditors	130,350.06	26,153.71
Total Obligations (C II)	1,540,247.00	4,863,072.73
D. TRANSIT CREDIT BALANCES		
1. Unearned income	8,287,113.26	2,794,208.34
2. Non currently due expenses	8,783.68	7,648.42
	8,295,896.94	2,792,054.74
TOTAL LIABILITIES (A+C+D)	223,219,851.73	190,681,711.05
CREDIT MEMO ACCOUNTS		
2. Credit balances of guarantees & collaterals	23,398,313.96	27,541,606.18
4. Various credit information accounts	97,323,886.73	145,987,304.73
	120,722,200.69	173,528,910.91

RESULTS OF OPERATIONS FOR 2005 31ST DECEMBER 2005 (1ST JANUARY - 31ST DECEMBER 2005)

I. OPERATING RESULTS	Amounts for the year ended 2005		Amounts for the previous year 2004	
Turnover (collected duties)		34,372,084.79		32,234,471.77
Less: Cost of services		10,826,720.87		11,882,849.54
Gross results		23,245,359.92		20,351,622.23
Plus: Other operating income		1,398,997.80		1,282,693.81
Total		24,644,357.52		21,634,116.04
Less: 1. Administrative expenses		3,698,892.55		2,388,909.31
Partial operating results		21,967,474.97		19,245,206.73
Plus: 4. Credit interest & related income	4,046,486.28		3,606,560.24	
Less: 3. Debit interest & related expenses	3,008.47	4,038,485.81	3,348.66	3,604,033.58
Total operating results		25,995,960.78		22,849,240.31
II. PLUS: EXTRAORDINARY RESULTS				
1. Extraordinary & non-operating income	55,358.17		148,066.46	
3. Prior period income	0.00		72.23	
	55,358.17		148,066.69	
Less: 1. Extraordinary & non-operating expenses	2,140.39		781.35	
3. Prior period expenses	312.46	2,452.85	0.00	781.35
Operating & extraordinary results (Profit)		26,048,850.10		22,998,415.65
Total fixed assets depreciation	2,944,417.76		2,214,498.60	
Less: Included in the operating cost	2,944,417.76	0.00	2,214,498.60	0.00
NET OPERATING RESULTS (PROFIT) BEFORE TAXES		26,048,850.10		22,998,415.65

APPROPRIATION ACCOUNT

	Amounts for the year ended 2005	Amounts for the previous year ended 2004
Net operating results	26,048,850.10	22,998,415.65
Balance of results from previous years	186,029,269.76	163,030,854.11
Distributable profit	212,078,120.06	186,029,269.76
9. Profit balance carried forward	212,078,120.06	186,029,269.76
	212,078,120.06	186,029,269.76

Marousi, 27th of April 2006

THE ACCOUNTABLE FINANCIAL ADMINISTRATOR
EETT PRESIDENT

Professor N. ALEXANDRIDIS
AE 084567

THE HEAD OF EETT
ACCOUNTING DEPARTMENT

GORGOS M. GRIVAKOS
ID Card No. Σ 521670
1ST CLASS (CENDE NO 30691)

CERTIFIED AUDITOR - ACCOUNTANT CERTIFICATE

To the Hellenic Telecommunications and Post Commission

We have audit the above Financial Statements of the Hellenic Telecommunications and Post Commission for the fiscal year that ended on 31st December 2005. Our audit was performed in accordance with the provisions of the article 10(6) of Law 2867/2000 on the organization and operation of the telecommunications sector and other provisions. The edit of the financial statement are EETT's responsibility. Our responsibility is limited in the configuration and formulation opinion on the financial statement according to our audit. Our audit procedure was conducted in accordance to the Greek audit standards which have been harmonized with the International Audit Standards. These standards request design and implementation to the audit procedure with a way to secure reliable certainty that the financial statements are without constitutional uncertainties and defaults. The audit includes the investigation in a sample base of conclusive evidence which supports the amounts and the information which are included in the financial statements. Also the audit includes the evaluation of the following accounting principles and estimations of "Hellenic Telecommunications & Post Commission" and generally the presentation of the accounts in the financial statements. We audit the statement of accounts in 2005 annual report of the President of "Hellenic Telecommunications & Post Commission" to the board of directors of "Hellenic Telecommunications & Post Commission". We believe that the audit gives adequate base for the configuration of our opinion. According to our opinion the referred to the above financial statements represent fairly the financial position of "Hellenic Telecommunications & Post Commission" for the period ended on 31st December 2005 and the results of the above period according to the accounting principles being imposed by the Greek legislation. Without to report deliberation as for our audit conclusion we caution you that in the account "customers" are included receivables of the total amount € 439,900.66 from penalties which were charged to the parties liable and were included in the operating revenues of 2005 and are to be collected in accordance with the procedure provided by the Public Revenue Collection Code.

Athens, 9th of May 2006

The Certified Auditor - Accountant
ILIAS ATHAN. MITSIOS
REG. NO. 16591
SOL S.A. CERTIFIED AUDITORS

7 EETT: ORGANIZATIONAL DEVELOPMENT

8. APPENDICES

8. Appendices

I. Greek Legislative – Regulatory Framework (01-01-2005 until 31-12-2005)

LAWS, PRESIDENTIAL DECREES AND OTHER LEGISLATIVE ACTS

- Law 3400, GG Issue 256/A/17-10-2005, "Ratification of the Agreement on contracting a corporate relation and cooperation between European Communities and their member states, on one hand, and Turkmenistan, on the other hand".
- Act 25 as of 01-08-2005, GG Issue 186/A/01-08-2005, "Selection and appointment of the President and Vice-President of the Hellenic Telecommunications & Post Commission (EETT)".
- No. Issue 0544/ΑΣ 382/M.5725, GG Issue 318/A/30-12-2005, "Adoption of the Protocol of the 9th Assembly of the Combined Hellenic – Albanian Intergovernmental Commission for the economic, industrial and techno – scientific cooperation", (Ioannina, March 29, 2005).
- No. Issue 0544/ΑΣ 10/M.5693, GG Issue / 105/A/06-05-2005, "Ratification of the Protocol of the Eight Assembly of the Combined Hellenic – Slavic Commission on Scientific and Technological Cooperation" (Bratislava, November 22, 2004).
- No. 24/10804/011.3, GG Issue 1972/B/30-12-2005, "Service Organization of HELLENIC POSTS (ELTA). THE BOARD OF DIRECTORS OF HELLENIC POSTS (ELTA)".

REGULATORY TEXTS ON THE BASIS OF LEGISLATIVE AUTHORIZATION IN VIRTUE OF LAW 2687/2000

- EETT Decision 369/55/2005, "Modification of EETT Decision 276/39/14-02-2003 'Short Code Management Regulation for the Provision of Directory Services'", GG Issue 94/B/31-01-2006.
- EETT Decision 367/46/2005, Definition of Liable Parties for the Provision of Universal Service, GG Issue 22/B/17-01-2006.
- EETT Decision 366/48/2005, "Modification of the Regulation on Carrier Pre-Selection in Greek Market", GG Issue 22/B/17-01-2006.
- EETT Decision 365/50/2005, "Keeping of Minutes of the Meetings of the Hellenic Telecommunications & Post Commission (EETT)", GG Issue 94/B/31-01-2006.
- EETT Decision 364/23/2005, "Modification of the Decisions of EETT: a) Decision 207/6/02-02-2001 'Regulation on the Management and Allocation of Numbers under the National Numbering Plan for Telephony Services and Mobile and Personal Communications' (GG Issue 159/B/2001), b) Decision 215/31/02-05-2001 'Short Codes Management Regulation of the National Numbering Plan for Telephony Services and Mobile and Personal Communications' (GG Issue 644/B/28-05-2001), as modified by EETT Decision 248/57/15-03-2002 (GG Issue 458/B/15-04-2002) and c) Decision 276/40/14-02-2003 'Numbering Management Regulation of the National Numbering Plan' (GG Issue 604/B/2003)", GG Issue 147/B/8-02-2006.
- EETT Decision 364/26/2005, "Definition of series 600 of the National Numbering Plan for the allocation of numbers of Fixed or Mobile Telephony Services through Satellite Network interconnected with the Public Telecommunications Network", GG Issue 1872/B/30-12-2005.
- EETT Decision 355/18/2005, "Modification of EETT Decision 236/79/23-11-2001 'Regulation on Licences for Land-based Antenna Mast Constructions' (GG Issue 1649/B/2001) – Adoption and Publication in the Government Gazette", GG Issue 1471/B/25-10-2005.
- EETT Decision 354/221/2005, "Authorization to the President of EETT for the approval of professional travelling within the Hellenic territory", GG Issue 1355/B/29-09-2005.
- EETT Decision 353/185/2005, "Modification of EETT

Decision 351/76 'Regulation on the Management and Assignment of Domain Names holding the .gr suffix' (GG Issue 717/B/27-05-2005) – Adoption and Publication in the Government Gazette", GG Issue 1251/B/06-09-2005.

- EETT Decision 353/186/2005, "Modification of EETT Decision 268/77/2002 'Introduction of Part Circuits in the Greek Market' (GG Issue 1604/B/30-12-02) – Adoption and Publication in the Government Gazette", GG Issue 1293/B/15-09-2005.
- EETT Decision 353/220/2005, "Allocation of overtime, night and exempted work days for the personnel of EETT, for the 2nd Semester of the year 2005 – Adoption and Publication in the Government Gazette", GG Issue 1269/B/09-09-2005.
- EETT Decision 351/75/2005, "Modification of EETT Decision 254/71/31-05-2002 'Regulation on the Introduction of Number Portability in Greek Market' (GG Issue 791/B/2002), applying as modified by the EETT Decision 300/23/05-12-2003", GG Issue 717/B/27-05-2005.
- EETT Decision 351/76/2005 "Substitution of EETT Decision 268/73 'Regulation on the Management and Assignment of Domain Names holding the [.gr] suffix (GG Issue 1617/31-12-2002) applying as modified'", GG Issue 717/B/27-05-2005.
- EETT Decision 348/170/2005, "Modification of EETT Decision 276/49/2003 'Regulation on the definition of fees of spectrum use and radio frequency assignments fees'", GG Issue 703/B/25-05-2005.
- EETT Decision 348/141/2005, "Modification of EETT Decision 309/48/12-03-2004 'Regulation on the definition of duties paid for actions on Domain Names holding the [.gr] suffix'", GG Issue 717/B/27-05-2005.
- EETT Decision 344/105/2005, "Modification of EETT Decision 254/72/31-05-2002 'Regulation on the Assignment of Individual Radio Frequencies to Radio Stations for Private Use' (GG Issue 895/B/2002) – Adoption and Publication in the Government Gazette", GG Issue 632/B/12-05-2005.
- EETT Decision 341/103/2005, "Decision making on the proposal of OTE S.A. as regards the discount schemes 'OTEPICHIRO' and 'OTEPICHIROPLUS', GG Issue 173/B/11-02-2005.

II. Regulatory Framework of the European Commission on Telecommunications Sector (01-01-2005 until 31-12-2005)

- Decision 2005/50/EC of the Commission, dated as of 17th of January 2005, regarding the harmonization of radio-spectrum in the area of 24 GHz for a time limited use of short range radar equipment for automotives in the Community, EE L 21 dated as of 25/01/2005, p. 15.
- Decision 2005/53/EC of the Commission, dated as of 25th of January 2005, regarding the application of the article 3 § 3 element e) of the Directive 1999/5/EC of the European Parliament and of the Council in the Radio Equipment intended for participation in the Automatic Identification System (AIS) EE L 22 dated as of 26-01-2005, p. 14.
- Decision 2005/513/EC of the Commission, dated as of 11th of July 2005, regarding the harmonized use of Radio spectrum in the frequency zone of 5 GHz for the implementation of automatic access systems, including local radiocommunications networks (WAS/RLAN) EE L 187 dated as of 19-07-2005, p. 22.
- Decision 2005/631/EC of the Commission, dated as of 29th of August 2005, regarding the basic requirements referred to in the Directive 1999/5/EC of the European Parliament and the Council for ensuring the access to the radio beacons system Cospas-Sarsat for emergency cases EE L 225 dated as of 31-08-2005, p. 28.
- Decision 854/2005/EC of the European

Parliament, dated as of 11th of May 2005, regarding the establishment of a community program of many years for promoting the safer use of Internet and the new online technologies EE L 149 dated as of 11-06-2005, p. 1.

- Decision 2005/928/EC of the Commission dated as of 20th of December 2005, for the harmonization of frequency zone 169,4-169,8125 MHz in the Community EE L 344 dated as of 27-12-2005, p. 47.
- Provisions pertaining to the Regulation (EC) No. 45/2001 of the European Parliament and the Council as regards the protection of individuals against personal data processing by the bodies and the organizations of the community and as regards the free circulation of the said data – Decision of the presidency dated as of 22nd of June 2005, EE C 308 dated as of 06-12-2005, p. 1.
- Recommendation 2005/57/EC of the Commission, dated as of 21st of January 2005, pertaining to the provision of leased lines in the European Union (Part 1 – Main supply terms for wholesale leased lines), EE L 24 dated as of 27-01-2005, p. 39.
- Establishment of the Commission, dated as of 29th of March 2005, on the provision of Leased Lines in the European Union – Part 2 – Tariff aspects of wholesale leased lines circuit parts, EE L 83 dated as of 01-04-2005, p. 52.
- Establishment of the Commission, dated as of 19th of September 2005 as regards the accounting separation and costing under the Regulatory Framework for Telecommunications, EE L 266 dated as of 11-10-2005, p. 64.

III. Glossary

TERM	EXPLANATION
European Regulators Group (ERG)	ERG consists of the 25 EU NRAs, and 8 observer NRAs (Bulgaria, Switzerland, Iceland, Croatia, Lichtenstein, Norway, Romania and Turkey). ERG aims at encouraging collaboration and coordination between NRAs and the European Commission, in order to promote the development of the internal market for electronic communications of networks and services, and seek consistent implementation by all member states of the provisions laid down in the Directives of the NRF.
Fly Away	Easily transported equipment, which allows rapid satellite connection in distant areas for data, sound and image transmission.
Independent Regulators Group (IRG)	IRG was established in 1997, as an informal group of European NRAs, aiming at the exchange of views, experiences and practices among its members concerning issues of common regulatory interest. Taking into account the composition of the official group of ERG by European Union in 2002, IRG currently plays a symbolic role.
Reference Interconnection Offer (RIO)	See Reference Interconnection Offer.
Reference Unbundling Offer (RUO)	The reference document used as a basis for the contract signed for LLU provision by OTE to other providers. This document is released by OTE and approved by EETT.
Very Small Aperture Terminals (VSAT)	Station terminals with small aperture antenna.
Wireless Fidelity (Wi-Fi)	Wireless local network, which uses radio frequencies to transmit and receive data, based on the IEEE 802.11 standards group.
Worldwide Interoperability for Microwave Access (Wi-MAX)	Wireless network, which uses radio frequencies to transmit and receive data, based on the IEEE 802.16 standards group.
Service Free of Charge	The call for which the caller is not charged.
Geographic Numbers	The numbers whose prefix denotes the geographic location of the number holder.
Dispatch	The service in which one of the two contracting parties dispatches a call from the network of the other party to a third party network.
Interconnection	The physical and logical connection of telecommunications networks of the contracting parties in order to provide users with the ability to communicate with each other or with users of a third party, or in order to have access to services provided by a third party.
Channeling	Drawing up of a frequency plan in one or more radio frequency zones aiming at the more rational and more effective use of the spectrum on behalf of one or more services.

International Incoming Traffic	The total traffic terminating to a Provider network, originating from foreign providers.
International Outgoing Traffic	The total traffic originating from a Provider network, terminating to foreign providers.
Satellite Services	Services whose provision is based in whole or in part on the installation and operation of earth satellite stations networks. These services include, as a minimum, radio link via earth satellite stations with the space part (uplinks) and radio link between the space part and earth satellite stations (downlinks).
National Incoming Traffic	The total traffic terminating to a Provider network, originating from the networks of other domestic fixed or mobile telephony Providers.
National Outgoing Traffic	The total traffic originating from a Provider network, terminating to the networks of other domestic fixed or mobile telephony Providers.
National Reference Database on Number Portability (NRDNP)	Database that processes the exchange of information between provider - donor and provider-recipient for the implementation of Portability applications and sends to all providers the information required to route calls to the transferred numbers.
National Radio Frequencies Registry (NRFR)	Database including all radio frequencies assigned at a national level.
Private Mobile Radio (PMR)	This term is used to describe professional radio networks of land mobile service used to meet communication needs of various professional users, as well as emergency services.
Special Postal Items Track and Trace System (SPITTS)	Information system for the tracking and tracing of postal items.
Frequency Assignment	Authorization provided to a person already holding an Individual Licence, for the commencement of use of a specific radio frequency or a specific radio electric channel by a radio electric station, at a particular location and with particular technical characteristics, according to the conditions described in the Individual Licence.
Active Subscribers	It should be clarified that the term "active subscribers" refers to all subscribers under contract or prepaid status, that have contributed to the generation of income during the last three months. The specific income may be either retail (call or SMS/ MMS etc.) or wholesale (call reception or SMS/ MMS etc.).
Comprehensive Directory	The directory including fixed and mobile telephony numbers of all Providers' subscribers.
Dependent Stations (in satellite services)	Earth stations whose access to the space part is performed under the control and surveillance of an infrastructure station.

Earth Infrastructure Stations (in satellite services)	Earth stations with control and monitoring devices, constituting the cores for the provision of satellite services. Examples of this category are radio-television broadcasting stations, HUB stations in VSAT TDM/TDMA network, etc.
Carrier Selection	The option offered to OTE subscribers to make calls through another Provider by dialing a special 4-digit or 5-digit Carrier Selection Code assigned to the specific Provider before the desired number.
Link	The total of telecommunications equipment required for implementing the connection between two points of a telecommunications network.
Interconnection link	The connection between a switching centre (node) of OTE and a switching centre (node) of telecommunications provider network, which enables interconnection.
Universal Service - US (in the postal services sector)	The right granted to postal services users, regardless of their location in the Greek territory, to permanently and affordably enjoy special quality postal services. The Universal Postal Service includes: a) the collection, transport, sorting and distribution of postal items up to 2kg, b) the collection, transport, sorting and distribution of postal parcels up to 20kg, c) services of registered mail and deliveries with declared value. The US includes both national and transboundary services.
Universal Service - US (in the telecommunications sector)	The provision of a fixed set of basic telecommunications services available to all citizens of Greece, regardless of their geographic location, at affordable prices.
Mobile Telephony	Radio service between Mobile Stations and Land Stations or between Mobile Stations.
Shared Access Service	A call the cost of which is shared between caller and called, given that the charge does not exceed the maximum normal charge of a national call.
Non –geographic Numbers	All numbers except geographic ones, namely the numbers whose prefix does not denote the geographic location of the holder.
Domain Names	An alphanumeric element which individualizes a computer connected to a network or group of computers connected to a network, according to the principles of the Internet Domain Name System.
Interference	The result of an unwanted action due to one or more transmissions, radiations or inductions during reception to a radio system, demonstrated as any fall in performance, wrong interpretation or loss of information, which would have been received had this unwanted action not taken place.
Carrier Pre-Selection	The option given to OTE subscribers, if they so wish, to select as a default the Provider who will process one or more categories of calls (international, local, national and calls to mobile phones). This option eliminates the requirement to dial the specific 4 or 5-digit code, as in the case of Carrier Selection.

Premium Rate Service	A call with charge higher than the maximum charge for the other geographic numbers in the country. Part of the increased charge is incurred by the called party, which has been assigned the specific number.
Certification Service Providers (CSP)	Individuals or legal entities or other carriers issuing certificates or providing other services, with respect to the Electronic Signatures.
Radio Aids	Telecommunication systems of Civil Aviation Authority providing the pilots with information on the command of the aircraft.
Radio Equipment	Equipment which includes transmitter and/or receiver and provides communication through radio waves with the use of spectrum.
Radio and Telecommunications Terminal Equipment (RTTE)	See Radio, Telecommunications Terminal Equipment
Significant Market Power (SMP)	An enterprise is considered to hold a Significant Market Power (dominant position), when it is holding financial power which allows it to operate to a great extent independently from the competition, the customers, and the consumers.
Accompanying Courier Note (ACN)	A form attached to the postal item containing identification details.
Fixed Service (Radiocommunications)	Radiocommunications Services between specified fixed points.
Call Termination	The telecommunications service where one of the contracting parties (the one providing the service) terminates to its network a call coming from the network of the other contracting party.
Tele-education	Every type of training, in which thanks to the use of technology, the trainer and the trainees participate in the course from different places.
Telemetry	The use of telecommunications for the automatic indication or recording of measurements, performed at a distance from the measurement instrument.
Telecommunications Terminal Equipment	Equipment intended to be connected directly or indirectly by any means whatsoever to telecommunications networks (mobile telephony networks, public analog and digital telephony networks and data networks) used for the provision of publicly available telecommunications services.
Reference Interconnection Offer (RIO)	The reference document used as a basis for the Interconnection contract among OTE and other Providers. This document is released by OTE and approved by EETT.
Radiocommunications Service	A service including transfer, transmission and/or reception of radio waves for special telecommunications purposes.
Universal Service Provider – USP (in the sector of postal services)	The carrier assigned by the Greek State with the obligation to ensure provision of the Universal Postal Service. Hellenic Post (ELTA) is the current USP.

Number Portability	The option provided to consumers to maintain their telephone number when changing Provider.
Charter of Obligations to Consumers (COC)	The undertakings providing postal services under a General Authorization must prepare a COC to include (a) description of characteristics of the provided service and the time limits within which it is provided, (b) information for users about prices, based on the data affecting them including expected improvement of service quality, (c) the Dispute Resolution Committee with the participation of a users representative and right of attendance for the interested user (consumer). The COC also contains all other necessary information in relation to the characteristics of the postal undertaking, the obligations and commitments to users, the management of postal items, user service and potential compensation.

IV. Abbreviations

3rd CSF ....3rd Community Support Framework
ACN .....Accompanying Courier Note
ADCO .....Administrative Cooperation Group
ADSL .....Asymmetric Digital Subscriber Line
AIA .....Athens International Airport
ATM .....Air Traffic Management
AUTH .....Aristotle University of Thessaloniki
CAA .....Civil Aviation Authority
CATV .....Cable Television
CEPT .....Conference of European Postal & Telecommunications
COC .....Charter of Obligations to Consumers
COCOM ....Communications Committee
CoS .....Council of State
CPS .....Carrier Pre-Selection
CSP .....Certification Service Providers
CSS .....Consumer Service Sector
DEA .....Diplôme d' Etudes Approfondies
ECC .....Electronic Communication Committee
EDV .....Express Delivery Voucher
EETT .....Hellenic Telecommunications and Post Commission
ELTA .....Hellenic Post
EPY .....Greek Computer and Informatics Society
ERG .....European Regulators Group
ETSI .....European Telecommunications Standard Institute
EU .....European Union
FAB .....Financial Audit Body
FB .....Fire Brigade
FESA .....Forum of European Supervisory Authorities for Electronic Signatures
FMS .....Fixed Monitoring Stations
GCPI .....General Consumer Price Index
GDP .....Gross National Product
GGI .....Government Gazette Issue
GRNET ....Greek Research and Technology Network
HNMS .....Hellenic National Meteorological Service
HP .....Hellenic Police
IIS .....Integrated Information System
IPC .....International Post Corporation
IRG .....Independent Regulators Group
ITU .....International Telecommunication Union
ITU-R .....International Telecommunication Union - Radiocommunication Sector
LLU .....Local Loop Unbundling
MD .....Ministerial Decision
MMS .....Mobile Monitoring Stations
MTC .....Ministry of Transportation and Communications

MTO . . . . . .Mobile Telephony Operator
NFAC . . . . .National First Aid Centre
NFAT . . . . .National Frequency Allocation Table
NRA . . . . . .National Regulatory Authority
NRDNP . . .National Reference Database on Number Portability
NRFR . . . . .National Radio Frequencies Registry
NRTC . . . . .National Radio Television Council
NSMMS . . .National Spectrum Management and Monitoring System
NSS . . . . . .National Statistical Service of Greece
NTC . . . . . .National Telecommunications Commission
NTUA . . . . .National Technical University of Athens
OPIS . . . . . .Operational Program Information Society
OTE . . . . . .Hellenic Telecommunications Organization
PDC . . . . . .Postal Directive Committee
PIBs . . . . . .Principles of Implementation and Best Practice
PMR . . . . . .Private Mobile Radio
PPC . . . . . .Public Power Corporation
RIO . . . . . .Reference Interconnection Offer
RSC . . . . . .Radio Spectrum Committee
RTTE . . . . . .Radio and Telecommunications Terminal Equipment
RUO . . . . . .Reference Unbundling Offer
SAB . . . . . .Services Ancillary to Broadcasting
SAP . . . . . .Services Ancillary to Program Making
SIM . . . . . .Subscriber Identification Module
SMP . . . . . .Significant Market Power
SNG . . . . . .Satellite News Gathering
SPITTS . . . .Special Postal Items Track and Trace System
SRDs . . . . .Short Range Devices
TCAM . . . . .Telecommunications Conformity Assessment and Market Surveillance Committee
TEE . . . . . .Technical Chamber of Greece
UCLA . . . . .University of California at Los Angeles
UMIST . . . .University of Manchester Institute of Science and Technology
US . . . . . .Universal Service
USP . . . . . .Universal Service Provider
USP . . . . . .Universal Service Provider
VOIP . . . . . .Voice Over Internet Protocol
VSAT . . . . .Very Small Aperture Terminals
Wi-Fi . . . . .Wireless Fidelity
Wi-MAX . . .Worldwide Interoperability for Microwave Access
HAMEE . . .Hellenic Association of Mechanical & Electrical Engineers

V. Tables and Charts Map

Editing:
KNOWSYS S.A.
Tel.: +30 210 689 8300
info@knowsys.gr

Hellenic Republic - Hellenic Telecommunications & Post Commission
60 Kifissias Ave., 151 25 Maroussi, Tel.: +30 210 615 1000, Fax: +30 210 610 5049
URL: http://www.eett.gr, e-mail: info@eett.gr