

ANNUAL
REPORT
2011



EETT

HELLENIC TELECOMMUNICATIONS & POST COMMISSION

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Administration – EETT Composition

The annual report at hand presents the actions of the Hellenic Telecommunications and Post Commission (EETT) for the period from January 1st to December 31st, 2011. In this period, EETT's composition was as follows:

Leonidas Kanellos

President

Angelos Syrigos

Vice-President for the Electronic Communications Sector

Michael Sakkas

Vice-President for the Postal Services Sector

Constantine Delicostopoulos

Member

Panagiotis Kottis

Member

Ioannis Papaioannou

Member

Nikolaos Papaoulakis

Member

George Papapavlou

Member

Ioannis Tzionas

Member



EETT

HELLENIC TELECOMMUNICATIONS & POST COMMISSION

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In line with its institutional role, the Hellenic Telecommunications and Post Commission (EETT) set as its top priority for 2011, the promotion of competition in the regulated markets for Electronic Communications and Postal Services. The protection of consumers' rights, as well as their access to quality services and affordable pricing remain among the main objectives of the Authority's regulatory actions. At the same time, in turbulent times for the country's economy, EETT has contributed to the generation of state revenues, while continuing to invest efficiently in both the ongoing improvement of its operation and in a strong international presence.

The past year was marked by two major accomplishments for our Authority; first, the successful completion of the tendering process for spectrum allocation for granting rights of use for radiofrequencies in the 900 and 1800 MHz bands, by using EETT's own resources. The outcome of the process is considered to be highly significant for the domestic market's development, as it promotes investments and mobile broadband, by offering a long-term investment perspective for the mobile telephony providers and securing equal access to the deregulated spectrum. Given Greece's specific geographic characteristics, mobile broadband is an important tool to bridge the "digital gap" between the urban centers and the rural areas, by facilitating the Internet access and promoting the Knowledge Society. An important aspect of the spectrum auction is also the collection of 380.5 million euros of revenue for the benefit of the Greek State.

Second, EETT successfully claimed the Chairmanship of the Body of European Regulators for Electronic Communications (BEREC) for 2013. The unanimous election of EETT's President by its 27 counterparts of the EU regulatory authorities, particularly under the crisis that Greece currently faces, reflects the recognition of the Regulatory Authority's hard work. At the same time, it offers a unique opportunity for Greece to contribute to the formation of a common European strategy for the Electronic Communications sector for the benefit of the citizens and the economy.

In more detail, during 2011 the Authority has taken up actions aiming at securing fair competition and also transparency in the relations between the consumer and the providers of Electronic Communications and Postal Services. EETT's regulatory and monitoring interventions generate substantial benefits for the consumers, such as responsible information, transparency in pricing, improved service quality at competitive prices, as well as the protection of the consumers from unfair practices. Among others, EETT succeeded in reducing the time required for Number Portability and imposed sanctions to Premium Rate Services (PRS) providers for arbitrary consumer charges. Demonstrating social responsibility, EETT introduced the 197 short code for psychological and social support. Furthermore, the Authority has developed easy-to-use tools available on its website, allowing consumers to monitor costs and to avoid excessive charges by checking numbers of premium rate. A new innovative application developed by EETT offers to each user the possibility to assess the quality of his/her broadband connection (System for Performance Evaluations of Broadband Connection Services–SPEBS), so as to create the first digital broadband coverage map of Greece.

In addition, EETT has continued to regularly issue recommendations and directives on topics of high importance for consumers, such as the custom fees of postal items and the avoidance of unwanted or excessive charges from the use of smart phones. Furthermore, EETT's Consumer Service Sector (CSS) holds a key position and is often the starting point in communication with consumers. Particularly in 2011, the CSS handled more than 9,600 written complaints, with an average response time of five days.

Despite the severe economic downturn that our country is facing, the convergence between the Greek Electronic Communications market with the European still continues. The broadband penetration on December 31, 2011 reached 21.8% of the population, compared with 19.9% in 2010 and 17% in 2009.



Despite the slowdown largely attributed to the crisis, the growth rate of broadband penetration in Greece remains among the highest in the European Union (EU). According to the latest European Commission data (CoCom), between June 2010 and June 2011, the increase of 2.2 lines per 100 inhabitants is the third highest among EU members. Moreover, the nominal access speed has increased along with the enlargement of the options available to consumers including combined communication services solutions, access and audiovisual content.

An important development for the evolution and provision of innovative broadband access services at high speeds is EETT's approval in December 2011 of the wholesale rates of OTE for the VDSL network. Aiming at the smooth and technically flawless transition to the new technology, EETT has prepared and has carried out a Public Consultation regarding the Regulation on Spectrum Management in the Unbundled Local Loop. This Regulation focuses on the transmitted power levels to prevent damaging interference between ADSL and VDSL providers at cabinet (DSLAM) level. This way, drop of access speed and hence the downgrade of quality of service (QoS) to the end user are prevented and a clear installation and operation framework for new broadband networks is defined.

In the same direction, and during the second round of market analysis, EETT completed the analysis of retail markets and publicly available telephony services, as well as the Leased Lines market, while also has embarked on the third round of the analysis of the wholesale markets for physical network infrastructure access and broadband access (WBA) provision. Furthermore, EETT approved the Reference Offer for the interconnection services, amended the one for the Local Loop Unbundling (LLU), while it is in the final stages of assessing the submitted Offer for the WBA. In the context of its regulatory role, the Authority has regularly inspected Electronic Communications companies, while it has taken up initiatives to better serve providers. As

regards to [.gr] Domain Names, EETT has implemented a new Regulation, facilitating registration procedures and reducing the time required for assignment.

In regard to the radiofrequency spectrum, EETT has continued to intensively exercise its competencies in managing and effectively monitoring the spectrum. In particular, it has revised the Regulations for the radiofrequencies user terms, while it has improved the licensing, installation and operation procedures for antenna mast construction, through the introduction of an adequate Regulation. In line with the above, the Authority has intensified the inspections and has imposed fines in those cases of illegal radio and television stations, antenna mast constructions, or interferences by licensed users. In adopting international standards, EETT has assisted the State in distinguishing between network and content providers facilitating Greece's prompt transition to the digital terrestrial television. Furthermore, EETT has continued the systematic monitoring of the market for Radio and Telecommunications Terminal Equipment (RTTE), such as mobile phones, devices, toys, etc. aiming at countering the illegal circulation of equipment that is not in line with the standards set by the applicable legislation, and potentially hazardous for the consumers health and safety.

In the Postal Services Sector, EETT focused on the market development in light of the full liberalization on the December 31, 2012, making adjustments to the regulatory framework, to harmonize Greek law with the European Directives and Regulations. In particular, our Independent Authority has taken up important initiatives aiming at ensuring the Universal Service (US), while it has made inspections for more efficient operation of the postal market. Specifically, EETT has approved ELTA's costing system as Universal Service Provider (USP), while it has drafted and published the annual Greek Postal Market's Review. EETT has also initiated a market research for the quality of the Postal Services in Greece and has continued to

regularly inspect companies in the industry, imposing the adequate fines in cases of no-compliance with the regulatory framework. EETT has also developed the Geographic Information System (GIS), a specific application for searching and locating postal points throughout Greece. Moreover and after numerous complaints, EETT has published clarifications for the additional charges imposed during the custom clearance of postal items with international origin (non-EU countries).

EETT's role at the international level has been significantly enhanced. Except for the BEREC Chairmanship, EETT has participated in the working groups of the Independent Regulators Group (IRG), the European Competition Network (ECN), the Euro-Mediterranean Regulators Group (EMERG), the European Regulators Group for Postal Services (ERGP), as well as a number of other international committees. In Greece, EETT has continued to closely cooperate with other Independent Authorities, such as the Competition Commission, the Greek Ombudsman, the Consumer Ombudsman, as well as other public authorities, while it has supported the Forum for "Digital Greece 2020".

In times of continuous and unpredictable technological and economic change, during which Greece is facing unprecedented challenges, EETT guarantees

regulatory stability, transparency and fair competition in the telecommunications and postal markets. These two sectors play a crucial role in the recovery of the Greek economy, while at the same time they constitute dynamic pillars for the transition to a sustainable model for economic development.

As an Independent and efficient Authority with a clear vision, goals and a consistent strategy, EETT will intensify its activities for the current year aiming at (a) the enhancement of the competition and the creation of growth perspectives in the market, (b) the safeguarding of consumer rights, (c) the managing of scarce national resources to maximize their benefit for the Greek economy, and (d) further enhancing its effective contribution to the international developments, through the input of regulatory know-how to our country. Dealing successfully with the new regulatory, monitoring and controlling challenges, contributing to the development of a modern digital infrastructure, as well as securing the equal access to the digital economy for the benefit of the Greek State, the market and the consumer remain top priorities for EETT. It is in this direction that both the management as well as EETT's staff will continue working restlessly.

Dr. Leonidas I. Kanellos
March 2012

II

EETT's Profile

The Hellenic Telecommunications and Post Commission (EETT) is an Independent Authority. It acts as the National Regulator monitoring, regulating and supervising:

(a) the Electronic Communications market, which comprises activities of fixed and mobile telephony, wireless communications and Internet access providers, and (b) the postal market, which comprises the activities of Postal Services and Courier Service providers. Moreover, EETT is entrusted with the competences of the Competition Committee that relate to those markets. The Authority was established in 1992 by Law 2075/1992 originally named Hellenic Telecommunications Committee (EET) and its competences initially focused on the supervision of the liberalized telecommunications market. However, it became operational in 1995. With the enactment of Law 2668/1998 that defined the organization and operation of

the Postal Services, EET was entrusted with the responsibility of supervising and regulating the Postal Services market, and was renamed as Hellenic Telecommunications and Post Commission (EETT).

Law 2867/2000 enhanced EETT's supervisory, monitoring and regulatory roles. The currently applicable Law 3431/2006 on Electronic Communications that incorporates the European law, defines the framework for the provision of Electronic Communications networks and services and related facilities in Greece, and further expands EETT's competences. With the new European framework for Electronic Communications that has come to power by the member states in May 2011, the role of EETT is further enhanced and its independence is solidified.

III Structure

EETT's administrative body is the Plenary which consists of nine members: the President, two Vice-Presidents competent for the sectors of Electronic Communications and Postal Services respectively, and six members. All Plenary members enjoy full independence in exercising their duties.

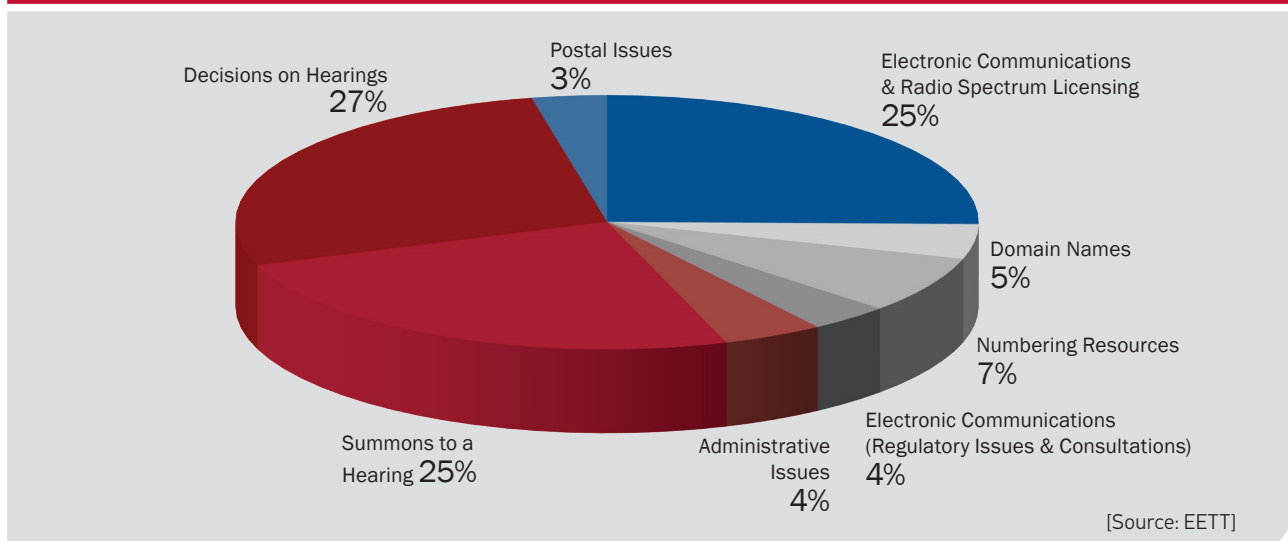
According to Law 3371/2005, the President and the two Vice-Presidents are selected and appointed by the Council of Ministers, following a recommendation by the Minister of Infrastructure, Transport and Networks (MITN) and an opinion issued by the Special Permanent Parliamentary Commission for Institutions and Transparency. The remaining members are appointed by the Minister of Infrastructure, Transport and Networks. The individuals selected are persons of established authority who stand out for their scientific expertise and professional competence in the technical, economic or legal sectors. All EETT Plenary members serve a four-year term, while no member can be appointed for more than two consecutive terms. EETT's Plenary usually meets on a weekly

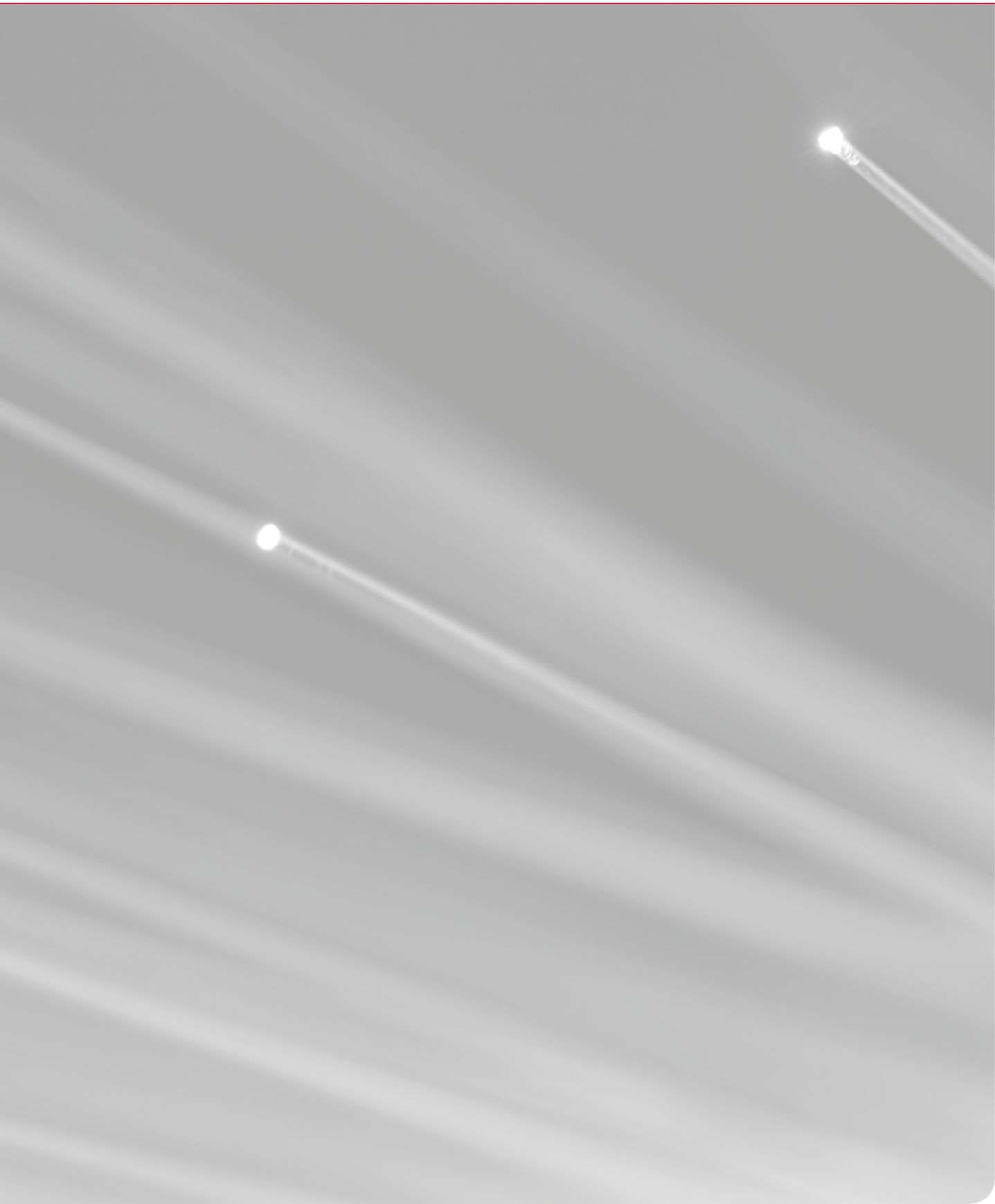
basis. In 2011, it held 46 meetings and reached a total of 2,916 Decisions, referring primarily to hearing procedures, radiofrequency spectrum licensing, regulatory Electronic Communication issues, managing number allocation resources and domain names, postal market and organizational issues. The thematic breakdown of EETT's Plenary Decisions is illustrated in detail in the following chart.

The agenda of the Plenary meetings as well as EETT's Decisions are posted on its website and the website of "Clarity". The Decisions related to regulatory acts are published in the Government Gazette (GG).

Within the context of the regular reporting on EETT's work to Parliamentary Committees, its administration was invited in June 2011 to a Hearing before the Special Permanent Committee for Institutions and Transparency. During the Hearing, discussions included the issue of the transition to digital television, as well as the prospects for utilizing the digital dividend that will derive from the liberalization of frequencies to develop next generation services.

Chart I. Plenary Decisions by Subject, 2011





Introduction

A photograph of a hand pointing at a button. The button is rectangular with rounded corners and a grey border, containing the word "ENTER" in a bold, sans-serif font. The background is a light-colored, textured surface.

ENTER

Electronic Communications Sector

During 2011, EETT proceeded to a wide range of interventions aiming at safeguarding consumer interests, strengthening competition and promoting innovation, in an effort to boost the growth of the Greek Electronic Communication market, and consequently that of the Greek economy.

To this end, EETT completed by its own means the tender process for the allocation of mobile telephony frequency spectrum in the 900 and 1800 MHz bands, that yielded the significant amount of 380.5 million euros for the Greek State and is expected to significantly benefit the Greek Electronic Communications market by attracting new investment projects and developing new services and technologies. At the same time and in cooperation with the Special Secretariat for Digital Planning, EETT was summoned to submit its proposals regarding the state-aid plan not only for the broadband growth in rural areas, but also for the utilization and the extension of the fiber optic network to the end users.

As far as securing competition was concerned, EETT, in the context of the second round of market analysis, analyzed the retail markets of access and of publicly available telephone services, as well as the Leased Lines markets. During the third round of market analysis, EETT examined the wholesale markets for (Physical) Access Provision to Network Infrastructure and Broadband Access (Wholesale Broadband Access-WBA). Furthermore and in regard to the Reference Offers submitted by OTE, EETT approved the Reference Interconnection Offer (RIO), amended the Reference Unbundling Offer (RUO) and is examining the Reference Offer for the WBA.

In the context of its supervisory duties, EETT inspected Electronic Communications providers for matters pertaining to mobiles' identification, prepaid voice cards and Premium Rate Services (PRS). Aiming at better serving the Electronic Communications providers, EETT implemented the new Regulation for the assignment of [.gr] Domain Names improving their registration procedure, considerably reducing the time required for their assignment and simplifying the communication procedures among the parties involved.

At the same time, EETT carried on with its actions for broadband development. Particularly, it approved OTE's wholesale prices for the VDSL network, thus encouraging higher speeds for Internet access and new innovative services, and developed a new web-based application – the System for Performance Evaluation of Broadband Connection Services (SPEBS) – aiming

at enabling end users to assess the quality of their broadband connection in a transparent and reliable manner, thus mapping for the first time the digital broadband coverage map of Greece.

With regard to consumers' protection and the control of services' quality, EETT took a wide range of actions for the effective protection of their rights. EETT, inter alia, negotiated and succeeded in reducing by 44% the price for handling the Number Portability requests, and reduced the time required for porting fixed telephony numbers from 10 to 3 working days as of the day the request was submitted by the subscriber. Furthermore, it issued recommendations for the optimum and safest use of smart phones by consumers and succeeded in amending the Ministerial Decision (MD) of the Ministry for Infrastructure, Transport and Networks (MITN) in order to include the short code 197 that offers psychological and social support services in the list of emergency short code numbers. Additionally, EETT designed and activated in its website a simple and user friendly search tool for the companies that have been assigned premium rate numbers for the provision of PRS. At the same time and in cooperation with the market participants, EETT amended the Decision for the quality indicators of the Electronic Communications services, aiming at rationalizing the obligations imposed and the cost of measurement. Finally, EETT's Consumer Service Sector (CSS) continued its effective operation, given that during 2011, it handled and processed more than 9,600 written complaints at a significantly reduced average response time (5 days per request).

Radiofrequency Spectrum Sector

The efficient technical and economic management of the radiofrequency spectrum remains at the top of EETT's priorities. In 2011, the Authority intensified its regulatory interventions regarding licensing, supervision and spectrum monitoring to ensure the optimum allocation of this scarce national resource and to foster competition for the benefit of the consumer.

In this context, EETT revised and amended important parts of the respective regulatory framework such as the Regulation for the User Terms of Individual Radiofrequencies, or Radiofrequencies Zones, and the supplementary Regulation for the Definition of the Spectrum User Fees and the Fees for Radiofrequencies Allocation. Based on these Regulations, EETT continued to assign Radiofrequencies Rights of Use for the operation of Electronic Communications wireless networks provision, or the coverage of own telecommunication requirements.

Moreover, EETT initiated a Public Consultation and adopted the Regulation for the Licensing of Standardized Antenna Mast Constructions which improves the licensing, installation and operation procedures for antenna mast constructions. EETT has at the same time examined numerous requests for the authorisation and/or modification of antenna mast constructions.

In the television frequencies sector, the Authority continued in 2011 to update the frequencies registry for these transmissions, as well as the allocation of user rights for television channels to new transmission positions.

In regard to the supervision of the radiofrequency spectrum, EETT has received numerous complaints referring to the interference of legal users and to illegal installations of radio-and-television stations or antenna constructions. After having conducted on-site inspections, registered any misconduct, and called the parties involved to a Hearing, the Authority has, wherever appropriate, imposed administrative sanctions. In 2011, EETT continued its close collaboration with the Civil Aviation Authority (CAA) aiming at a more effective and faster dealing of the large number of problems the aeronautical networks face, as well as their uninterrupted operation, since these are directly related to the protection of people's lives and the public and national security.

Finally, market inspections have intensified, aiming at securing the compliance of the Radio Equipment and Telecommunication Terminal Equipment (RTTE) with the technical and administrative requirements of the applicable legislation. EETT has imposed sanctions for the circulation of equipment not complying with the applicable legislation.

Postal Services Sector

In 2011 EETT took significant actions to ensure the smooth operation of the postal market and the compliance of the postal companies with the current regulatory framework. Following the report which was submitted by EETT in 2010, regarding the organization of the Postal Services sector and the incorporation of Directive 2008/6/EC¹, in 2011 EETT stressed the necessity to adjust parts of the respective legislation to fully harmonize it with the European Law. Moreover, in the context of its monitoring role, EETT conducted 11

¹ Directive 2008/6/EC of the European Parliament and the Council of February 20, 2008, for the amendment of Directive 97/67/EC in regard with the full implementation of the internal market for community Postal Services.

audits specific companies in the industry that resulted in the deletion of one company from EETT registry, the summon to a Hearing of seven companies, and the formal posting of compliance letters to other three. Following a respective Decision that has approved the cost accounting system of the Universal Service Provider (USP), EETT held meetings with representatives of the Hellenic Post (ELTA) to achieve full compliance with the obligations deriving from its status as USP.

Aiming at the development of postal services and the constant information to providers, involved bodies, and consumers alike, EETT prepared, for the fourth consecutive year, the Annual Review of the Greek Postal Market. Also, in 2011 an extensive survey was initiated to analyze the problems of the operation of Postal Services in Greece and make suggestions for further market development in the light of the forthcoming liberalization of the industry. At a more general strategic level, the Authority completed in 2011 a pilot program, which was originally initiated in 2010, for the electronic submission of the providers' applications, as well as the required documentation.

In 2011, based on numerous complaints, EETT issued clarifications on the enforcement of additional charges during the custom clearance of postal items of international origin (non-EU countries). Also, a search application, displaying all the post offices and facilities in Greece, was added to EETT's Geographic Information System (GIS). As a result, apart from the post offices, the user has now the ability to see in detail the points where cluster letterboxes were placed by ELTA, to primarily serve the areas where home delivery is not available.

National and International Collaborations

2011 has been a very dynamic year for EETT in regard to national and international collaborations. At national level, the Authority collaborated closely with other Independent Administrative Authorities and public bodies, while at the same time it contributed to the proceedings of the Forum for "Digital Greece 2020".

At European level, EETT's role has been significantly enhanced, since it assumed the vice-chair of the Body of European Regulators for Electronic Communications (BEREC). As a result, EETT's presence and participation at the proceedings of BEREC, the Independent Regulators Group (IRG), the European Competition

Network (ECN), and the Euro-Mediterranean Regulators Group (EMERG) was significantly upgraded. The successful course of the Authority was acknowledged in the end of the year with yet another honorary distinction; EETT's President, Dr. Leonidas Kanellos, was unanimously elected Chairman of BEREC for 2013 by the 27 Regulatory Authorities of the countries comprising the Body and the representatives of the European Commission. According to the Body's Regulation, the President of EETT, as Chairman of BEREC for 2013, will assume the role of vice-chair for both 2012 (incoming chair), and 2014 (outgoing chair), as well as the additional role of Chairman of IRG for 2013. This very important distinction is an overall recognition of EETT's work and potential, by both the European Regulators counterparts, as well as the European Commission.

In the Postal Services sector, EETT actively participated in the proceedings of the European Regulators Group for the Postal Services (ERGP), the Postal Directive Committee (PDC) and the European Committee for the Postal Market Regulation (Comité Européen de Réglementation Postale – CERP), while it also participated in the Universal Postal Union (UPU) Conference.

Furthermore, EETT participated in numerous other Committees, EU working groups and events. It also successfully participated in the 1st Conference of the National Regulatory Authorities of Cyprus and Greece in Nicosia (Cyprus) regarding the Electronic Communications and Postal Services sectors, which was organized by the Office of the Commissioner of Electronic Communications and Postal Regulation of Cyprus (OCECPR) in collaboration with EETT.

Other Activities

During 2011, the efforts to improve EETT's internal organization and operation continued. In the first half of the year, the process to fill 14 managerial positions that had been proclaimed in 2010 was completed and the new Heads of Divisions took office. At the same time, the necessary actions were taken for the additional training and further skill development of the staff, as well as the workplace health and safety.

EETT has placed particular emphasis on the sectors of electronic governance and transparency, fully implementing the "Clarity" program, which it joined

in 2010, to promote effective public disclosure. EETT has intensified its communication with the consumers and the markets, by adding on its website new online services. EETT has at the same time protected the sensitive information it manages on behalf of the Electronic Communications market, by installing a specialized system for the confidential data protection. By taking advantage of the latest information technology, EETT developed, based exclusively on its own resources, the software to run the mobile spectrum auction, introduced an internet application for the electronic delivery of the certifications issued for the postal companies, adopted an electronic payment application for the fees paid by the Domain Name registrars and designed a tool that helps the consumer to identify the companies that use premium rate numbers.

In the following chapters, EETT's activities per sector, are presented in more detail and additional information on the Authority's scope and effectiveness of interventions in the markets of responsibility is given.

1. Consumer is EETT's Top Priority



EETT's main priority is to safeguard consumers' interests and to provide them with constant and reliable information. Therefore, all its actions and initiatives follow this direction. Thanks to its interventions, consumers enjoy important benefits such as reduced mobile telephony rates, less time required for Number Portability, protection from excessive charges and fraud, as well as better customer service. At the same time, EETT's regulatory actions ensure fair competition and achieve high level of transparency in the relations between consumers and the Electronic Communications and Postal Services operators.

Furthermore, in order to provide continuous and systematic information to consumers, in 2011 EETT took a series of actions for informing the public and fostering public debate on issues under its competence. Furthermore, the Consumer Service Sector (CSS), which handles methodically and effectively all the complaints received by EETT, played a critical role in the communication between EETT and the consumers.

1.1. Consumer Service Sector (CSS): First Line Support

EETT's Consumer Service Sector (CSS) is a significant reference point for consumers in the Electronic Communications and Postal Services markets. Furthermore, CSS enables a series of EETT's supervisory and regulatory interventions to the benefit of the market and the consumers.

To assess CSS' quality of service, EETT has set the following key performance indicators:

- KPI1 Index: Refers to the rate of consumers' satisfaction in terms of the telephone service provided by CSS. In 2011, KPI1 exceeded 99.6% compared to 96% the previous year.
- KPI2 Index: Refers to the time required for processing written complaints filed with the CSS. In 2011, KPI2 stood at 4.92 working days compared to 7 working days the previous year.
- KPI3 Index: Refers to the rate of complaints which were handled by CSS and were answered in favor of consumers. In 2011, KPI3 was 43.30% compared to 48.65% the previous year.

During 2011, the CSS recorded and processed 9,694 written complaints (compared to 8,348 the previous year) of which 75% were related to internet, mobile and fixed telephony services, 20% concerned radiofrequency spectrum issues, 2.4% concerned the Postal Services and the remaining 2.6% pertained to miscellaneous requests (Table 1.1.).

An overall picture for the Electronic Communications market is presented in Chart 1.1. According to the Chart, recorded requests/complaints have followed an upward trend in 2011 with a monthly average up to 625 cases, as compared to 550 per month in 2010.

In 2011, 44% of complaints concerning Electronic Communication services were related to Local

Loop issues (e.g., faults, connection cancellations, disputed charges, deficient customer service, arbitrary connection activations), while roughly 20% concerned fixed telephony issues (e.g., Carrier Pre-selection, disputed bills). Chart 1.2. demonstrates complaints on Electronic Communications issues broken down by category and Chart 1.3., complaints about Local Loop issues.

With respect to the radiofrequency spectrum, EETT's Spectrum Directorate received 1,958 written complaints concerning the construction of mobile telephony antennas. As regards Postal Services, EETT received 234 written requests/complaints, 62% of which were related to the Universal Service (US). The complaints regarding Courier Services concerned delayed delivery and other issues related to charges and service quality. Detailed breakdown of all written complaints about Postal Services is presented in Chart 1.4.

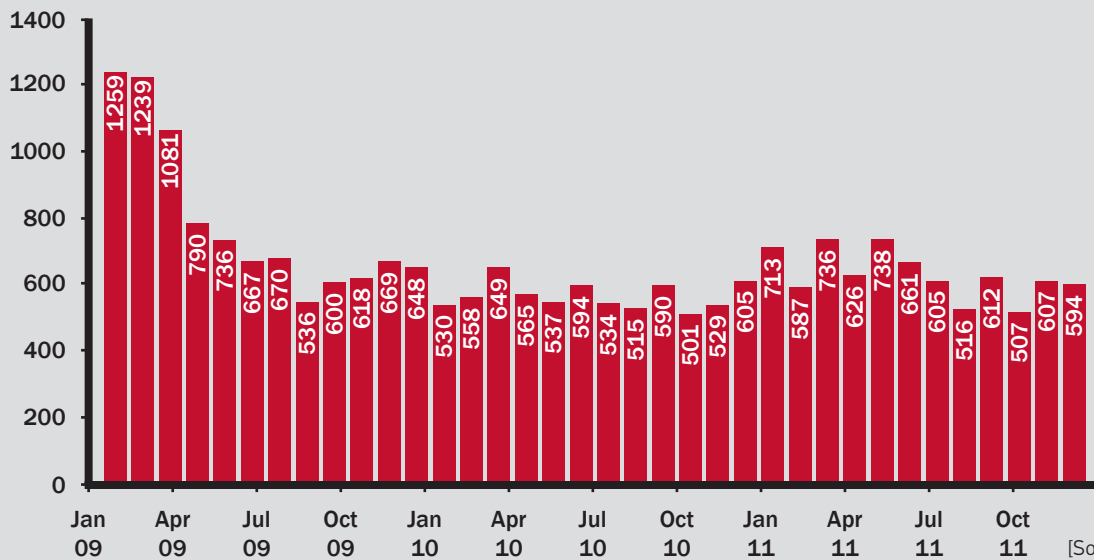
CSS's high effectiveness is proved by its response time to written complaints. As illustrated by the respective indicators (Chart 1.5.), EETT responds to consumers or forwards their request to providers in only five working days.

Table 1.1. Classification of Written Requests/Complaints, 2004-2011 (%)

| Category | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|-------------------------------------|------|------|------|------|------|------|------|------|
| Radio Frequency Spectrum (Antennas) | 54 | 36 | 17 | 6 | 6 | 13 | 17.5 | 20 |
| Electronic Communications Services | 36 | 57 | 76 | 90 | 89 | 78 | 75.1 | 75 |
| Internet | 7 | 11 | 21 | 10 | 10 | 3 | 4.5 | 2.1 |
| Mobile Telephony | 10 | 5 | 6 | 3 | 4 | 12 | 17 | 17.2 |
| Fixed Telephony | 18 | 40 | 48 | 77 | 75 | 63 | 48 | 50.5 |
| Premium Rate Services | 0 | 0 | 0 | 0 | 0 | 0 | 5.6 | 5.2 |
| Postal Services | 2 | 1 | 1 | 1 | 1 | 2 | 2.1 | 2.4 |
| General Information | 8 | 6 | 6 | 3 | 4 | 7 | 5.2 | 2.6 |

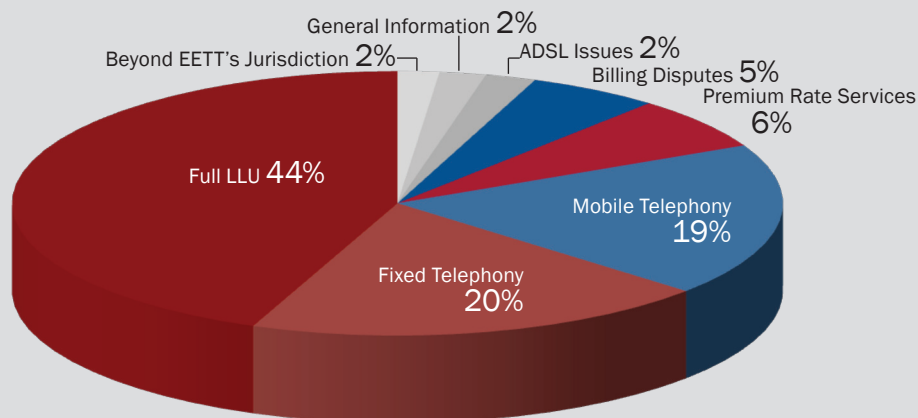
[Source: EETT]

Chart 1.1. Monthly Evolution of the Total Number of Written Complaints concerning Electronic Communications Services, 2009-2011



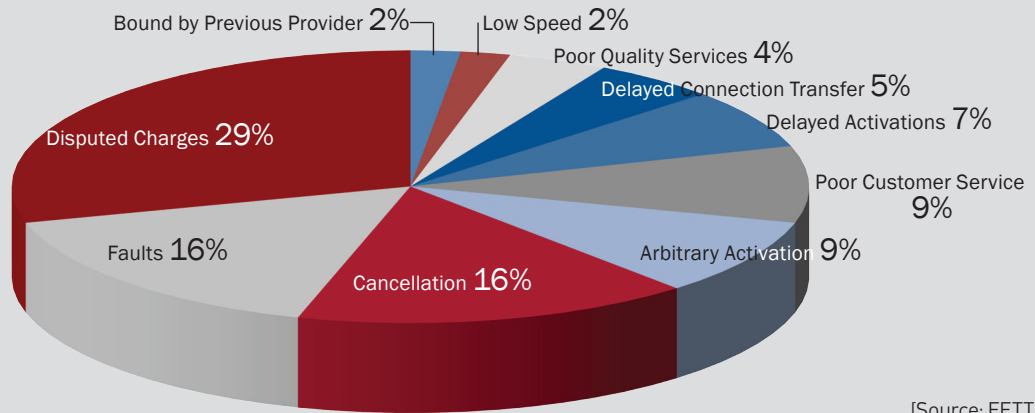
[Source: EETT]

Chart 1.2. Breakdown of Written Complaints concerning Electronic Communications per Category, 2011



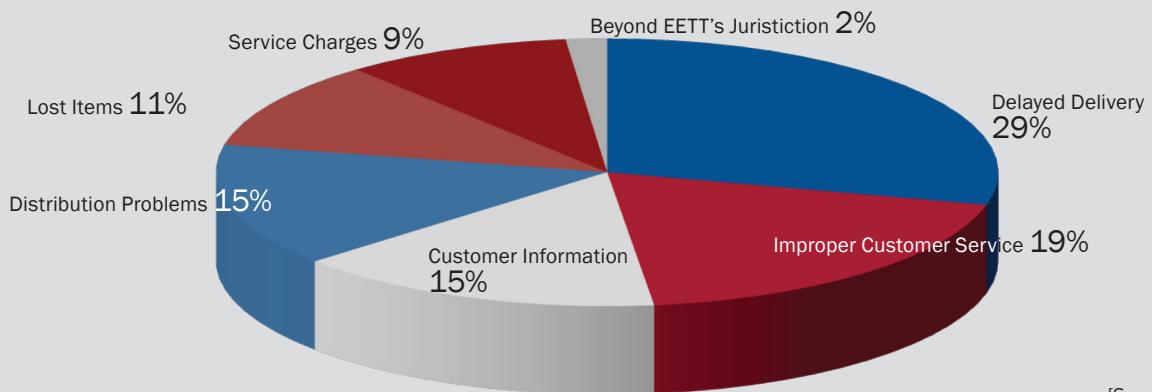
[Source: EETT]

Chart 1.3. Classification of Complaints concerning Local Loop, 2011



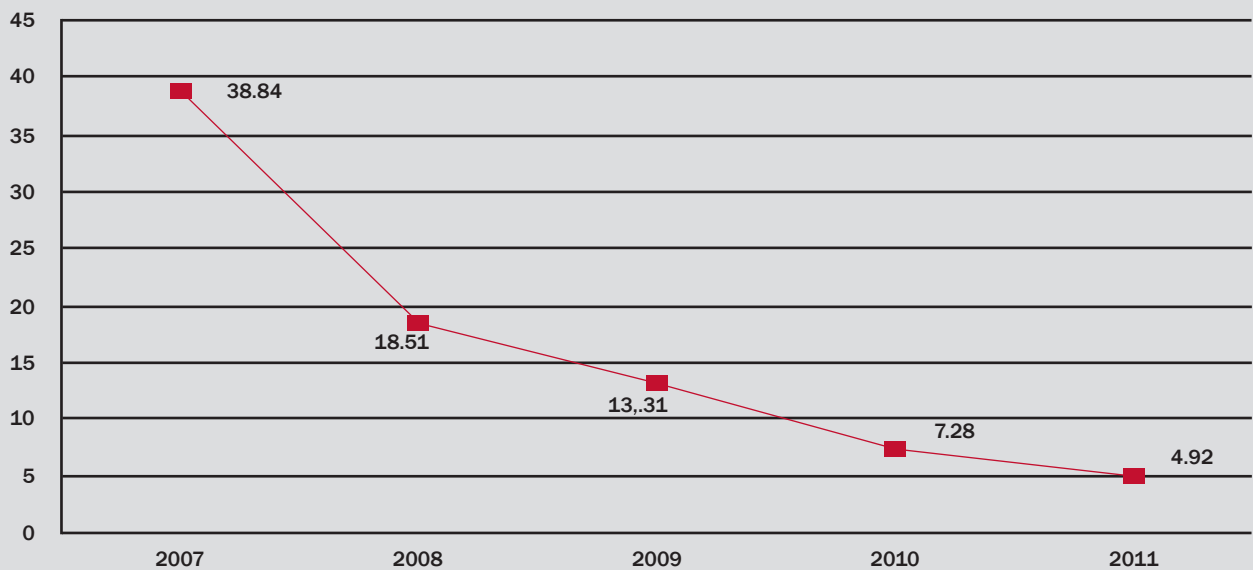
[Source: EETT]

Chart 1.4. Classification of Written Complaints/Requests concerning Postal Services, 2011



[Source: EETT]

Chart 1.5. EETT's Response Days to Written Complaints, 2011



[Source: EETT]

1.2. EETT's Interventions for the Benefit of the Consumer

During 2011, EETT took a series of initiatives and actions aiming at safeguarding the consumer rights as well as ensuring high quality services. In particular, EETT made important regulatory interventions to shape a competitive environment both in infrastructure and services and to inform consumers on issues related to the Electronic Communications and Postal Services sectors. The above actions are described in detail hereunder.

Reduction of the Time required for Number Portability in Fixed Telephony

EETT issued a new Regulation for reducing the time needed for Number Portability requests, from 10 to three working days (from the submission date of the respective subscriber's request). As a result, in 2011, the maximum number of working days within which a valid Number Portability request with simultaneous active loop transfer is completed, was reduced from 21 to 10 working days.

Price Reduction for Portability Request Processing

EETT successfully negotiated with the company TELCORDIA, which runs the National Reference Database for Number Portability (NRDNP), and achieved 44% price reduction for processing requests for Number Portability. As of September 1st, 2011 the new price per processed request is reduced from 3.5 to 1.95 euros. Given that the processed Portability requests exceed one million and the price reduction is 1.55 euro, EETT's new agreement results to a significant benefit of 4 million euros for the next 2.5 years in favor of consumers and the market.

Short Code 197 for Psychological and Social Support

EETT proposed and has succeeded in amending the respective Ministerial Decision (MD) of the Ministry of Infrastructure, Transport and Networks (MITN) for the inclusion of the short code 197 in the emergency short code category. Through this number, emergency psychological and social support services are provided to distressed individuals and families (in situations such as domestic violence and harassment, in a state of crisis and for persons in serious physical or psychological hazard, suicidal, etc).

Electronic Application Submission for Providers

EETT created an electronic application submission system that significantly benefits both providers and consumers, as it reduces processing time, through the simplification of procedures regarding the provision of Electronic Communications Services (such as number allocation, registrations for Domain Names, Electronic Signature verifications, etc).

New Regulation for the Management and Assignment of [.gr] Domain Names

The new Regulation for the Management and Assignment of [.gr] Domain Names issued by EETT in 2011: (a) reduces the examinations and assignment time for new Domain Names and (b) establishes new procedures for the optimum operation and communication among all parties involved (EETT – registrars – registrants). The Regulation also foresees that the registrars are now required to run a consumer service line, during the working days and hours, as well as to include their full contact details on their webpage.

Sanctions to Premium Rate Services Providers

In line with the Code of Practice for Premium Rate Services (PRS) and following technical inspections and respective consumer complaints, EETT imposed fines of 500,000 and 756,236 euros respectively on the companies Transnet and Bob Mobile for infringements of the applicable legislation.

System for Performance Evaluation of Broadband Connection Services (SPEBS)

To safeguard transparency, reliability and service quality offered to broadband consumers, EETT created a new Web 2.0 application under the heading "System for Performance Evaluation of Broadband Connection Services" (SPEBS). At <http://broadbandtest.eett.gr> and <http://test.broadband.gr> users have the opportunity to evaluate through objective and transparent measurements the qualitative features of their broadband connection. The project's aims include the development of the first broadband map in the country with quality features and the effective supervision of the market for ascertaining conditions of fair competition (see subchapter 3.3.3).

Internet Tool for Premium Rate Numbers

To facilitate consumers/users of PRS, EETT launched a simple and user-friendly search tool containing data of all the companies holding such numbers (e.g., e-voting, contests, ringtone downloads, technical support, astrology). It is an internet application designed by EETT and available through its website, which allows the consumer to track easily, directly and timely the data of the company in which a short code or a ten-digit premium rate number has been allocated. For instance, when customers receive a text message on their mobile phone from a code of the 54XXX category, they can locate the associated ten-digit number of the 90X XXX XXXX category in their bill and enter the listed number in EETT's website to track the data of the company to which this number belongs. As a result, consumers asking for clarifications, may contact the company or the network provider, or file a complaint with EETT.

Upgrade of the GIS Application for all the Postal Points

EETT's Geographic Information System (GIS) for the Postal Network offers consumers the possibility to navigate on a specially designed map and locate Hellenic Post (ELTA) offices as well as shops for courier services providers. In 2011, EETT added detailed information and enhanced geographic allocation of the postal offices. Especially for those areas where door-to-door post delivery is not available, EETT has added a special feature to depict the location of PO boxes for the residents of the nearby areas.

1.3. Informative Actions

In 2011, EETT took important initiatives to responsibly inform consumers on Electronic Communications and Postal Services issues. In particular, throughout the year the following activities have been initiated:

EETT's 6th International Conference on "Advanced Communication Infrastructures as a Cornerstone for Europe's Digital Agenda"

In June 2011, EETT organized its 6th International Conference on "Advanced Communication Infrastructures as a Cornerstone for Europe's Digital Agenda". The Conference, which was attended by an impressive number of participants, focused on the need to promote

the communication infrastructures that will allow the transition to the digital economy and will ease citizens' universal access to the Information Society.

In the Conference, there were presentations by Presidents of International Regulatory Authorities, senior executives from Electronic Communications and mass media companies, as well as representatives of international organizations. The welcome speech of the Conference was addressed by the former Deputy Minister of Infrastructure, Transport and Networks, Mr. Spyros Vougias, while the main panelist of the second day was the former Deputy Minister of Culture and Tourism, Mr. Tilemachos Chytiris.

In the first session which focused on the development of Broadband Access, the participants were greeted through video by Mr. Julius Genachowski, President of the Federal Communications Commission (FCC) of the USA, and Dr. J.S. Sarma, President of the Regulatory Communications Authority of India (TRAI), followed by presentations on best practices from other countries.

The second session of the Conference on the development of the high speed network infrastructures started with the address of the Secretary General of Communications, Professor Socrates Katsikas, followed by a round-table discussion in which providers exchange their views on the future of high-speed network infrastructures in Greece.

The third session of the Conference focused on the regulatory challenges towards achieving the digital future for Europe, while the fourth presented the spectrum optimization policies for next generation mobile broadband. The Conference proceedings concluded with a special session dedicated to the digital transition and the perspectives of the new radio-television landscape in Greece.

EETT's One-Day Conference on Postal Services; "Towards the Postal Market Liberalization: European Practice and National Initiative"

In April 2011, EETT organized a one-day Conference "Towards the Postal Market Liberalization; European Practice and National Initiative". The main topics discussed during the Conference, were the regulatory, financial and technical aspects of the Greek postal market and the prospects for services improvement and market size development, to the benefit of the citizen, the enterprises and the Greek economy as a whole. Among the speakers were representatives of the State, the Regulatory Authorities, the European

Regulatory Group for Post (ERGP), as well as executives from the Greek and European postal market.

The Conference's sessions were as follows: (a) Liberalization of the Postal Market; European Regulation and National Initiative, (b) Postal Services and Competition; Opportunities and Development Strategies, and (c) Consumer/Citizen; Enhancing the Effectiveness and the Security of the Postal Services.

Quarterly Publication of the Bulletin "Communications in High Speed"

In 2011, EETT continued the successful publication of its quarterly Bulletin titled "Communications in High Speed". This Bulletin, issued in both Greek and English, contains news articles on EETT's initiatives and actions and also hosts the views of senior State officials and representatives of Regulatory Authorities from Greece and abroad. It is worth mentioning that the bulletin is being posted to more than 5,000 recipients, while its electronic edition is available on EETT's webpage.

Guidelines for the Safe Use of Smartphones

After numerous complaints submitted to EETT's CSS for disputed charges regarding the use of "smartphones" as navigation tools on the internet, EETT issued recommendations for their optimum and safer use. EETT's recommendations aimed at preempting and avoiding the unwanted or excessive charges, as well as protecting users from malware. EETT advised consumers to read the users' manual and understand in detail the basic features of the device, including the way to deactivate the automatic internet connection, as well as the current charges for access and wireless data transmission applied by their mobile telephony providers, in Greece and abroad.

As regards protection and security, EETT recommended among others, that consumers should not skip operation system updates often containing significant security add-ons, should download applications only from reliable and legitimate sources and should be cautious when connecting to open-access or public wireless networks (free public Wi-Fi hotspots).

Recommendation for Radio Equipment that Blocks the Operation of Mobile Phones (Jammers)

After conducting ex officio inspections, EETT located in the Greek market, radio equipment that blocks the operation of mobile phones. The use of such devices, (jammers), is illegal and results in administrative and

legal sanctions. EETT issued a recommendation and noted that blocking the operation of mobile phones by using "jammers" is illegal in the EU, as the use of these frequencies has been granted to licensed operators for exclusive use.

Recommendation on DECT 6.0 Cordless Phones

EETT has received complaints about interferences in the UMTS spectrum mobile telephony operators, caused by the use of DECT 6.0 cordless phones. As a result, EETT issued a recommendation, stressing that the use of these devices is illegal in the EU and results in legal sanctions. EETT advised consumers (a) not to operate the DECT 6.0 cordless phones that they have at their disposal and (b) not to purchase these devices from retail stores or e-shops either in Greece or when travelling abroad. Regarding this matter, EETT also informed the major commercial and electronics department stores in Greece.

Recommendation for the Postal Items Custom Fees

In response to numerous complaints on the imposition of additional charges for customs clearance of postal items originating from non-EU countries, EETT issued a recommendation to consumers. The Authority has stressed that the applied process during customs clearance is based on the European and Greek customs legislation on third-country commercial goods with a value exceeding of 22 euros, or non-commercial goods with a value exceeding 45 euros. It has further pointed out the distinction between the State-imposed charges, the fees of ELTA and the courier companies' fees. It also clarified that the international postal items, whether sent through ELTA or a courier operator, must be delivered to the recipient's address. In either way, the consumers need to be informed on the applicable charges by the companies' price lists.

Widespread Leaflet Distribution

In 2011, EETT conducted a widespread distribution of leaflets on the Code of Practice for the provision of Electronic Communications Services and the Universal Postal Service in Attica and Thessaloniki.



2. EETT's Contribution to the Greek Economy



EETT's financial independence guarantees the unhindered fulfillment of its competences, and ensures that its operation does not burden the State budget, since all of its operational expenses (such as payroll, lease payments, etc.) are covered by its self-generated revenues. Moreover, EETT is a significant revenue source for the Greek state, since it contributes up to 80% of its operational surplus every two years to the National Budget. Especially for 2011, the successful completion of the spectrum auction for the allocation of radiofrequency rights of use in the 900 and 1800 MHz bands generated 380.5 million euros for the Greek State.

2.1. Effective Financial Management: EETT's Contribution to the State Revenues

EETT's administrative and financial independence is guaranteed by the collection of fees payable by the liable companies-bodies. According to the legislation in force, the above fees cover EETT's total administrative expenses. EETT's revenues constitute a section of the State revenues and originate from collecting administrative fees, usage fees, and fines. Particularly and pursuant to the relevant Laws² and the respective Regulations, EETT collects fees for:

- General and Individual Licenses for Electronic Communications and Postal Services network providers.
- Assignment and use of numbers.

- Allocation and use of radiofrequency rights.
- Private Mobile Radio networks.
- Domain Names.
- Antenna Mast Construction licenses.

It is also noted that, EETT, in the context of its monitoring responsibilities, imposes fines to providers of Electronic Communications and Postal Services who breach their legal obligations and are either paid directly to EETT or collected in accordance with the stipulations of the Code for the Collection of Public Revenue(s)³. Particularly, the total amount collected from fees by EETT since 2006, amounts to 72.3 million euros (Table 2.1.).

Table 2.1. Fines Collected by EETT, 2006-2011 (in euros)

| Year | Collected Amount |
|--------------|----------------------|
| 2006 | 7,390,050.90 |
| 2007 | 4,893,342.12 |
| 2008 | 21,459,009.06 |
| 2009 | 3,920,182.51 |
| 2010 | 29,232,063.85 |
| 2011 | 5,408,576.28 |
| Total | 72,303,224.72 |

Note: The considerable variations in the above collected amounts are due to the time lag between the time of submission, trial and collection of the fine, as well as to large fines imposed in exceptional cases (such as the phone interceptions' case etc).

² L.3431/2006 (GG Issue 13/A/03-02-2006), L. 2668/1998 (GG Issue 282/A/18-12-1998).

³ Decision 1104800/5972/0016 of the Minister of Finance, GG Issue 2198/B/22-12-1999.

Table 2.2. Financial Income (in euros)

| Year | Collected Amount | Late Payment Interests |
|--------------|----------------------|------------------------|
| 2006 | 3,564,319.27 | 143,770.44 |
| 2007 | 5,598,262.02 | 63,207.43 |
| 2008 | 8,678,871.20 | 60,404.42 |
| 2009 | 5,622,349.01 | 65,140.53 |
| 2010 | 8,495,188.08 | 571,866.16 |
| 2011 | 13,698,813.98 | 183,052.29 |
| Total | 47,657,803.56 | 1,087,441.27 |

[Source: EETT]

Beyond the aforementioned fees and fines, EETT's total operational revenues include also the financial income accrued by the effective management of its reserves and the collection of late payment interests, as presented in more detail in Table 2.2.

Since 2007, EETT's total annual operational cost has been reduced by 14% (Table 2.3.), despite the fact that it has filled vacant positions (hiring Scientific Experts in 2009 and former employees of Olympic Airways in 2010), and has taken up new and broad responsibilities.

The expenses are annually budgeted by EETT's Directorates and Departments and approved by the Plenary. Each expense is being monitored according to the directives of EETT's Financial Management Regulation⁴ and the Regulation for Expenditure Management⁵. Furthermore, the goals and the implementation of the budget are being monitored regularly by the respective Directorates and Departments and are being audited annually by the Body of Chartered Auditors (the 2011 audit is already under way) and the Court of Audit (the expenses have been audited up to 2009). Their respective reports are being submitted to the Minister of Infrastructure, Transport and Networks.

Up to 80% of EETT's annual financial surplus accrued when subtracting total expenses from the above revenues is being conveyed⁶ every two years to the National Budget, as state revenue. For the period 2008-2009, the amount of 71,211,410.58 euros was conveyed to the National Budget while up till now EETT's total contribution amounts to 271,918,715.57 euros (Table 2.4.). Additionally and for the period 2010-2011, the amount to be conveyed in May 2012 is estimated to 70,770,000 euros.

Moreover, EETT is granting, under certain restrictions/limitations, radiofrequency spectrum rights of use through tender processes, organized and implemented exclusively by its own staff and resources. Each tender yield collected by EETT is immediately conveyed to the National Budget, after subtracting the administrative costs of the tendering process.

The total amount from tenders that has been conveyed to the National Budget from EETT up to date is 1,017,903,998.45 euros (Table 2.5), while an additional amount of 63,609,900.00 euros has been ensured and will be collected and conveyed in three equal annual instalments of 21.203.300,00 for the years 2015, 2016 and 2017 respectively.

⁴ GG Issue 1391/B/22-10-2001.

⁵ GG Issue 1701/B/18-12-2001.

⁶ Pursuant to the requirements of Par. 6 of the article 61 of L. 3431/2006.

Table 2.3. EETT's Total Operational Cost (in euros)

| Year | Total Cost |
|------|---------------|
| 2007 | 18,383,609.16 |
| 2008 | 20,263,763.79 |
| 2009 | 19,430,845.08 |
| 2010 | 17,667,919.77 |
| 2011 | 15,773,991.13 |

[Source: EETT]

Table 2.4. EETT's Contribution to the National Budget according to Net Results (in euros)

| Year | Net Result | Conveyance of Reserves |
|--------------------------------|---------------|------------------------|
| 2000 | 67,818,154.48 | |
| 2001 | 17,810,935.22 | |
| 2002 | 27,423,902.72 | |
| 2003 | 25,024,608.99 | |
| 2004 | 22,998,415.65 | |
| 2005 | 26,048,858.30 | |
| 2006 | | 149,699,900.29 |
| 2006 | 33,445,871.42 | |
| 2007 | 30,313,384.20 | |
| 2008 | | 51,007,404.50 |
| 2008 | 54,194,966.75 | |
| 2009 | 34,819,296.73 | |
| 2010 | | 71,211,410.78 |
| Total Conveyed Reserves | | 271,918,715.57 |

[Source: EETT]

Table 2.5. EETT's Tender Yields as Contribution to the National Budget (in euros)**Auction Yields (Frequency Allocations)**

| | | |
|--|----------|-------------------------|
| 3 rd UMTS / 2 nd DCS/GSM | | 644,113,598.81 |
| TETRA | | 2,794,510.20 |
| E-GSM | | 37,918,258.60 |
| Fixed Wireless Access at 3,5 GHz | | 16,152,530.84 |
| GSM 900 | DCS 1800 | 316,925,100.00 |
| Total Yield | | 1,017,903,998.45 |

[Source: EETT]

2.2. Mobile Telephony Spectrum Auction: Granting Radiofrequency Rights of Use in the 900 and 1800 MHz Bands

In 2011, EETT initiated and completed the spectrum allocation for granting Radiofrequency Rights of Use in the 900 and 1800 MHz bands through an auction. In total, the entire available spectrum in the 900 and 1800 MHz bands was granted to the companies COSMOTE, VODAFONE – PANAFON and WIND. The amount paid by all three companies and EETT conveyed to the Greek State was 380,535,000 euros.

While planning the procedure, EETT has taken under consideration both the bandwidth, as well as the expiration time of the Radiofrequency Rights of Use that were granted to providers. The granting of 900 MHz band was considered as exceptionally important because this band is configured for extensive broadcasting, it covers longer distances than higher frequency bands and it facilitates the expansion of innovative voice, data and multimedia services to sparsely populated and rural areas. Taking all the above into account, EETT considered rearming the entire 900 MHz band and decided to conduct an open call for tender for the Rights that expire in the years 2012, 2016, and 2017, including the spectrum block used until recently by the Hellenic Armed Forces. The licensing of the available spectrum of the 1800 MHz band was included in the same planning process.

Preparation of the Tendering Process

In January 2011, EETT initiated a Public Consultation for the procedure of granting spectrum rights for mobile telephony services in the 900 MHz and 1800 MHz bands that will be free of technological restrictions. Then it conducted a Public Consultation both for the Information Bulletin on the proposed procedure for the allocation of spectrum rights of use (July 26, 2011 – September 9, 2011), as well as for drafting the Notice of the Call for Tenders (September 20, 2011 - September 30, 2011).

On October 1st, EETT, taking into consideration the European Commission's views, approved the issue of the Notice of the Call for Tenders that finalized the tender procedure for the allocation of radiofrequency spectrum. The procedure followed for the allocation of the radiofrequency rights of use was conducted for the first time in Europe under the revised European

Framework⁷ and concerned spectrum already in use. The fact that the Greek experience could set a pan-European precedent was the reason why the European Commission examined EETT's proposal thoroughly before giving its consent.

According to EETT, the goals for conducting an open and transparent tender were:

- The competitive growth of the Greek Electronic Communications market, pursuant to the principles of transparency, impartiality and proportionality.
- The maximization of the social benefit in terms of sufficient choices and competitive prices and quality.
- The equal, symmetric and non-discriminatory treatment of the current providers and potential newcomers in regard to their access to liberalized spectrum.
- The optimum solution for assessing and utilizing the spectrum, that constitutes a scarce national resource.
- The safeguarding, under the appropriate terms, of the continuous 2G services provision from current providers.

EETT pursued the prompt completion of the procedure, having offered detailed information to all providers, but more importantly the possibility to express their views at all stages of the Public Consultation, as well as during meetings.

Tendering Process

The tendering process was exclusively designed and implemented by EETT, using its own staff and resources. The procedure's cost was significantly low as compared to auctions in other countries, where the fee of the external consultants implementing the whole procedure amounted to several million euros, often estimated as a percentage over the total tender yield.

The rights that were submitted to the call for tenders were the following:

- (a) 14 blocks of 2x2.5 MHz in the 880-915 MHz and 925-960 MHz bands, and
- (b) 4 blocks of 2x2.5 MHz in the 1710-1730 MHz and 1805-1825 MHz bands.

The tendering process consisted of two phases. In the first phase, every participant had the right to apply for Radiofrequency Rights of Use of 5 MHz or 7.5 MHz spectrum in the GSM 900 band (two or three radiofrequency blocks respectively).

⁷ Updated Guidelines Framework and Network and Services Licensing (2002/21/EC and 2002/20/EC respectively).

In the tendering process for the 900MHz spectrum band:

- (a) If there were up to three bidders, then the already reserved Radiofrequency Rights of Use from 5 MHz to 7.5 MHz would be granted to them at the auction starting price.
- (b) If there were four bidders, then the already reserved Radiofrequency Rights of Use of 5 MHz would be granted to them at the auction starting price.
- (c) No prior reservation for granting Radiofrequency Rights of Use would be made if there were more than four bidders

In the second stage, the radiofrequency blocks that would still be available in both bands after the completion of the first phase would be allocated through a multiple-round auction at an increasing price. During the submission of bids, every bidder, who had not withdrawn or been disqualified from the Auction, would have the following options:

1. To bid for all the radiofrequency blocks of their choice under the condition that (a) the bidded radiofrequency blocks in the GSM 900 band added to the radiofrequency blocks that he already holds in this band and to the blocks he had applied for in the first phase and are different from those already held, would not exceed 2x15 MHz and (b) the radiofrequency blocks for which he had bidded in the DCS 1800 frequency band, when added to the radiofrequency blocks already held in this band, would not exceed 2x35MHz.
2. To temporarily abstain, as each bidder in the auction could exercise the right to abstain up to six times.
3. To withdraw from the Auction.

In the event that a bidder has offered the highest price for a radiofrequency block in one round (highest bidder) then he could not withdraw this offer, while in the next round he had the discretionary power to submit an offer for radiofrequency blocks for which he was not the highest bidder. In case that he had accumulated the maximum number of blocks permitted per frequency band (GSM 900 2x15 MHz and DCS 1800 2x35 MHz), he had to remain inactive.

If there was non-allocated spectrum in the GSM 900 or in the DCS 1800 bands in the last round, EETT could restart the multiple-round Auction process at an increasing price, amending the restrictions of the 2x15 MHz and 2x35 MHz over the total bandwidth per

operator and per GSM 900 and DCS 1800 frequency band respectively.

By completing the Auction, if:

1. Some radiofrequency block had not been allocated, then this could be granted through a process that would commence at least two years after the completion of the particular Auction.
2. All radiofrequency blocks remain unallocated; these would be granted at a date set by EETT at a later stage.

Results

During the initial phase, all three mobile telephony companies responded in full, applying for the highest possible allocation for Radiofrequency User Rights in the GSM 900 area of 7.5 MHz bandwidth at 26.6 million euros per 2x2.5 MHz block. The amount paid by all three companies at this phase of the procedure was 181.7 million euros.

In the second phase, the available spectrum in the 900 MHz and 1800 MHz bands was allocated to the three companies after a four-round Auction. During the Auction every participant had the opportunity to submit his bid using the specific software that was specifically developed for this purpose by EETT's IT Department. The amount paid by all three companies at this phase was 198.835 million euros.

The final results of the Auction are summarized in Table 2.6.

By completing the Auction successfully at a minimum cost during a critical period for the country and the mobile telephony market, EETT gained valuable experience and know-how in the spectrum and competition assessment, as well as high-valued tools, such as the multiple-round auction software.

The Social and Financial Benefits

The advantageous utilization of networks, as a result of the tender procedure, brings significant benefits for the entire Greek Economy and society. Lifting the restrictions in the 900 and 1800 MHz bands, especially in the way conducted by EETT, is expected to contribute decisively to the growth of the Greek Electronic Communications market, pursuant to the principles of transparency, impartiality and proportionality. It promotes the development of new wireless technologies and services, as well as the third generation (3G) mobile telephony networks that support innovative communication, access and

Table 2.6. Auction Results for 900 MHz and 1800 MHz Bands (in million euros)

| Companies | 900 MHz | | 1800 MHz | | Total | |
|----------------------|-------------|----------------|-------------|---------------|------------------------|----------------|
| | Blocks | Amount | Blocks | Amount | Blocks 900+1800 MHz | Amount |
| COSMOTE Group | 2x10 | 77,611 | 2x10 | 41,222 | 2x10+2x10 | 118,833 |
| VODAFONE | 2x15 | 127,472 | 2x10 | 41,030 | 2x15+2x10 | 168,502 |
| WIND | 2x10 | 93,200 | | | 2x10 | 93,200 |
| Total | 2x35 | 298,283 | 2x20 | 82,252 | 2x35+2x20 | 380,535 |

[Source: EETT]

content services. Moreover, by liberalizing spectrum in the 900 MHz and 1800 MHz bands, the holders/owners of Radiofrequency Rights of Use will be able from now on to choose the technology they wish to employ by installing GSM/DCS, UMTS, LTE and WiMax systems. At the same time and under the appropriate conditions, it is ensured that the current operators, who have already invested in networks, personnel and technologies, will continue the provision of 2G services. Given that for UMTS networks, the 900 MHz band can induce total cost reductions up to 30% compared to the 2100 MHz⁸ band, mobile communications operators are expected to gain significantly, due to the lower investment and operational costs. Services with higher transmission rates, such as internet navigation, mobile TV and downloading large files can be further and faster developed (third generation mobile telephony networks with UMTS technology use). As a result, the range of choices, price competitiveness and the quality of services that are offered to consumers

will be strengthened, and the “digital gap” between the cities and the sparsely populated island and rural areas in the Greek countryside will be further bridged.

The Event of Licenses’ Signature

On December 19, 2011, in a special event, the respective licenses were signed by EETT’s President Dr. L. Kanellos and the heads of the companies COSMOTE, VODAFONE-PANAFON and WIND, Messrs M. Tsamaz, Gl. Persianis, and N. Zarkalis respectively. Signing off the licenses officially concluded the radiofrequency allocation process in the 900 and 1800 MHz bands by EETT.

The successful completion of this procedure is part of the national Digital Strategy that, by combining both wireless and wired technologies and 3G mobile telephony networks, aims at ensuring equal access for all Greek citizens and enterprises to the digital economy, as well as attracting investment in new communication technologies. In this respect, EETT guarantees the regulatory stability and fair competition for the consumer’s benefit.

⁸ Market study for UMTS900, A report to GSMA, Ovum Consulting, 2007.

Chronicle of the Spectrum Allocation

| | |
|---------------------------|---|
| January 4 | Launch of the Public Consultation aiming at: a) Investigating European practice. b) Taking corrective measures in case of distortions. c) Assessing the value of the spectrum rights of use. d) Establishing the best procedure for granting frequency rights of use expiring in 2012. |
| March 18 | The company «WIK – Consult GmbH», which inter alia has supported the German Regulatory Authority (BNetzA) during the recent auction for granting spectrum in Germany, is appointed as international technical advisor and will support: (a) the process for lifting the restrictions in the two bands, (b) the assessment of spectrum value and the procedure for granting rights of use in the 900 MHz. |
| July 26 | The Information Bulletin on the proposed procedure -which includes a detailed description of the procedure, the determination of the spectrum areas for which rights would be granted, a forecast on the duration and width of the relevant rights, the proposed starting price, as well as other terms- is placed under Public Consultation until September 9. |
| August 30 | EETT's Plenary meets with government representatives, in order to brief them on the methodology for estimating the proposed price, as well as the details of the tender. The General Secretary of Communications Professor S. Katsikas, the General Secretary for Privatization, Mr. G. Christodoulakis, the Managing Director of the Hellenic Republic Asset Development Fund, Mr. K. Mitropoulos, the Authorised Consultant, Mr. A. Taprantzis, as well as representatives from WIK GmbH, EETT's international consultant, were present at the meeting. |
| September 12 | Public Consultation concludes. EETT forwards the positions of the three companies COSMOTE, VODAFONE-PANAFON and WIND to the Minister of Infrastructure, Transport and Networks, who is legally competent to determine the final terms of the procedure. |
| September 20 | Issue of the relevant Ministerial Decision, which accepts EETT's recommendation in its entirety, paving the way for the tender procedure. The Draft Notice receives the approval of EETT's Plenary and is thereafter placed under Public Consultation for the period September 20 - September 27, 2011. |
| October 1 | EETT approves the issue of the Notice of the Call for Tenders, taking into account the European Commission's views. The tender procedure is finalized. |
| October 21 | The companies COSMOTE Group, VODAFONE Greece and WIND Hellas apply for participation. |
| October 25 | EETT Plenary approves the participation of the three companies in the spectrum allocation process. |
| November 2 & 3 | The participants are trained in the system for electronically submitting tenders at EETT offices. |
| November 7 | The date for the conduct of the multi-round bid auction at an increasing price is announced. |
| November 14 | Start and completion of the Auction. |
| December 19 | The event of licences' signature. |

3. The Electronic Communications Sector



In the context of the second round of market analysis, EETT analysed in 2011 the retail markets of access and of publicly available telephone services, as well as the Leased Lines markets. Additionally and as part of the third round of market analysis, EETT analysed the wholesale markets for (Physical) Access Provision to Network Infrastructure and Broadband Access Market (Wholesale Broadband Access-WBA). Furthermore, it approved OTE's Reference Interconnection Offer (RIO), amended the Reference Unbundling Offer (RUO) and examined the submitted Reference Offer regarding WBA. At the same time, EETT issued the new Regulation on the assignment of [.gr] Domain Names which improved the registration procedures, considerably decreased the time required for Domain Name assignment and enhanced the communication among the parties involved.

Moreover, EETT approved OTE's wholesale prices for the VDSL network that will allow providers to offer faster Internet access and new innovative services to customers. It also developed the "System for Performance Evaluation of Broadband Connection Services (SPEBS)", aiming at the transparent and objective evaluation of broadband connection quality by the end users themselves.

This chapter describes EETT's overall actions in the Electronic Communications sector in the course of 2011.

3.1. Market Analysis based on the European Regulatory Framework

According to the regulatory framework for the provision of Electronic Communications and Networks, EETT is responsible for carrying out both a definition and an analysis of the relevant markets in the Greek territory, as well as for imposing any regulatory obligations (as required per case) when it ascertains that a certain market is not adequately competitive. During 2011 and in the context of the second round of market analysis, EETT issued Decisions regarding the retail markets of publicly available telephone services for residential and non-residential customers, as well as for the retail access markets, while it also proceeded to a national Public Consultation regarding Leased Lines markets. In the context of the third round of market analysis, EETT analysed the wholesale (physical) network infrastructure access and broadband access markets. During the process of market analysis, EETT took into consideration the new Recommendation on the relevant product markets⁹, as well as the Guidelines on Market Analysis and Assessment of Significant Market Power¹⁰ of the European Commission.

⁹ European Commission's Recommendation of December 17, 2007, on relevant product and service markets within the Electronic Communications sector amenable to ex ante regulation in accordance with Directive 2002/21/EC of the European Parliament and of the Council on a common regulatory framework for Electronic Communications networks and services, [EU L 344/65, (2008/879/EC), 28-12-2007].

¹⁰ European Commission's Guidelines on Market Analysis

Retail Markets of Publicly Available Telephone Services for Residential and Non-Residential Customers

In the context of the second round of Electronic Communications market analysis, EETT examined the retail markets of publicly available telephone services for residential and non-residential customers taking into consideration the national market conditions shaped by the first round of analysis. The proposed Draft Measures were placed under a national Public Consultation¹¹ and the European Commission and the NRAs were notified in the period from November 26, 2010 to January 10, 2011. Taking into consideration the comments submitted by both the participants in the Consultation process¹² and the European Commission¹³, EETT issued the relevant Decision¹⁴, outlining the following markets which remain geographically based in the Greek Territory:

- the local and national calls market provided for residential and non-residential customers at a fixed location in Greece (calls to geographic numbers in Greece), and
- the market of calls to non-geographic numbers, provided to residential and non-residential customers at a fixed location in Greece (calls from fixed to

and Assessment of Significant Market Power under the European regulatory framework for Electronic Communications networks and services (2002/C 165/03).

¹¹ EETT Decision 585/13/25-11-2010.

¹² EETT Decision 595/012/10-03-2011.

¹³ European Commission's letter (EETT's reference number: 2410/20-01-2011, SG-Greffe (2011) D/1043).

¹⁴ EETT Decision 595/013/10-03-2011, GG Issue 533/B/06-04-2011.

mobile phones and calls to service providers via non-geographic numbers).

After applying the three criteria test¹⁵, EETT concluded that both markets need ex ante regulation. Subsequently, the Commission examined OTE's relevant power based on its market share, both in relation to other providers and the progress of the market, as well as the existence of potential competition and the lack of offsetting purchasing power of the retail customers. EETT finally concluded that the aforementioned markets still lack efficient competition conditions and that OTE continues to maintain Significant Market Power (SMP) in the defined relevant markets. In order to deal with current and potential future competition problems, EETT maintained the regulatory obligations imposed on OTE from the first round of market analysis, namely the following ones:

- Retail price control, which includes, inter alia, the imposition of a cap on retail prices/retention fees.
- Accounting separation for all calls.
- Non-discriminating treatment for all types of retail call.
- Compliance with the general provisions regarding transparency and publication of information.
- Prohibition of unjustified bundling. In addition, OTE must notify EETT about its proposals with regard to bundling, as well as about any modification in the terms of a package/offer.

Retail Access Markets

In the context of the second round of the Electronic Communications market analysis, EETT examined the retail access markets taking into consideration the national market conditions shaped by the first round of analysis. The proposed Draft Measures were placed under a national Public Consultation¹⁶ and the European Commission and the NRAs were notified in the period May 20, 2011 - June 20, 2011. After taking into consideration the comments submitted by both the participants in the Consultation Process¹⁷ and the European Commission¹⁸, EETT issued the respective Decision¹⁹, outlining the following markets which are geographically based in the Greek Territory:

- Retail access market to the public telephone network at a fixed location via PSTN, ISDN BRA, and managed VoIP access lines for residential and non-residential customers, and

- Retail access market to the public telephone network at a fixed location via ISDN PRA access.

Subsequently, EETT examined OTE's relative power based on its market share, both in relation to other providers and the evolution of the market, as well as the existence of potential competition and the lack of offsetting purchasing power of the retail customers. It concluded that the aforementioned markets are still characterized by lack of effective competition conditions, since OTE still maintains SMP. In order to address the current and potential future competition problems, EETT maintained the following regulatory obligations imposed on OTE from the first round of market analysis:

- Provision of Wholesale Line Rental (WLR), as well as of Access and Use of network related facilities.
- Non discriminating treatment of the WLR.
- Accounting separation for the WLR.
- Transparency for the WLR.
- Price control under a retail-minus scheme and cost-accounting for the WLR.
- Price control under a price cap scheme and cost-accounting for the retail access services.
- Non discriminating treatment for the retail access services.
- Transparency for the retail access services.
- Prohibition of unjustified bundling. In addition, OTE must notify EETT about its proposals with regard to bundling as well as about any modification in the terms of a package/offer.
- Accounting separation for the retail access services.

Moreover, EETT introduced specific amendment and publication procedures for the prices of retail access services to the public telephone network at a fixed location and the respective wholesale services. As far as the retail access market to the public telephone network at a fixed location via ISDN PRA access lines, EETT imposed the obligations of non-discriminating treatment and transparency on OTE.

Wholesale Market for (Physical) Access Provision to Network Infrastructure and Wholesale Broadband Access Market

In the aftermath of the Public Consultation²⁰ and the notification and approval of the Draft Measures by

¹⁵ According to the European regulatory framework and specifically the new Recommendation on the relevant markets, it is recommended to apply the following cumulative criteria for determining the markets amenable to ex ante regulation (1) the presence of high and non-transitory barriers to entry in the market in question, which could be of structural, legal or regulatory nature, (2) the structure of the market in question does not tend towards effective competition within the relevant market analysis time

horizon and (3) the implementation of competition law alone does not suffice to adequately address the market's failures.

¹⁶ EETT Decision 604/10/19-05-2011.

¹⁷ EETT Decision 614/08/28-07-2011.

¹⁸ European Commission's letter (EETT's reference number 25226/22-06-2011, SG-Greffe (2011) D/10048).

¹⁹ EETT Decision 614/11/28-07-2011, GG Issue 1907/B/30-08-2011.

the European Commission, EETT, in the context of the third round of market analysis, issued Decisions for the Wholesale Broadband (Physical) Access Provision to Network Infrastructure at a fixed location²¹ and the market for WBA²² (markets 4 and 5 of the Recommendation of the European Commission²³ on the relevant product markets). At the same time, EETT, taking into consideration the Recommendation of the European Commission on the Next Generation Access Networks (NGAs)²⁴, examined the wholesale markets in question, since they correspond to the same lower-level market (retail market). After the completion of the previous round of market analysis, the development of NGAs by OTE constitutes undoubtedly the most significant development of the markets under examination. Specifically, OTE develops NGAs via a Fiber to the Cabinet (FTTC), thus being able to provide wholesale and retail VDSL services. The development takes place within the timeframe of the current round of market analysis and particularly in the period 2010-2012.

While examining the various wholesale products over a copper network and over a fiber optic in relation to the level of demand and supply, EETT concluded that the following separate markets exist and are geographically based in the Greek Territory:

- Wholesale market for (physical) access provision to network infrastructure aiming at providing broadband and voice services.
- WBA Market.

The primary difference in relation to the previous round of market analysis lies in the fact that the markets in question now also include OTE's fiber optic network. Subsequently, after examining OTE's relative power based on its market share both in relation to other operators and the progress of the market, the possibility of potential competition and the lack of offsetting purchasing power of the retail clients, EETT concluded that the aforementioned markets are still characterized by lack of effective competition and hence require ex ante regulation, given that OTE still maintains SMP. In order to address the current and potential future problems in the physical infrastructure markets, due to the lack of pro-competitive conditions, EETT maintained the regulatory obligations that had been imposed in the context of the second round

of market analysis, amending, when necessary, their content. Particularly, it imposed the following obligations on OTE:

- Access provision and use of network related facilities.
- Non-discriminating treatment.
- Transparency.
- Accounting separation.
- Price control and cost-accounting.

At the same time, in the context of the third round of the WBA market analysis, EETT imposed the following obligations on OTE:

- Access provision and use of network related facilities.
- Non-discriminating treatment.
- Transparency.
- Accounting separation.
- Price control and cost-accounting.
- Elimination of the spectrum interferences over the various xDSL technologies.

According to the above obligations, OTE was obliged to provide the new retail products of broadband access via VDSL technology at least six months after EETT's approval of the prices and the terms for the respective wholesale products.

Leased Lines Markets

In the context of the second round of market analysis, EETT held a Public Consultation²⁵ in the period December 23, 2011 - January 30, 2012 concerning the proposed Draft Measures for the wholesale and retail leased lines markets. In this Draft, EETT concluded that the following Leased Lines markets exist:

- Retail Leased Lines with capacities up to 2 Mbps.
- Terminating segments of Wholesale Leased Lines with capacities up to 2 Mbps.
- Terminating segments of Wholesale Leased Lines with capacities of more than 2 Mbps.
- Trunk segments of Wholesale Leased Lines.

The primary difference in relation to the previous round of market analysis lies in the fact that the Ethernet technology exclusive capacity lines are included in the markets. After applying the three criteria test to the Leased Lines retail market and the market for trunk segments, EETT concluded that both markets require

²⁰ EETT Decisions 605/09/24-05-2011 and 605/10/24-05-2011.

²¹ EETT Decision 614/13/28-07-2011, GG Issue 1908/B/30-08-2011.

²² EETT Decision 614/12/28-07-2011, GG Issue 1983/B/07-09-2011.

²³ European Commission's Recommendation of 17 December 2007 on relevant product and service markets within the Electronic Communications sector amenable to ex ante regulation

in accordance with the Directive 2002/21/EC of the European Parliament and the Council on a common regulatory framework for Electronic Communications networks and services (notified under E(2007) 5406, (OJ L344/65, 28-12-2007).

²⁴ European Commission's Recommendation of 20 September 2010 on the regulated access to Next Generation Access Networks (NGA) (EU L 251/35, (2010/572/EU), 25-09-2010).

²⁵ EETT Decision 634/136/22-12-2011.

ex ante regulation. EETT then examined OTE's relative power, based on its market share both in relation to other operators and the progress of the market, the possibility of potential competition and the lack of offsetting purchasing power of the retail clients. The conclusion was that the markets in question are still characterized by lack of effective competition conditions and that OTE maintains SMP. In order to address the current and potential future competition problems, EETT proposes in the Draft Measures to sustain OTE's regulatory obligations, which are the following for the wholesale markets:

- Access and use of network related facilities.
- Transparency.
- Non-discriminative treatment.
- Cost-accounting.
- Accounting separation.

At the same time, EETT proposes the imposition of the following obligations on OTE for the Leased Lines retail market:

- Non-discriminative treatment.
- Transparency.
- Price control and cost-Accounting.
- Accounting separation.

3.2. Promoting and Ensuring Fair Competition in Networks and Services

3.2.1. Interconnection

Fixed Telephony

EETT approved under certain amendments, OTE's Reference Interconnection Offer (RIO)²⁶, bearing in mind the comments submitted in the context of the respective Public Consultation that was held in the period November 12 - December 13, 2010.

At the same time, in the context of ensuring fair competition in networks and services, EETT examined a series of submitted requests for dispute resolution according to the required procedure²⁷ concerning the following issues:

1. Routing number series -806, -812, -825 and -700 from a fixed network, via the national transit service of OTE.

²⁶ EETT Decision 612/011/14-07-2011 "Approval of OTE's Reference Interconnection Offer 2011", GG Issue 1758/B/03-08-2011 implementing EETT' Decision 573/017/22-07-2010, GG Issue 1353/B/01-09-2010 "Market Definition for Wholesale Call Origination in the public telephone network provided at a fixed location, Wholesale Call Termination to individual networks at a fixed location, Wholesale Transit to the fixed public telephone network,

2. Routing number series -807 from fixed telephony providers.

As far as the first request was concerned, the Dispute Resolution Committee invited the companies involved to sign an interconnection agreement via OTE's national transit service which would be simultaneously notified to EETT. Subsequently and within one month from the notification of the Committee's Decision, the fixed telephony operator was requested to implement the routing of the aforementioned number series. The second request is currently under examination in accordance with EETT's respective procedure.

Mobile Telephony

EETT has been called upon to resolve the dispute among the three mobile telephony operators (COSMOTE Group, VODAFONE, and WIND Hellas) and the companies VIVA and VOICENET concerning their interconnection cost, as well as the possibility of routing VIVA's number series via the mobile telephony operators' networks. The goal was to ensure, inter alia, each company's right to provide Electronic Communications services, fair competition and the safeguarding of public interest, as well as the development of the internal market in combination with protecting end-users interests²⁸.

Analytically, EETT concluded that the revenues collected by the mobile telephony operators in the form of origination or retention fee in order to allow their subscribers to access, via the VOICENET network, the -800, -806, -812, -825 number series services of telephone directories (11876) and Premium Rate Services (PRS) of VIVA is not reasonable in relation to the provided services and the bearing risks. Hence, it has to be reduced.

Since the negotiation efforts of the involved parties, aiming at reaching an agreement for the reduction of the aforementioned fee, were unsuccessful, EETT requested the expenses (operational and capital) and revenues data (revenues and traffic per number series). Its intention was to conduct its own techno-economical analysis in order to determine the reasonable interconnection fee between the mobile telephony companies and VOICENET in relation to routing VIVA's number series via the mobile telephony operators' networks.

EETT decided that VIVA is entitled to define the retail price of its services and to pay VOICENET

Identification of Operators with Significant Market Power and their Obligations".

²⁷ EETT Decision 506/37/13-01-2009 "Regulation on access and interconnection provision terms and conditions pursuant to articles 41 par. 3 and 42 par. 3 of L. 3431/2006" GG Issue 369/B/03-03-2009.

²⁸ Article 3 of L. 3431/2006, GG Issue 13/A/03-02-2006.

and consequently the mobile telephony operators a reasonable interconnection fee, calculated by a specific model. Particularly, this fee consists of a fixed and a variable charge. The fixed charge includes the call origination cost and the shared operational expenses that are, directly or indirectly, related to the provision of access-interconnection to VIVA's services via VOICENET for each mobile telephony operator's customers plus a reasonable mark-up. The calculation of the fixed charge was based on the estimated financial data of the mobile telephony operators regarding the technical network cost, the operational and capital cost (invoicing and receivables collection, customer service, advertising, distribution, sales, common operational expenses and capital expenditure) as well as the total expenses associated with acquiring and retaining subscribers per mobile telephony operator. The cost of the network origination/interconnection cost was calculated based on the "bottom-up"²⁹ cost model that was updated in 2008, in the context of calculating the termination fees during the second round of market analysis³⁰. Finally, the variable charge is applied as a percentage on the retail price of each VIVA's service and entails the variable charges (bad debt) per mobile telephony operator.

EETT considered that the reasonable interconnection fees ought, among other things, to ensure the balance between the interests of the involved parties to the benefit of end users. This balance is achieved, when both the network provider (mobile telephony companies) and the services provider (VIVA) offer their services at a comparable or even identical profit margin. Taking into account and analyzing all the related data, EETT reached a Decision that includes a capped interconnection fee which will be paid by VIVA to each mobile telephony company for routing its number series via their networks. This fee is considerably lower compared to the current one. The new interconnection fee aims at retrieving the total operational and network cost incurred by the network provider at a reasonable profit margin, but also at ensuring the viability and the sufficient profitability of the content provider. The basic goals are the provision of a wide range of new services from the mobile networks, the development of the internal market for PRS and the promotion of end users' interests.

²⁹ Its calculation is published and constitutes a commonly accepted tool within the telecommunication market, as defined pursuant to the method of the increasing cost of the current service (LRIC), taking into account the fact that the termination fee absorbs mutual cost elements with the origination fee, due to the similar use of network resources.

³⁰ EETT Decision 498/046/15-10-2008, GG Issue 2260/B/05-11-2008.

3.2.2. Local Loop Unbundling

In 2011, EETT took the following actions for further developing Local Loop Unbundling (LLU):

- Amended³¹ OTE's Reference Offer for LLU and Related Facilities (Reference Unbundling Offer – RUO 2011), improving the procedures for providing access to local loop and sub-loop.
- Conducted two Hearings in which both OTE and the operators FORTHNET and HELLAS ON LINE were summoned respectively. The first case examined OTE's charges to FORTHNET for failures repairing and the second one pertained to the complaints filled by HELLAS ON LINE against OTE for violating the legislation in force.

The positive contribution of EETT's actions to the further development of LLU is reflected in the following trends:

- The number of local loops operating in the entitled providers' networks rose to 1,710,000 in December 2011 from 1,387,000 in December 2010 (roughly 23.3% of the country's total fixed telephone lines).
- The pairs available for activation delivered by OTE to the entitled providers reached the number of 2,610,000 in December 2011 compared to 2,310,000 in December 2010.

In 2012, EETT will examine a series of critical issues for LLU, concerning:

- The extension of improved techniques used for achieving higher speeds (Upstream and Downstream), via the VDSL technology, that will directly influence and potentially interfere with the existing connections.
- The implementation of the provisions relevant to the installation of cabinets in the yard area of OTE's Local Exchanges (L/E).
- The use of the sub-loop by the entitled providers in order to develop NGAs.
- The coordination of all procedures pertaining to the access to the infrastructures of access networks.
- The implementation of the Collocation Regulation in combination with the implementation of Rights of Way throughout the country.

³¹ EETT Decision 612/013/14-07-2011 "Amendment – Correction of provisions of EETT Decision 573/0115/22-07-2010 in regard to the 'Approval of OTE's Reference Offer 2010 for LLU and Related Facilities, pursuant to EETT Decision 531/065/23-07-2009' (GG Issue 1338/B/31-08-2010) as amended by EETT's Decision 580/010/14-10-2010 (GG Issue 1814/B/19-11-2010' GG Issue 1952/B/02-09-2011).

3.2.3. Wholesale Broadband Access

The issue of the Reference Offer for providing WBA, constitutes one of OTE's regulatory responsibilities³². This Offer sets out specific procedures and deadlines, based on which OTE provides WBA services to third providers, thus ensuring that they can offer to end users services equivalent to those provided by OTE's retail department. Moreover, the establishment of mechanisms and quality indicators is of crucial importance to ensure the non-discriminating treatment and the transparency of procedures as well as the compliance to the terms-conditions for the provision of services. OTE fulfilled the above obligation and submitted a Draft Reference Offer to EETT that was subsequently placed under a Public Consultation. EETT will elaborate the Draft Offer along with the replies of the parties involved and will reach a Decision so as to put the new Reference Offer for the provision of WBA into effect within 2012.

3.2.4. Universal Service

EETT, bearing in mind both the registered problems of implementing the applicable Joint Ministerial Decision (JMD)³³ and the views of the parties involved that were submitted during the respective Public Consultation, decided³⁴ to submit a letter of recommendation to the Ministry of Infrastructure, Transport and Networks (MITN) for amending the specific JMD. The letter pertains to obligations for providing additional services/facilities or even price discounts for specific services and for specific groups of end users with an ascertained disability level, in the context of the Universal Service (US).

3.2.5. Inspections of Electronic Communications Providers

Identification of Mobiles

Pursuant to Law 3783/2009³⁵, any provider of mobile telephony services is obliged to identify the owners and users of mobile telephony equipment and services. At the same time, the Law authorizes EETT to conduct scheduled and ad hoc inspections on providers

to confirm their compliance with the obligation of identifying the subscribers and to impose administrative sanctions in cases of infringement.

In the context of its responsibilities, EETT inspected the providers to ascertain whether the identification procedure is followed or not. It should be noted that all mobile providers in Greece bear the responsibility of identification, regardless of whether the used numbering scheme (subscriber number) is Greek or foreign. Analytically and pursuant to a relative inspection, EETT ascertained that the company "Daniilidis Charisma Limited" did not comply with the identification procedure, imposed Interim Measures³⁶ on the provider and conducted the respective Hearing³⁷.

Pre-paid Voice Cards

In the aftermath of EETT's spot inspections of the pre-paid voice cards available to the public, it was ascertained that in many cases the access to the telephone services is not realized via a toll-free number of the 807XXXX series, but via subscriber numbers of fixed or mobile telephony. Hence, EETT requested the compliance of all pre-paid card providers with the legal framework within a specific timeframe. It should be noted that pursuant to EETT's Decision³⁸, network providers should not charge users for calling numbers via cards. Moreover, according to the Decision³⁹ of the Minister of Infrastructure, Transport and Networks, the 807 number series is used for seven-digit numbers for calls via phone cards (877 XXXX).

After the relevant deadline expired, EETT conducted a series of inspections, ex officio or pursuant to complaints by other providers to confirm the providers' compliance with the above legal framework. At the same time, EETT informed the interested providers on the procedure for submitting interconnection requests to network providers in order to implement the routing of calls to the 807 number series, as well as on EETT's procedure for dispute resolution in case that the interconnections agreements fell through.

Smartphones

During 2011, EETT received numerous consumers' complaints regarding disputed and excessive charges when using their smartphones.

³² EETT Decision 614/12/28-07-2011, GG Issue 1983/B/07-09-2011.

³³ JMD 44867/1637 "Taking Measures for end-users with disabilities"; GG Issue 1667/B/18-08-2008.

³⁴ EETT Decision 593/28/17-02-2011.

³⁵ Identification of the owners and users of mobile telephony equipment and services and other provisions; GG Issue 136/07-08-2009.

³⁶ EETT Decision 623/41/11-10-2011.

³⁷ EETT Decision 40646/F.391/21-10-2011.

³⁸ EETT Decision 441/121/21-06-2007 "Regulation on the Management and Assignment of Numbering Resources of the National Numbering Plan", GG Issue 1260/B/23-07-2007.

³⁹ Decision of the Minister of Transport and Communications 26634/924 "National Numbering Plan for Electronic Communications' Services", GG Issue 768/B/15-05-2007.

Particularly, the consumers:

1. Disputed charges for using Internet services via their mobile phone without having requested, or at least consented to the activation of those services.
2. Protested by declaring that they were never informed by the providers about the invoice scheme and the charges when accessing Internet services via smartphones.

EETT conducted Hearings in order to identify whether there was an infringement of the telecommunication legislation⁴⁰. EETT has issued recommendations for the optimum and safest use of smartphones, especially for consumers.

Audits at OTE's Local Exchanges and Infrastructures

In the context of its supervisory role, EETT conducted in 2011 audits/inspections either ex officio or pursuant to complaints:

- In the L/E areas of Agia Paraskevi, Ilioupoli and P. Faliro (Kalamaki) to investigate issues concerning the Collocation of the providers' antennas.
- At OTE's information systems that handle the provision of telephone services for subscribers both of OTE and of other providers, as well as their fault reception.
- At OTE's outdoor distribution frames (KV) for ascertaining their security level.

Premium Rate Services (PRS)

EETT carried on with its initiatives regarding the PRS by conducting inspections either ex officio or pursuant to complaints, to ascertain the compliance of the providers with the regulations of the Code of Practice for the provision of PRS. In particular, it examined the reliability of the information for the consumer by checking the providers' web pages and any form of promotional material, as well as the sound implementation of the procedure governing the provision of PRS. The goal is for the consumers to make a conscious decision when using a PRS to avoid unwanted charges.

Specifically, EETT, in order to address a series of filled complaints related to subscriber-only PRS which are being provided via Premium Short Message Services (PSMS) to short codes of the 54XXX series:

1. Conducted technical inspections of the services

provided by the operators involved in the respective complaints according to the amendment of the Code of Practice for the provision of PRS, which includes special provisions for issues referring to subscriber-only PRS. Subsequently, EETT addressed letters to PRS providers, requesting further compliance with enhanced consumer-friendly practices.

2. Pursuant to the technical inspections and the processing of related complaints, EETT summoned Transnet⁴¹ and Bob Mobile⁴² to a Hearing, and has imposed fines of 500,000⁴³ and 756,236⁴⁴ euros respectively for infringements of the legislation in force.
3. EETT launched a new information service on its website which enables consumers to find the contact details of any company (PRS provider) related to a premium rate number.

The direct result of the aforementioned initiatives was the reduction in the consumer complaints by more than 50% on a monthly basis as compared with 2010.

Revocation of COSMOLINE's Fixed Wireless Access (Wi-Max) License at 3.5 GHz

In March 2011, pursuant to a relevant Hearing, EETT decided the revocation of COSMOLINE's Wi-Max license in the 3.5 GHz band. The license was granted via a tender process where COSMOLINE was the highest bidder offering the amount of 20,475,000 euros in August 2006. However, since 2006, and despite the extension granted by EETT, COSMOLINE did not take any significant initiative for the installation and the operation of a Wi-Max network. Moreover, despite EETT's repeated written requests, the company had not paid the residual contractual amount of 4,095,000 euros, which amounted to 20% of the total bid. Subsequently, EETT took all legal measures for the collection of the outstanding amount of 4,095,000 euros along with the legal default interests, in accordance with the stipulations of the Code for the Collection of Public Revenue.

⁴⁰ In particular the L. 3431/2006, GG Issue A 13/03-02-2006 and EETT Decisions 390/03/13-06-2006 "Regulation on General Authorization" GG Issue 748/B/21-06-2006 and 488/82/15-07-2008 "Code of Practice for the Provision of Electronic Communications Services to Consumers", GG Issue 1505/B/30-07-2008.

⁴¹ EETT Decision 46211/F.391/09-11-2010.

⁴² EETT Decision 46209/F.391/09-11-2010.

⁴³ EETT Decision 593/72/17-02-2011.

⁴⁴ EETT Decision 595/70/10-03-2011.

3.2.6. Examination of OTE's Bundled Services / Packages

In the context of an ex ante regulation and taking into consideration OTE's SMP, the examination of its economy programs is an imposed regulatory obligation aiming at deterring practices of price margin squeeze. This specific procedure is carried out by EETT in accordance with the methodology and the model of Appendix I "Methodological Definition and General Principles for the Examination Model of Individual and/or Bundled Services Economy Programs of Companies with SMP"⁴⁵. During 2011, 47 economy programs were approved by EETT, one was rejected and one was withdrawn by OTE.

3.2.7. Cost Accounting Audits

EETT, in cooperation with independent chartered auditors has carried out and completed the 2011 cost accounting audit with actual data for 2009 and forecasted data for 2010 and 2011. The audit started in November 2010, when OTE submitted its data and was completed by May 2011. EETT decided⁴⁶ to approve the results of OTE's cost-accounting audit, stipulating the pricelists for the services in relation with the regulated wholesale markets for which OTE is subject to regulatory obligations for price control, cost accounting and accounting separation on the one hand, and relating to the regulated retail markets for which OTE is subject to the obligation for cost-oriented price control, on the other. This cost accounting audit referred to a range of services⁴⁷ whose costs have been defined on the basis of the following two costing methods: (a) Long Run Average Incremental Cost (LRAIC) and (b) Fully Distributed Cost (FDC).

Pursuant to the 2011 cost accounting audit and in compliance with EETT's respective Decisions⁴⁸, in July 2011, OTE posted for the second time in a row on its website⁴⁹ the cost accounting data and in particular the Reference Models of the LRAIC cost accounting system (LRAIC tables). This action contributes to the promotion of transparency in the Electronic Communications market, given that it enables other providers to gain an insight to the individual costs comprising the wholesale price of the most significant

regulated services, which fall under the obligation of cost-orientation.

At the same time, in October 2011 and pursuant to OTE's submission of the respective data, EETT commenced the 2012 cost accounting audit of OTE with actual data as of 2010. The results of this audit are expected to be announced in the first months of 2012.

Furthermore, EETT examined the submitted Bottom-Up model regarding the wholesale services of broadband access via copper network and fiber optic (VDSL) and approved OTE's cost-oriented pricelists⁵⁰. It should be mentioned that the VDSL-provided services guarantee higher access speeds up to 50 Mbps in comparison to the previous ADSL technology (up to 24 Mbps speed). The approval of OTE's prices for the provision of wholesale broadband access services via VDSL to other providers constitutes another important step to the coordinated and unilateral transition of Greece to the new Electronic Communications network infrastructure. The European Commission's Recommendation for the NGAs⁵¹ allows for a six-month transitional period pursuant to the publication of EETT's Decision in the Government Gazette. In this context and assuming that OTE will be technically ready to provide wholesale services, it will then be possible to offer broadband access retail products via a VDSL network.

3.2.8. Regulated Prices Control

The price cap for the following services is set to:

| | |
|---|-------------------|
| Local Calls within OTE's network (on-net). | 3.11 euros/minute |
| National calls within OTE's network (on-net) | 5.83 euros/minute |
| Dial-up calls by OTE subscribers to the Internet (including the Greek Single Access Number) when the ISP is hosted by and/or is interconnected to the OTE network | 1.59 euros/minute |

* Note: the above prices (i) reflect the effective price because OTE's pricing policy involves different rate zones and (ii) do not include VAT.

⁴⁵ EETT Decision 595/013/10-03-2011, GG Issue 533/B/06-04-2011 "Definition of the national Retail Markets of Publicly Available Telephone Services at a fixed location, identification of Operators with Significant Market Power and their Obligations (2nd round of market analysis).

⁴⁶ EETT Decision 604/011/19-05-2011, GG Issue 1222/B/14-06-2011.

⁴⁷ Interconnection, LLU (including Collocation services), WBA, Leased Interconnection Lines, wholesale and retail end-to-end Leased Lines and Number Portability.

⁴⁸ EETT Decisions 482/051/26-05-2008, GG Issue 1151/B/24-06-2008, 562/029/22-04-2010, GG Issue 668/B/18-05-2010 and 573/11/22-07-2010, GG Issue 1348/B/01-09-2010.

⁴⁹ http://www.ote.gr/portal/page/portal/OTEGR/TheCompany/ImportantInfo/Important_Info_Basket/ypodeigmata_anaforas2011.

⁵⁰ EETT Decision 631/023/01-12-2011, GG Issue 2967/B/23-12-2011.

⁵¹ European Commission's Recommendation of 20 September 2010 on the regulated access to Next Generation Access Networks (NGA) (EU L 251/35, (2010/572/EU), 25-09-2010).

3.2.9. Competition Issues

In the context of its responsibilities on competition issues and pursuant to the complaints filed by four claimants, EETT along with the Competition Commission jointly examined the case of the likely infringement of Law 703/1977 (current Law 3959/2011) by the company “GERMANOS S.A.”. The complained companies refer to the infringement of articles 1 and 2 of Law 703/1977, as well as the articles 101 and 102 of the Treaty on the Functioning of the European Union⁵² in the context of the franchising network operated by the complainant particularly in relation to their contractual terms.

In order to investigate the case and in the context of the prescribed procedure, EETT has already started collecting the necessary information by sending relevant letters – questionnaires both to the complainers and the complainants.

3.2.10. Accounting Separation

Fixed Telephony

Pursuant to EETT’s Decision⁵³, OTE specified and regulated, inter alia, the details governing the obligation for implementing accounting separation in those Electronic Communications markets that has SMP.

In the context of the 2011 cost accounting audit, based on the 2009 actual data, OTE has submitted its accounting separation statements for audit. In the course of the audit, EETT identified certain weaknesses in its implementation and especially in the transfer prices. Subsequently, EETT submitted to OTE some improvement proposals, which will be assessed during the 2012 cost accounting audit with actual data as of 2010.

Mobile Telephony

According to EETT’s Decision⁵⁴, the three mobile telephony operators (COSMOTE Group, VODAFONE and WIND Hellas) are obliged to implement accounting separation. In this context, and pursuant to an informal meeting between the parties involved, EETT conducted a Public Consultation in the period April 19 - May 31, 2011. After assessing the providers’ comments, EETT is in the final implementation stage of the measure.

3.2.11. Number Portability

Number Portability continued to rise significantly, given that also for 2011 the ported numbers exceeded 1 million despite the approximately 12% decrease compared to 2010. Analytically:

- A total of 1,129,245 numbers were ported, which is the second largest annual number of ported numbers (the largest number was recorded in 2010).
- A total of 506,413 mobile telephony numbers were ported, which is the second largest annual number of ported mobile telephony numbers (the largest number was recorded in 2010).
- A total of 622,834 fixed telephony numbers were ported, which is the second largest annual number of ported fixed telephony numbers (the largest number was recorded in 2010).
- A total of 116,472 numbers were ported in December 2011, which is the second largest number of ported numbers within one month (the largest number was recorded in June 2010).
- A total of 66,579 fixed telephony numbers were ported also in December 2011 which is the largest number of fixed telephony numbers ported within one month.

By the end of 2011, a total of 5,281,662 fixed and mobile telephony numbers were ported. Table 3.1. presents the evolution of the fixed and mobile telephony ported numbers on an annual basis and accumulatively. At the same time, the significant reduction of the time required for Number Portability decided by EETT⁵⁵, has also become effective for the fixed telephony as well, whereas for the mobile telephony had been already implemented since December 2010.

Finally, EETT, after negotiating with TELCORDIA, the company that manages the National Reference Database for Number Portability (NRDNP), reached a new agreement for its management for the period September 1, 2011 - February 28, 2014. EETT’s intervention for the new agreement resulted in the 44% reduction of the price for handling the Number Portability requests by NRDNP. The new price applicable as of September 1, 2011 is 1.95 euro per ported number compared to the previous charge of 3.5 euros. The Electronic Communications market and the consumers are estimated to benefit over four million euros in the following two and a half years of the new agreement’s duration.

⁵² <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2010:083:0047:0200:el:PDF>.

⁵³ EETT Decision 482/051/26-05-2008, GG Issue 1151/B/24-06-2008.

⁵⁴ EETT Decision 498/046/15-10-2008, GG Issue 2260/B/05-11-2008.

⁵⁵ EETT Decision 566/016/03-06-2010 “Amendment and Codification in a single document of the Regulation on Number Portability in the Greek Market, GG Issue 967/B/30-06-2010.

Table 3.1. Evolution of Ported Fixed and Mobile Telephony Numbers

| Year | Mobile Telephony | | Fixed Telephony | | Total | |
|-------|------------------|----------------|-----------------|----------------|-----------|----------------|
| | Numbers | Accumulatively | Numbers | Accumulatively | Numbers | Accumulatively |
| 2004* | 16,123 | 16,123 | 1,156 | 1,156 | 17,279 | 17,279 |
| 2005 | 49,641 | 65,764 | 27,403 | 28,559 | 77,044 | 94,323 |
| 2006 | 117,767 | 183,531 | 44,798 | 73,357 | 162,565 | 256,888 |
| 2007 | 358,517 | 542,048 | 300,909 | 374,266 | 659,426 | 916,314 |
| 2008 | 362,601 | 904,649 | 562,961 | 937,227 | 925,562 | 1,841,876 |
| 2009 | 486,815 | 1,391,464 | 544,039 | 1,481,266 | 1,030,854 | 2,872,730 |
| 2010 | 648,074 | 2,039,538 | 631,611 | 2,112,877 | 1,279,685 | 4,152,415 |
| 2011 | 506,413 | 2,545,951 | 622,834 | 2,735,711 | 1,129,247 | 5,281,662 |

* It refers to data since the operational start (02-04-2004) of the National Reference Database on Number Portability (NRDNP) which is the special database used in facilitating the implementation of Number Portability in Greece.

3.2.12. Electronic Signature

EETT posts on its website the Trusted Service List (TSL) that provides information on all Certified Service Providers (CSP) issuing recognized certificates and is supervised/ accredited by EETT in matters pertinent to their compliance with the provisions of the Directive 1999/93/EC.

The authenticity and integrity of the TSL is guaranteed by the electronic signature of its “automated (machine) processing” format (.xml) and the publication of its human readable format (.pdf) on a secure website. For the time being, there are three CSPs registered in the List that issue accredited certificates. Moreover, EETT invited the parties interested to participate in the procedure of Voluntary Accreditation of the CSPs (either as parties responsible for confirming the compliance with the security provisions for the creation of a signature or as parties responsible for confirming CSP’s compliance with the Voluntary Accreditation criteria) to declare their interest to EETT.

3.2.13. [.gr] Domain Names Assignment

The new Regulation on the Management and Assignment of [.gr] Domain Names⁵⁶ came into force on October 30, 2011, whereas certain transitory provisions pertaining to checking [.gr] Domain Name requests were already applicable from April 2011. By implementing the new Regulation, EETT aims at:

- Reducing the time required for checking and assigning Domain Names.
- Establishing new procedures for the improved operation of registrars and the more efficient communication between EETT and the registrars, as well as between the registrars and the registrants.

One of the main changes brought by the new Regulation refers to the procedure and the time required for the assignment of Domain Names. Analytically, the entities wishing to be assigned a [.gr] Domain Name, submit a registration declaration to a registrar of their choice. The declarations are promptly processed by the Domain Names Registry and if they are not void, then the Domain Names are temporarily activated.

Five days after the submission of the registration declaration, the [.gr] Domain Names are assigned to the respective entities. During this period the registrar is entitled to revoke the registration declaration, either following the request of the entity or in the event of non payment of the corresponding legal fees by the entity to the registrar. This change reduces the waiting time for the Domain Names assignment, given that the check of their assignment is automated and does not require a Decision by EETT’s Plenary (Chart 3.1.). Ever since the transitory provisions came into force, the time required for checking the Domain Names, based on the Domain Names Registry’s data, has already been reduced to approximately 8 days compared to the 35 days needed before. That period was further reduced to one day, apart from the five-days initial period, ever since the new Regulation came into force at the end of October (Chart 3.2.).

⁵⁶ EETT Decision 592/012/03-02-2011, GG Issue 593/B/14-04-2011.

The aforementioned procedure does not include:

- (a) The Domain Names where the variable field matches a geographical term included in the relative list posted on EETT's website.
- (b) The common used 3rd level [gov.gr] Domain Names, since the check for those Names can not be fully automated. In any case, the waiting time for checking also these Names does not exceed 20 days.

The new Regulation also changes the operation of the registrars, since the fees for the assignment of Domain Names are being paid via a software application provided to the registrars by EETT. Access to the new fees payment system is granted to those registrars that have settled their pending over-due fee payments, and have paid the respective amount for making any new chargeable act in the Domain Names Registry. Furthermore, the [.gr] Domain Names registrars are obliged to submit exclusively via the electronic application submission system any request addressed to EETT, such as notifications of registrars.

At the same time, particular emphasis has been placed on improving the services to the registrants, since EETT has received numerous complaints related either to lack of communication with the registrars, or to the faulty assignment of Domain Names by the registrars.

Consequently, EETT imposed the following obligations:

- The registrars are required to have a consumer service line operating during the working hours and days, and their contact details must be available on their website.
- The registrars are obliged to submit proof for the submission of the registration declaration to the registrants, entailing information about the requested Domain Name and the registrant that requests it.

In any case, the registrant bears the responsibility to notify the registrar and the Registry about all modifications made to any of the registration data as well as the incorrect registration data that may result in the deletion of Domain Names.

Last, the total Domain Names' number including the sub-domains (com.gr, net.gr, org.gr, edu.gr, gov.gr) can be seen in Table 3.2. Also, Table 3.3. presents the number of assignments in relation to applications per month for January–December 2011. The 2011 average assignment percentage in relation to applications was 77% compared to 87% in 2010. For reasons of comparability between the figures appearing in the Tables of Domain Names assigned and applied for, the time reference set corresponds to the date the application was submitted rather than the date on which EETT reached an assignment/rejection Decision.

Chart 3.1. Percentage (%) of [.gr] Domain Names Assignment in relation to the Applications examined by EETT, 2003-2011

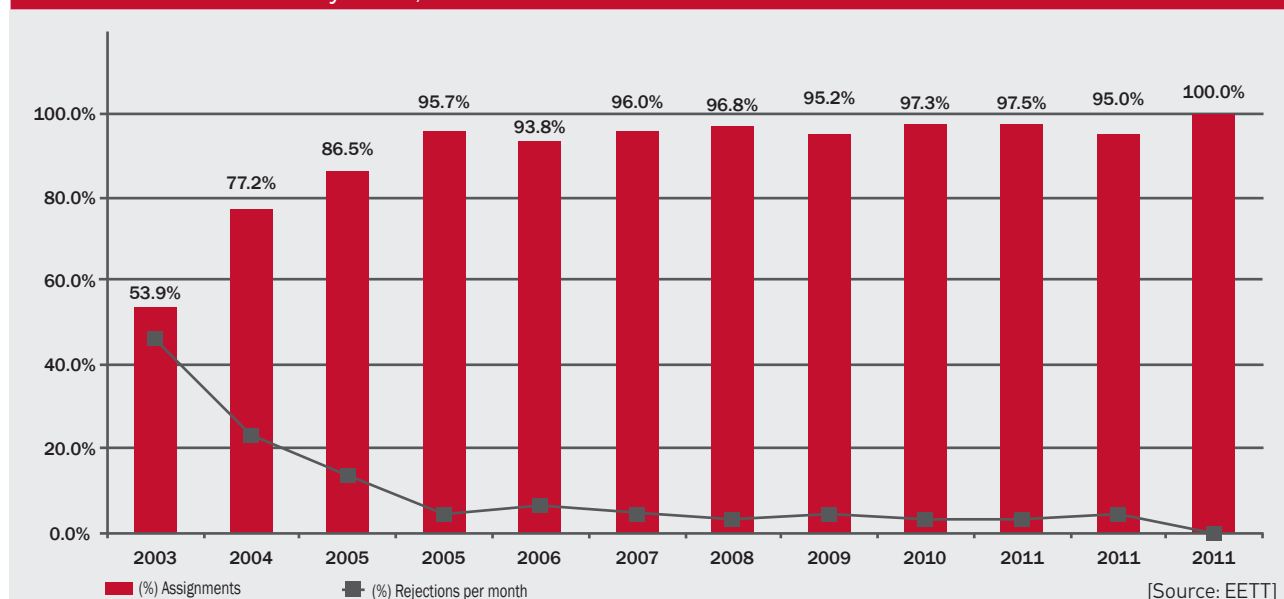
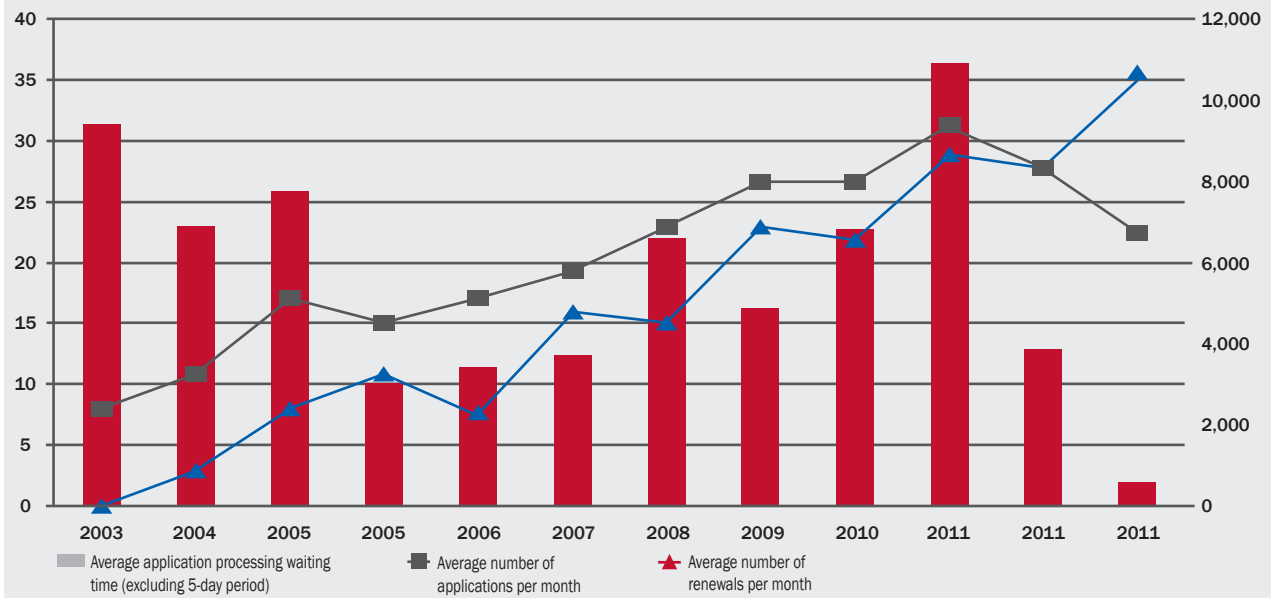


Chart 3.2. Waiting Time for Examining the [.gr] Domain Names Assignment and Renewal Application in relation to the Number of Applications being Examined Monthly by EETT, 2003-2011



[Source: EETT]

Table 3.2. Assigned [.gr] Domain Names, 2006-2011

| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|---------|----------------|----------------|----------------|----------------|----------------|----------------|
| .gr | 160,734 | 194,307 | 239,623 | 283,643 | 318,852 | 351,307 |
| .com.gr | 6,558 | 8,283 | 10,142 | 12,029 | 13,169 | 14,041 |
| .net.gr | 645 | 749 | 841 | 895 | 852 | 855 |
| .org.gr | 551 | 413 | 533 | 599 | 590 | 638 |
| .edu.gr | 342 | 631 | 746 | 902 | 1,016 | 1,131 |
| .gov.gr | 93 | 105 | 473 | 605 | 651 | 673 |
| | 168,923 | 204,488 | 252,358 | 298,673 | 335,130 | 368,645 |

[Source: EETT]

Table 3.3. Number of Assigned [.gr] Domain Names in relation to Applications, 2011

| Months | Applications | Assignments | Rejections |
|--------------|----------------|---------------|---------------|
| January | 9,078 | 8,480 | 598 |
| February | 10,915 | 9,277 | 1,638 |
| March | 12,211 | 9,355 | 2,856 |
| April | 12,884 | 8,548 | 4,336 |
| May | 10,507 | 9,294 | 1,213 |
| June | 8,662 | 7,564 | 1,098 |
| July | 10,313 | 7,442 | 2,871 |
| August | 9,600 | 5,730 | 3,870 |
| September | 15,511 | 7,944 | 7,567 |
| October | 9,959 | 7,655 | 2,304 |
| November | 7,555 | 7,157 | 398 |
| December | 6,417 | 6,191 | 226 |
| Total | 123,612 | 94,637 | 28,975 |

[Source: EETT]

3.2.14. Wholesale Rental of Public Telephone Network Access Lines

EETT decided⁵⁷ to conduct a Public Consultation regarding the Reference Offer for the Wholesale Line Rental (WLR) in the period October 24 – November 25, 2011. The Reference Offer for the provision of WLR was submitted by OTE in the context of its obligations, according to EETT's Decision⁵⁸ for the retail access markets (2nd round of market analysis). The results of the Public Consultation are expected in early 2012.

3.2.15. National Numbering Plan (Short Code 197 – 805 Series)

Pursuant to the Public Consultation held in the period February 7–28, 2011, EETT decided⁵⁹ to submit its proposal for amending the Ministerial Decision (MD)⁶⁰ to the Minister of Infrastructure, Transport and Networks. The amendment pertained mainly to the introduction of the short code 197 in the emergency short codes. This code provides support services to

individuals and their families that are psychologically and socially distressed, or suicidal. Pursuant to EETT's proposal, the short code 197 was included in the emergency numbers by a MD⁶¹.

Furthermore, EETT, taking into consideration the comments submitted by the parties involved during the Public Consultation held in the period August 4 – September 26, 2011, decided⁶² to approve the amendment of the Regulation on the Management and the Assignment of the Numbering Resources of the National Numbering Plan (NNP). The said amendment refers mainly to the following points:

- Regulations of issues regarding number portability from one secondary assignment user (physical or legal entity) to another user.
- Regulations of issues regarding primary assignment of numbering resources to a provider, pursuant to article 12, par. A of the Number Portability Regulation⁶³.
- Issues relating to the assignment of network short codes for customer care services exclusively in relation to a provider's network.

⁵⁷ EETT Decision 624/230/20-10-2011.

⁵⁸ EETT Decision 614/011/28-07-2011, GG Issue 1907/B/30-08-2011.

⁵⁹ EETT Decision 598/31-03-2011.

⁶⁰ Decision No 26634/924/03-05-2007 "National Numbering Plan for Electronic Communications' Services".

⁶¹ Decision 20509/541/19-05-2011 Amendment of the Ministerial Decision No. 26634/924/03-05-2007 "National Numbering Plan for

Electronic Communications' Services as applicable", GG Issue 1284/B/16-06-2011.

⁶² EETT Decision 634/135/22-12-2011 "Amendment of EETT's Decision 441/121/21-06-2007 'Regulation on the Management and Assignment of Numbering Resources of the National Numbering Plan'".

⁶³ EETT Decision 566/016/03-06-2010, GG Issue 967/B/30-06-2010.

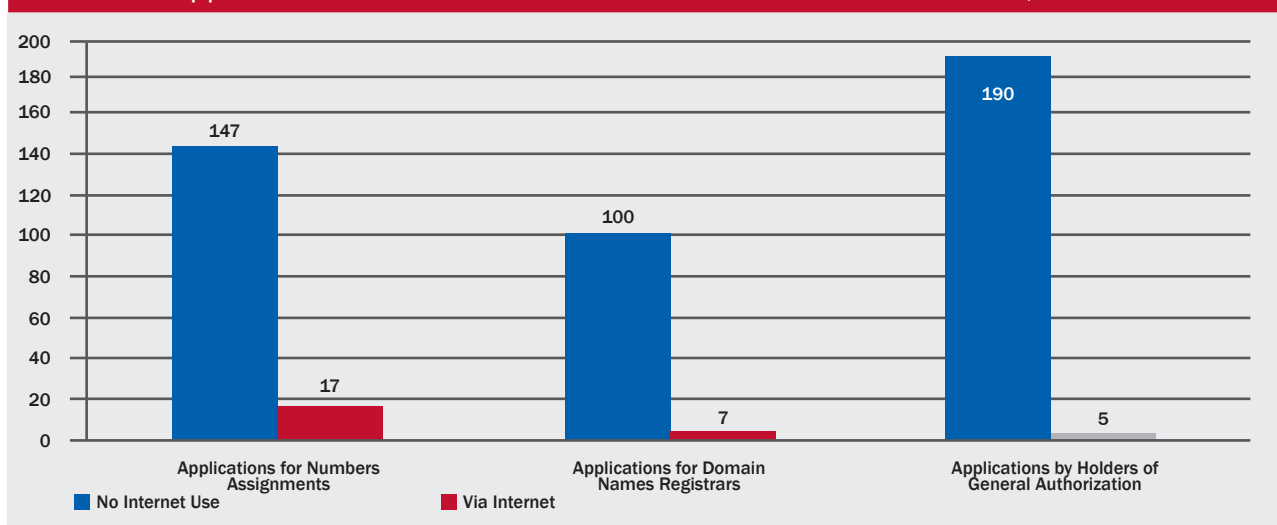
3.2.16. Electronic Submission for Providers' Application

June 2011 marked the one year operation of the web application for the Electronic Submission of applications and supporting documents for the Electronic Communications services providers. By means of this application, providers are informed about whether the documents submitted are complete, while their application is being instantly forwarded for further checking and processing. The web application

enables them to electronically submit applications for a significant range of services⁶⁴. According to the following Charts, 47% of all providers' applications to EETT for 2011 (422 out of 898 requests) has been submitted via the web application, while for 2010 the respective percentage was 6%.

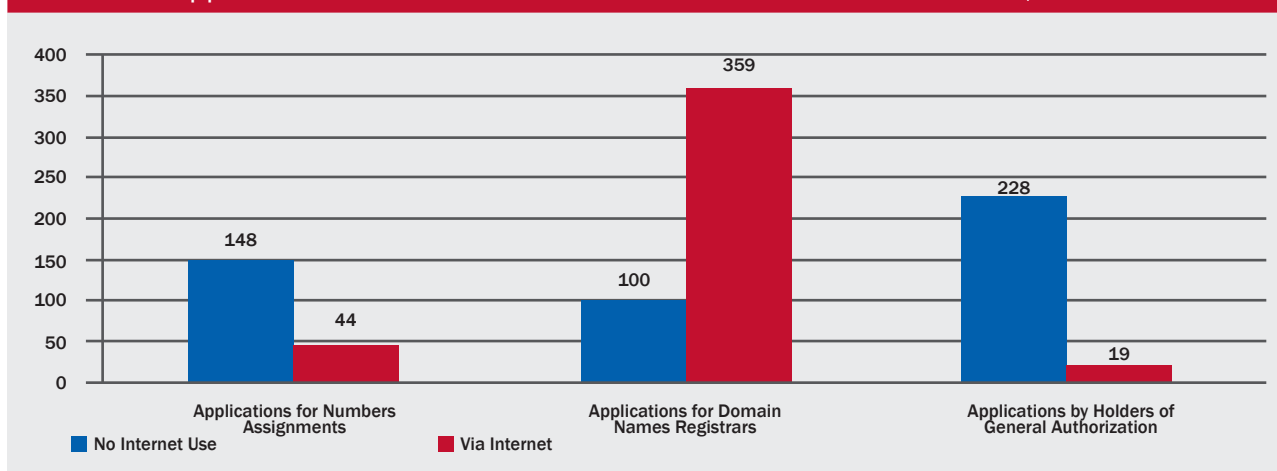
EETT's objective is to set this particular web application as the sole communication channel with the providers regarding the submission of applications. The next step will be the submission of applications for numbers of the NNP.

Chart 3.3. Applications Submitted for Electronic Communications Services, 2010



[Source: EETT]

Chart 3.4. Applications Submitted for Electronic Communications Services, 2011



[Source: EETT]

⁶⁴ General Authorization on Electronic Communications, Registrars of [.gr] Domain Names, Electronic Signature Certifiers, a Point of Service Activation (PSA) for Inmarsat Terminals for the provision of satellite

services via mobile terrestrial stations, NNP number assignment.
⁶⁵ EETT Decision 480/017/13-5-2008, GG Issue 1153/B/24-06-2008.

3.2.17. Quality Indicators of the Electronic Communications Services

According to EETT's Decision⁶⁵, the Electronic Communications services providers are obliged to record and publish Quality Indicators that will provide accurate, valid and comparable information to end users, increasing the transparency as regards the quality of the services provided. The Quality Indicators refer to fixed telephony services (e.g., unsuccessful call ratio etc.), mobile telephony services (e.g., voice transmission quality, voice calls set-up time etc.), fixed broadband services (e.g., data transfer rate, fault rate per access line, fault repair time etc.), customer care services (e.g., percentage of end-users complaints resolved etc.) and directory services (e.g., response time).

Towards the end of 2010, EETT proceeded to assess the amendment of the Decision for the Quality Indicators, aiming at rationalizing the imposition of obligations, given that the measurement cost was a disproportional burden for the smaller-sized providers. The amendment also examined the elimination of the measurement obligation for the services with a very small number of subscribers, while the measurement procedures were further refined based on the experience gained since the implementation of the Decision. EETT conducted a Public Consultation for the parties involved in the period March 28 – April 28, 2011 and decided⁶⁶ the following amendments:

- Providers with less than 50,000 subscribers for one service were not obliged to measure the quality of that service.
- The indirect fixed telephony services (with Carrier Selection/Pre-selection) irrespective of the subscribers' number were exempted from the measurement obligation.
- As far as the mobile communications systems were concerned, the videotelephony Quality Indicators were replaced by Indicators measuring the quality of Internet services.
- Provisions have been made that the quality measurements for the mobile communications systems will be performed by EETT, which will be responsible for conducting regular drive-tests measurements.

The new Decision came into force in November 2011 exclusively for the mobile telephony services, while for the other service categories it will enter into force in July 2012, in order to allow the efficient adjustment of the measurement systems. The previous Decision is still in force during the transition period. Moreover,

the measurement results for the quality of services conducted by the providers will be submitted to EETT via a specific and safe web platform.

3.2.18. Regulation on International Roaming

In the framework of implementing the Regulation on International Roaming, the relevant Roaming charges continued to fall. Specifically, as of July 1, 2011 all subscribers to Greek mobile telephony operators having chosen the euro tariff (voice, SMS) and travelling to one of the EU countries, as well as to Iceland, Lichtenstein or Norway, will be charged as follows:

- Up to 0.35 euro/minute for making a call.
- Up to 0.11 euro/minute for receiving a call.
- Up to 0.11 euro/SMS for receiving an SMS.

Voice mail messaging will be free of charge.

Moreover, all subscribers benefit from the information and consumer protection mechanisms established by the International Roaming Regulation, in order to avoid cases of excessive billing after using mobile phones or laptops for Internet services under Roaming conditions. At the same time, as of July 1, 2011, the wholesale cost of Internet use has dropped to 0.5 euro per MB.

During 2011, EETT in cooperation with the Body of European Regulators for Electronic Communications (BEREC) proceeded to verify the compliance of operators with the Regulation, while it has continued to monitor the developments in the International Roaming market.

3.3. Broadband Development

3.3.1. Broadband Penetration in Greece

The number of broadband connections rose to 2,464,279 at the end of 2011 compared to 2,252,653 at the end of 2010. Over the same period, broadband penetration in the population reached 21.8% compared to 19.9% at the end of 2010. The increase recorded in 2011 (211,626 lines) is by 37% lower than the respective increase during 2010 (336,023 lines) and considerably lower compared to the period 2006-2009.

Despite this fact, the increase of broadband penetration in the country during the first half of 2011 (0.9 lines per 100 inhabitants) was among the highest in the EU member states. It was also significantly

⁶⁶ EETT Decision 621/011/27-09-2011, GG Issue 2417/B/01-11-2011.

higher compared to the European average (0.6 lines per 100 inhabitants). At the same time, Greece has succeeded in climbing up to the 22nd place among the EU member states based on broadband penetration (compared to 23rd at the end of 2010).

The LLU lines have recorded a further increase reaching 54.3% of the total broadband lines in December. Respectively and for the same period, bitstream access and access via the incumbent's retail lines have fallen below 50% and amounted to 45.4% of the broadband lines.

Mobile broadband increased slightly, with the penetration of Internet subscribers via 3G networks and the use of laptops amounting to 2.8% at the end of the year compared to 2.6% at the end of 2010.

3.3.2. Next Generation Access Networks

The Recommendation of the European Commission⁶⁷ defines "Next Generation Access Networks" (NGAs) as wired networks which consist wholly or in part of optical elements and which are capable of delivering broadband access services with enhanced characteristics (such as higher throughput) as compared to those provided over already existing copper networks. In most cases, NGAs are the result of an upgrade of an already existing copper or co-axial access network⁶⁸.

Until recently the use of fiber optic was almost exclusively limited to "high potential" users who mostly referred to non-residential users and constituted part of a business network. Since 2010, OTE develops NGAs based on two architectures:

- Fiber to the Cabinet (FTTC) for residential users.
- Fiber to the building (FTTB) for business users.

These two architectures can potentially provide broadband access services by upgrading the existing copper network.

OTE has announced that the broadband access speeds provided via this technology will reach up to 50 Mbps. The FTTB technology can provide speeds that considerably exceed 50 Mbps. Similarly to the ADSL technology, the speed provided to the end user is highly dependent from his/her distance from the L/E.

VDSL: Markets 4 and 5 Analysis

As noted above in chapter 3.1., while examining the various wholesale products over a copper network and over a fiber optic in relation to the level of demand and supply, EETT concluded that the following separate

markets exist with the Greek Territory as a geographic scope.

- Wholesale market for (physical) access provision to network infrastructure aiming at providing broadband and voice services (Market 4).
- WBA Market (Market 5).

These specific markets, that take into consideration OTE's fiber optic network, are characterized by lack of efficient competition and hence require ex ante regulation, given that OTE still maintains SMP. In order to address the current and potential future problems in the wholesale markets of physical infrastructure and broadband access due to the lack of pro-competitive conditions, EETT maintained the regulatory obligations that had been imposed in the context of the second round of market analysis (such as non-discriminating treatment and transparency), amending, when necessary, their content. At the same time, OTE is obliged to provide the new retail products of broadband access via VDSL technology at least six months after EETT's approval of the prices and the terms for the respective wholesale products.

VDSL: Interim Measures against OTE

In March 2011, EETT decided⁶⁸ to impose Interim Measures regarding OTE's provision of WBA services via an access network operating over a Fiber To The Neighborhood (FTTN/VDSL). This action was deemed necessary in order to:

1. Avoid any time-related competitive advantage for OTE's retail section.
2. Secure the effective access also for the alternative providers at cost-oriented prices approved by EETT.
3. Protect the end users of both sides (OTE / alternative providers) from possible interferences at the local loop spectrum level, which would result in downgrading the quality of the services provided.
4. Introduce security, transparency and stability in the implementation of the regulatory framework, which constitute decisive prerequisites for promoting high-valued and efficient investments by all operators.
5. Implement, right from the start, a consistent regulatory approach aiming at developing NGAs in our country in a coordinated and effective manner.

Specifically, EETT's Decision for imposing Interim Measures on OTE obliges the latter to:

1. Provide WBA and the use of network related facilities: the new products are respective or similar to existing

⁶⁷ European Commission's Recommendation of September 20, 2010 on the regulated access to Next Generation Access Networks

(NGA) (EU L 251/35, (2010/572/EU), 25-09-2010).

⁶⁸ EETT Decision 596/08/17-03-2011, GG Issue 534/B/06-04-2011.

- products that OTE is required to offer, based on its regulatory obligations.
2. Publish information regarding the provision conditions, the technical description and the prices of the above services.
 3. Refrain from distributing retail broadband access services that correspond to the aforementioned wholesale services for a period of six months.
 4. Provide cost-oriented prices of the above services and submit for approval to EETT the recommended prices and the related cost-accounting models used for their definition.
 5. Take measures for reducing the interferences induced by the operation of OTE's FTTC xDSL systems.

The above Interim Measures were put into effect up to September 2011 when EETT issued the Decisions regarding the markets of WBA markets and the wholesale physical access to network infrastructure in the context of the third round of market analysis.

VDSL: Price Approval

EETT's Decision⁶⁹ for the WBA imposed a number of obligations on OTE, including price control and cost-accounting. According to the regulatory obligations, OTE is obliged to set the prices for the broadband bitstream access service (BRAS & DSLAM) based on the LRAIC/CC methodology and derived by a "top-down" cost-accounting model. Given that those services were new, OTE submitted new "bottom-up" models based on the LRAIC methodology and prices for the wholesale broadband access VDSL services.

Pursuant to the audit of the "bottom-up" models by EETT and among other findings, the need for additional data and clarifications regarding the calculation method of the aforementioned prices became evident. After meeting OTE in order to consummate the cost-accounting methodology (mainly that of monthly fees) and receive the necessary additional clarifications and taking into consideration the respective mail correspondence, EETT approved⁷⁰ the recommended prices for the WBA services, via VDSL technology.

Prices for Duct Access and the Provision of Dark Fiber

EETT decided⁷¹ to approve the results of OTE's cost-accounting audit, by also defining the pricelist for Duct Access and the Provision of Dark Fiber (Table 3.4.).

EETT's Contribution to the New Generation Networks State Subsidies Projects

The initiative for preparing and conducting the procedure for state-aid projects appertains to the EU member states. Usually, a State Authority is appointed to be responsible both for the procedure and the assessment of these projects' services compliance with the requirements of the European Commission. Next to monitoring the execution of the contracts and of the other procedures, this Authority is obliged to decide on the access obligations undertaken by the entity which implements/operates the project. Especially for state-aid matters pertaining to the deployment of broadband networks, the European Commission has issued a number of relevant

Table 3.4. Pricelist for Duct Access/Provision of Dark Fiber

| Fee | Amount (in euros) |
|---|-------------------|
| One-off Fee for Dark Fiber Preliminary Engineering Study | 305.09 |
| One-off Fee for Duct & Dark Fiber Supervision (during working days and hours) | 292.78 |
| One-off Fee for Duct & Dark Fiber Supervision (extra hour) | 32.75 |
| Monthly Fee for Occupation & Tube Usage (per meter) | 0.14 |
| Monthly Fee for Occupation & Dark Fiber Usage (per km) | 11.07 |
| One-off Fee for Engineering Study regarding the provision of access to OTE 's pipelines | 943.39 |
| Dark Fiber Connection Fee | 3,133.41 |

⁶⁹ EETT Decision 614/12/28-07-2011, GG Issue 19830/B/07-09-2011.

⁷⁰ EETT Decision 631/23/01-12-2011, GG Issue 2967/B/23-12-2011.

⁷¹ EETT Decision 604/011/19-05-2011, GG Issue 1222/B/14-06-2011.

⁷² European Commission's Community Guidelines for the application of State aid rules in relation to rapid deployment of broadband networks (2009/C 235/04, 30-09-2009).

Guidelines⁷² contemplating that, due to the nature of the intervention sector (telecommunications, broadband networks) the member states are obliged to consult the competent National Regulatory Authorities mainly about matters regarding the access obligations and the calculation of the wholesale access prices (articles 51, 79). Consequently, Greece's Special Secretariat for Digital Planning invited EETT to draft the notification text for the two new state-aid recommended measures in the telecommunications sector and to contribute in the overall procedure. The two projects concern (a) the broadband promotion in rural areas and (b) the utilization of previous fiber optic infrastructure and its extension to the end users. The first project has already been approved by the European Commission⁷³, while the latter is currently under evaluation.

Access Network Frequency Plan

The xDSL family (e.g., SDSL, ADSL, VDSL etc.) became the main technology for offering broadband access services to end users. However the increase of the penetration of various xDSL technologies into the copper access network highlighted an important factor that degrades the quality of the services provided. This factor is crosstalk and it is an unavoidable physical phenomenon which is related to the electromagnetic interaction during the transmission of xDSL signals through the various pairs of the same cable. The problems of spectrum incompatibility and the ensuing degradation of the quality of the access services provided to the end user are expected to intensify by the penetration of the VDSL2 technology.

EETT has studied the regulatory/technical parameters of the Access Network Frequency Plan (ANFP) in cooperation with the parties involved (OTE, alternative providers) and in the context of a broader Working Group. Then, it redacted and placed under Public Consultation⁷⁴ the draft ANFP that sets out a range of rules that govern the development and operation of the various systems at specific points of the access network, aiming at minimizing the mutual crosstalk due to the introduction of the xDSL technology signals. These rules will be applied by both the provider having SMP (OTE) and the alternative providers who offer xDSL technology broadband services via the current copper access network. Analytically, the ANFP:

- Defines the specific points in OTE's Access Network where the ANFP applies.

⁷³ Case SA.32866, Broadband Deployment in Rural Areas, (10-11-2011).

⁷⁴ EETT Decision 626/13/27-10-2011.

⁷⁵ Either at local sub-loop point (FTTC) or at the termination point of OTE's public fixed telephone network (FTTB).

- Maps out the xDSL systems that can be installed at each one of these points.
- Defines the Downstream Power Back-Off (DPBO) parameters. More specifically, xDSL systems that are being deployed in specific points in OTE's Access Network⁷⁵ must implement the DPBO algorithm, according to ITU-T G.997.1. The values of the DPBO parameters were confirmed with extensive lab measurements and are included in detail in the ANFP document.
- Describes in detail the specific measurements and the relevant procedures that are required for the calculation of the electrical length of a specific point in OTE's Access Network and the proper setup of the DPBO parameters of the xDSL system that is deployed at this point.
- Imposes specific obligations regarding the information about the results of the above measurements that OTE is required to provide to all Electronic Communications providers receiving LLU services.

After taking into consideration the relevant remarks by market players, the ANFP is expected to come into effect in the beginning of 2012.

3.3.3. Broadband Quality Measurement Node

In 2011, the Broadband Quality Measurement Node (BQMN) was further improved and extended by both acquiring new equipment doubling the system capacity (number of parallel measurements) in order to meet the increased demand and add the System for the Performance Evaluations of Broadband Connection Services (SPEBS). This is a pioneering innovative Web 2.0 application, available to all Internet users in the country that entails the measurement of the qualitative characteristics of the connection along with their geographic mapping. SPEBS was developed by EETT in cooperation with the Institute of Communication and Computers Systems (ICCS) of the National Technical University of Athens (NTUA). Its basic advantages are that it combines the measurement tools of the Measurement Lab-Partnership (M-Lab) with the infrastructure of the BQMN and that it supplements the Quality Indicators regarding networks' efficiency that are measured and published by the telecommunication providers.

The SPEBS aims at addressing certain consumer questions such as:

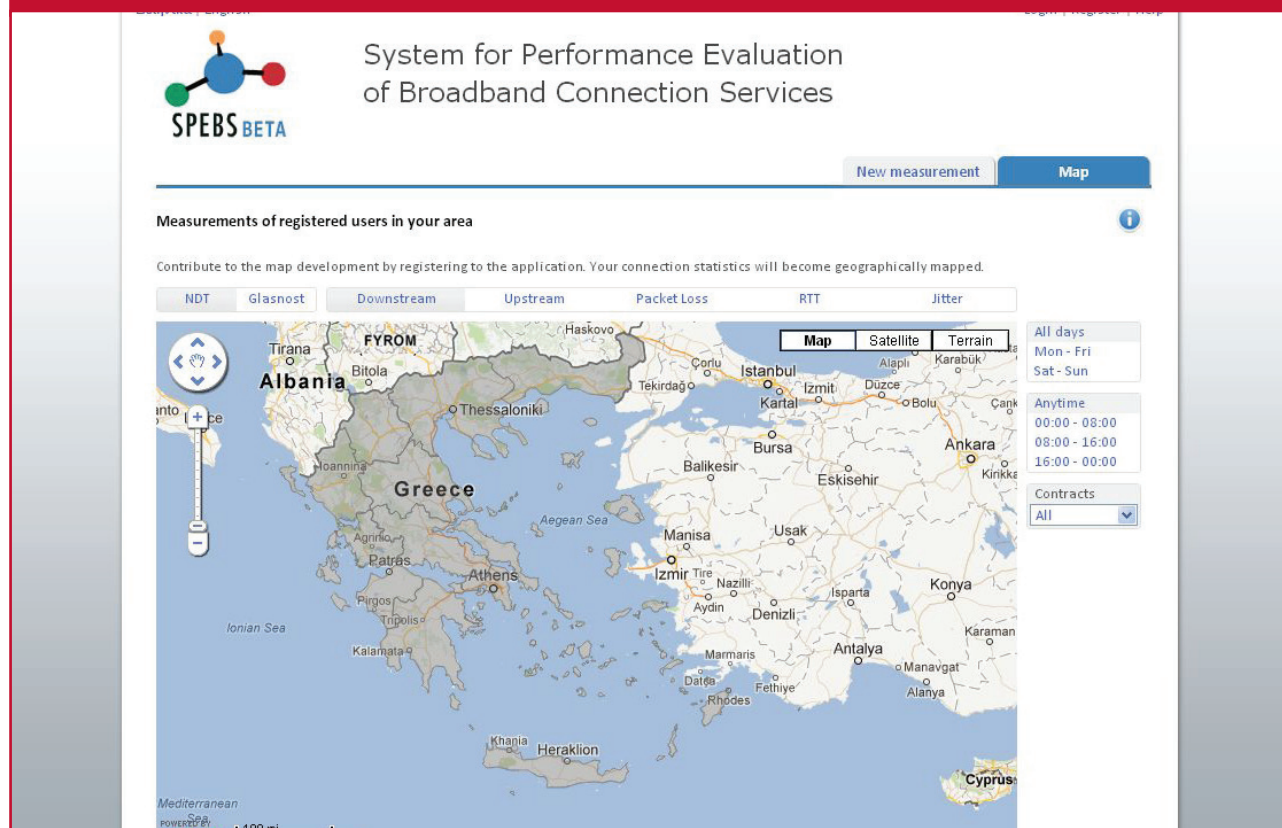
- What are the qualitative characteristics (such as data reception/transmission speed) of the broadband connection and how can I measure/verify them?
- What is the estimated maximum speed I could utilize with my connection via the ADSL or VDSL technology?
- Before I move to a different area, could I be informed about the qualitative characteristics of the broadband connections of this area?
- How could I receive information regarding the qualitative characteristics of the telecommunication companies' networks in my area?
- I have the impression that a specific service (such as FTP, SMTP, torrent, VoIP, Video on Demand) is not performing as efficiently as other services (such as Web). Is there a way to check whether my connection minimizes the performance of that service?
- Which hours and days is the performance of my connection lower / higher?

Moreover, the geographic mapping of the availability and the performance of the broadband networks is

very important not only for companies but also for the State, since the utilization of the data produced by the measurements conducted by users, paves the way for investment and growth. For instance, areas with distinguished broadband infrastructure attract investments and services that utilize or rely on it. Reversely, the geographic mapping of the lack of broadband infrastructure indicates the areas that are in need for investment so as to bridge the “digital gap”. Lastly, the academic and research community is interested in having free access to “open” measurement data for the qualitative characteristics of broadband connections, aiming at studying the performance of Internet technologies (protocols, algorithms, applications and equipment) on the current networks and their further improvement.

SPEBS is available free of charge and enables any Internet user to assess the qualitative characteristics of his/her broadband connection, but also to navigate the geographic map and spot useful information for the performance of other connections in the same area. Mapping the measurement data is in the users' discretion and is conducted by them upon their registration to

Picture 3.1. Greece-wide Map for the Qualitative Characteristics of Connections by Users



SPEBS which also requires filling out a form registering their e-mail address, a password, and the information about their connection (provider's name, type-connection package, connection location). The registered users are also granted access to two additional features that utilize the stored measurement data:

(a) The graphic depiction of the qualitative characteristics over time enables the user to observe their progress and identify problems with the network or the connection. An unanticipated variation in the connection speed may denote a technical issue of the local network or the

broadband connection. By using this information, the user can perform his/her simple tests by checking for example the use of the voice-data separation filter on each telephone device connected to a network, the operation of that filter or he/she may detect potential problems on the internal local network (such as use of warn-out cable). If the problems persist, then contacting the technical support of the telephone provider may be necessary.

(b) The full history of the measurements conducted in cooperation with SPEBS in a .CSV file format.

Table 3.5. Results of EETT Hearings in the Electronic Communications Sector, 2011

| Subject | Number of Hearings | Fine | Recommendation | Exemption | Deletion | Other Sanctions/ Decisions |
|--|--------------------|----------|----------------|-----------|-----------|--|
| Information/data Provision | 3 | 3 | — | — | — | — |
| Numbering | 3 | — | 1 | — | — | 2 (out of which 1 was conflict resolution) |
| Interconnection | 6 | — | — | — | — | 6 (conflict resolution) |
| LLU | 3 | — | — | — | — | 3 (conflict resolution) |
| Provision of unauthorized Economy Programs | 2 | 1 | 1 | — | — | — |
| Licensing | 2 | — | — | — | — | 2 (1 license revocation and 1 transfer rejection) |
| Number Portability | 1 | 1 | — | — | — | — |
| Cost-accounting | 1 | — | — | — | — | 1 (conflict resolution) |
| Premium Rate Services | 2 | 2 | — | — | — | — |
| Domain Names | 33 | — | — | — | 23 | 10 (5 in file, 4 rejections, 1 temporary deactivation) |
| Other | 1 | — | — | — | — | 1 (conflict resolution) |
| Total | 57 | 7 | 2 | 0 | 23 | 25 |

3.4. EETT's Controlling and Monitoring Actions

In the course of 2011, EETT conducted 57 Hearings with respect to infringements on Electronic Communications or competition law in relation to market issues. As a result of these Hearings, EETT imposed seven fines (Table 3.5.).

3.5. Goals for 2012

Regarding the Electronic Communications sector, EETT aims at fostering further competition to the benefit of consumers and ensuring the sound growth of the market thus contributing to the recovery of the Greek economy. Specifically, EETT's goals for 2012 are:

- To ensure the regulatory stability and transparency as necessary prerequisites for strengthening competition in the supervised markets.
- To further facilitate the smooth and competitive operation of the Electronic Communications market aiming at improving the business climate and attracting and promoting investments.
- To undertake regulatory initiatives and actions that will promote a competitive growth in advanced communication infrastructure (fixed and mobile broadband) and innovative services.
- To enhance the transparency, by providing reliable information and protecting consumers against unfair practices.
- To safeguard the unhindered transition and equivalent access to competitive services and products.
- To inform about wireless infrastructure and the quality of fixed and mobile networks.
- To undertake actions for the hyper-speed broadband access in the urban centers and to bridge the digital gap in the rural areas.
- To manage growth and utilize effectively scarce national resources (such as numbering).

4. The Radiofrequency Spectrum Sector



In 2011, EETT continued to intensively exercise its competences regarding radio frequency spectrum monitoring and controlling, as well as supervising the Radio equipment and Telecommunications Terminal Equipment (RTTE) market.

More specifically, EETT reviewed and amended significant sections of the regulatory framework, aiming at the optimum management of the radiofrequency spectrum, intensifying at the same time the process of granting rights of use to operators. It further enhanced the legal inspections of the radiofrequency spectrum throughout Greece, aiming to secure sensitive wireless networks related to human life protection, as well as public and national security from interferences. Finally, EETT intensified inspections in the RTTE market, in an attempt to ensure that the equipment available in the market is in compliance with the technical and administrative requirements of the current legislation.

All the actions taken by EETT in the radiofrequency spectrum sector in 2011 are presented in the following sections.

4.1. Spectrum Management and Monitoring

4.1.1. Reviews/Amendments of Regulations

In the context of continuous updating of the regulatory framework, governing the use of radiofrequency spectrum as well as the need for harmonization with international regulatory and technological developments, EETT proceeded to the review and amendment of the two following Regulations:

Regulation on the Terms of Use of Single Radiofrequency or Radiofrequency Bands
This Regulation⁷⁶ sets the technical terms for the spectrum use, defining, at the same time, the applications that require granting of Radiofrequency Right of Use, as well as the relevant preconditions. The major amendments, introduced by the revised edition of the Regulation for the use of the radiofrequency spectrum, are summarized as follows:

- Granting of additional spectrum in the 900 MHz band and application of technological neutrality in mobile telephony bands (900 MHz, 1800 MHz).
- Settings concerning the Mobile Satellite Service (MSS).
- Addition and amendments of bands for fixed satellite service.
- Expansion of the 60 GHz (57–63 GHz) band for fixed service use, without requiring a right of use.
- Granting of the 28 GHz band for fixed wireless access with a wide geographical designation.

⁷⁶ EETT Decision 624/216/20-10-2011 “Regulation on the Terms of Use of Single Radiofrequency or Radiofrequency Bands” (GG Issue 2512/B/07-11-2011).

- Amendments for the 5.8 GHz band.
- Integration of amendments and additions for short range devices.

Regulation for Spectrum Usage and Spectrum Licensing Fees

This Regulation⁷⁷ determines the administrative fees as well as the fees imposed on the Radiofrequency Rights of Use, which are granted by EETT. In the amendment, the relevant requests of the service and Electronic Communications networks providers, derived by Public Consultation, were taken into consideration. More specifically, a new provision was added concerning the licensing fees estimation and the usage fees for the Rights of Use of Radiofrequency in the 27.5 – 29.5 MHz band. The current framework for the calculation of spectrum usage fees was also amended concerning the:

- Fixed service, to include a provision for the charge of Rights of Use of Single Radiofrequency granted to bands exceeding 57 GHz or with bandwidth exceeding 56 MHz.
- Fixed satellite service, so as to take into consideration the granted bandwidth of the terrestrial stations as a whole.
- Mobile service, including the Private Mobile Radio (PMR) networks which use radiofrequencies of exclusive use.

⁷⁷ EETT Decision 626/26 “Amendment of EETT Decision 276/49/14-02-2003 “Regulation on Spectrum Usage and Spectrum Licensing Fees” (GGI Issue 256/B/4-03-2003)”, GG Issue 2914/B/22-12-2011.

4.1.2. Fixed Service

The fixed service comprises wireless Electronic Communications networks between specific fixed points, which, depending on the needs they serve, they may fall under one of the following two main categories:

- Providing Electronic Communications services to the public.
- Serving own telecommunications needs.

In the majority of the cases, the operation of these networks requires granting the relevant Radiofrequency Right of Use. During 2011, the following were granted:

- 800 new Radiofrequency Rights of Use for point-to-point links, concerning mainly backbone networks of Electronic Communications service providers. These Rights correspond to 85 Decisions for granting of rights issued in 2011. A total of 83 requests were submitted by the providers, out of which 77 requests were processed.
- 43 Radiofrequency Rights of Use for servicing own Electronic Communications needs, mainly for the transfer of radio or television programs from the production point (studio) to the transmission center. These rights correspond to 35 Decisions of granting of rights issued in 2011. A total of 32 requests were submitted by radio/television stations in 2011, out of which 28 requests were processed in 2011.

With regard to legal inspections and interference problems in fixed service systems, EETT received a total of 73 complaints:

- 23 for legal inspections and interference in wireless access systems (Wi-Fi and WiMAX).
- 43 for legal inspections of radio-electric links.
- 7 for interference inspections in licensed radio - electric links.

Regulatory Framework for the 28 GHz Band
EETT formulated the regulatory framework for granting Radiofrequency Rights of Use of the fixed service in a new radiofrequency band (27.5-29.5 GHz). The Radiofrequency Rights of Use in this band will be used for the development of wireless access networks and they will be granted on a first come first served basis. The Rights of Use will be granted on the basis of spectrum blocks with defined bandwidth for specific geographical area(s) within Greek Territory. The technical terms for Rights of Use in the 27.5 - 29.5 GHz frequency band are included in the last review of the Regulation on the Terms of Use of Single Radiofrequency or Radiofrequency bands. Also, provisions for the administrative fees and the spectrum usage fees are included in a relevant amendment of the Regulation on Spectrum Usage and Spectrum Licensing Fees.

Regulatory Framework for the 70 GHz Band
EETT, within its competences, completed the regulatory framework concerning the use of the 71-76 GHz/81-86 GHz band for point-to-point links of the fixed service, amending respectively the Regulation Spectrum Usage and Spectrum Licensing Fees to include radio channels of bandwidth greater than 56 MHz.

4.1.3. Satellite Services

The installation and operation of terrestrial satellite stations require national and international coordination with existing terrestrial networks of fixed and satellite service to avoid interference. In this context, EETT implemented all procedures stipulated by the International Telecommunications Union (ITU) and harmonized the domestic and foreign terrestrial satellite services with the existing wireless networks. Moreover, in 2011:

- Two granted Radiofrequency Rights of Use for terrestrial satellite services were amended.
- A request for granting of Radiofrequency Rights of Use was rejected for administrative reasons.

In 2011, within the framework of satellite spectrum monitoring, EETT conducted a legal inspection as a result of three complaints about interference problems in satellite channel reception in Attica and two complaints about interference problems in GPS satellite radio navigation systems.

Furthermore, EETT received complaints about interference problems in the 1400-1427 MHz band that is used by the Soil Moisture and Ocean Salinity Satellite (SMOS) system for passive measurement, from terrestrial signal transmissions at various positions throughout Greece. These inspections showed that most of the problems were caused by terrestrial radio links of the fixed service, as well as due to transmissions of spurious signals during broadband transmissions of radio television stations. EETT proceeded promptly to resolve these problems, whereas, it continues the inspections so as to ensure the smooth operation of the SMOS system.

Regulatory Framework for the 28 GHz Band
EETT formulated the regulatory framework for granting the Radiofrequency Rights of Use of the fixed satellite service in a new radiofrequency band (27.5-29.5 GHz). The Radiofrequency Rights of Use in this band will be used for the development of terrestrial satellite stations (Hub/Gateways), servicing high capacity traffic and using multiple uplink channels of great range (e.g.,

72x40 MHz, 8x125 MHz, 5x250 MHz) through satellites of a geostationary or non-geostationary orbit.

The granting will correspond to single radiofrequencies of great bandwidth, providing the benefit of use at a specific geographical area in Greece.

The technical terms for the use of Rights in the 27.5 – 29.5 radiofrequency band are included in the last review of the Regulation on the Terms of Use of Single Radiofrequency or Radiofrequency Bands⁷⁸. Also, provision for the annual spectrum usage fees is included in the relevant amendment of the Regulation on Spectrum Usage and Spectrum Licensing Fees⁷⁹.

4.1.4. Mobile Service

Mobile Telephony Networks

The mobile telephony networks include wireless digital sound and data transfer systems, which use the GSM/DCS/UMTS cellular technology, whose operation requires obtaining a Radiofrequency Right of Use from EETT.

In 2011, EETT received 121 complaints related to interferences in the reception frequencies of the base stations, communicating with mobile telephones. Out of these complaints, 64 concerned interference problems in the Attica prefecture, 17 in the Thessaloniki prefecture and 40 in other prefectures of the country.

EETT investigated all complaints, carrying out inspections by using its fixed and mobile monitoring stations. The main concern was the importance of each interference to the smooth operation of the mobile telephony networks. As a result, almost all the problems concerning interferences were solved, whereas in a few cases new inspections and further actions were required.

Accumulatively, the main sources of interference were:

- Fixed telephony wireless devices of DECT 6.0 technology.
- Mobile telephony repeater systems (GSM Repeaters).
- Systems preventing the use of mobile telephones (“Jammers”).
- Radio-electric link systems for sound, image and / or data transmission from radio-television stations and military organizations.

- Spurious emissions from radio-television stations broadcasting systems
- Spurious emissions from domestic television signal amplifier systems and wireless alarm systems for cars.
- Spurious emissions from the electric power grid.

In particular, for fixed telephony devices of DECT 6.0 technology it is stated that this technology is using the 1920–1930 MHz frequency band, which though, in the European Union (EU) is reserved for mobile telephony services. In Europe, the band provided for DECT wireless telephony services, is exclusively the 1880 – 1900 MHz band. Additionally, since these devices are not “CE” marked, according to PD 44/2002, they should not be sold and operated in the European market.

Following the inspections conducted by EETT, no devices of DECT 6.0 technology were found in the domestic market, whereas all the devices used have been bought in non EU countries. Concluding the relative inspections, EETT advised the consumers accordingly⁸⁰.

Monitoring the Fulfillment of Mobile Telephony Operators’ Obligations

The owners of Radiofrequency Rights of Use for mobile service are required to submit to EETT a report on network expansion for each semester. These reports include data on the terms of the relevant Rights of Use, such as the percentage of geographical and demographic radio coverage that the provider must fulfill, the quality of service etc. With regard to the key parameter of radio coverage, the reports demonstrated that all mobile telephony operators have fulfilled their obligations with respect to both 2nd and 3rd generation networks.

In the context of its supervisory and monitoring role⁸¹, EETT requested and electronically received by the operators, the procedure and the results of the conducted measurement tests of their 2nd and 3rd generation networks, aiming to audit the data presented to consumers by the owners of Radiofrequency Rights of Use for the mobile service.

Private Mobile Radio Networks

Private Mobile Radio (PMR) Networks are used to meet the communication requirements of various user

⁷⁸ EETT Decision 624/216/20-10-2011 “Regulation on the Terms of Use of Single Radiofrequency or Radiofrequency Bands” (GG Issue 2512/B/07-11-2011).

⁷⁹ EETT Decision 626/26 “Amendment of the EETT Decision 276 /49/14-02-2003 “Regulation on Spectrum Usage and Spectrum Licensing Fees” (GG Issue 256/B/04-03-2003)”, GG Issue 2914/B/22-12-2011.

⁸⁰ http://www.eett.gr/opencms/opencms/admin/News_1268.html

⁸¹ Putting into practice articles 12 par. 63 and 64 of L. 3431/2006 “Regarding Electronic Communications and other provisions” (GG Issue 13/A/2006), of the relevant provisions of EETT Decision 390/3/13-06-2006 “General Authorization Regulation” (GG Issue 748/B/2006), as applicable.

groups such as business users (radio-taxi companies, security service providers) and Volunteer Groups for Rescue and Forest protection.

EETT grants Radiofrequency Rights of Use (mostly in VHF and UHF bands) following the registration of the owners in the registry of Electronic Communications networks providers. These rights cover networks of broader or limited areas for which EETT collects the fees attributable. In 2011, all requests with complete data were processed and 117 Decisions were finally issued, out of which 103 concerned granting of new or amending of an existing Right, whereas nine of them concerned withdrawal of existing Rights. Moreover, five temporary Rights were granted to cover special events, like the organization of the “Special Olympics” in Athens, in 2011. EETT’s contribution in the Games, besides the support for the selection of the appropriate frequencies, also concerned the spectrum monitoring both before and during the games.

During 2011, EETT received 45 complaints for interference in PMR networks of radio-taxi associations, Municipalities and private companies. Most of the problems were due to the use of non-licensed frequencies of fixed or mobile services as well as due to spurious emissions of radio networks and radio-television stations broadcasting systems. In addition, 23 complaints were submitted concerning interference control to remote control systems and electronic devices at home, as well as the legality of radio network antenna systems.

In the majority of the above mentioned cases, EETT carried out technical inspections, scheduled promptly the actions necessary for resolving the problems, and where needed, imposed sanctions.

4.1.5. Ancillary Services to Broadcasting and Program Making

The ancillary services to broadcasting and program making are an important category of services. Examples of such services are the transfer of radio-television program from the production point to the transmission network, the coverage of sports events, outdoor performances or other special events. Coverage of these events requires radio equipment, such as wireless cameras and microphones, as well as portable microwave links and voice transmission systems. EETT

grants permanent Radiofrequency Rights of Use to meet the needs of radio or television stations (signal transmission links) or temporary Radiofrequency Rights of Use to cover scheduled events with a maximum duration of two months. It also carries out systematic spectrum inspections using mobile or fixed monitoring stations, performing all the appropriate actions, in order to ensure the smooth operation of the relevant systems. In 2011, pursuant to relevant requests, temporary Radiofrequency Rights of Use were granted to three Satellite News Gathering (SNG) Stations. These are mainly transportable satellite stations for image and sound transmission by international users for TV coverage of special events (e.g., VIPs visits), sports events (Champions League 2011 qualifiers), as well as of other events (Red Bull event and World Rally Cup). Also, upon such requests, temporary Radiofrequency Rights of Use were granted to:

- Wireless cameras for the 6th Golf Tournament in the prefecture of Messenia.
- Wireless cameras, PMR networks and links for the Universal Games of “Special Olympics” in Athens in 2011.
- PMR networks for the “Red Bull” event.

4.1.6. Radio and Television

Granting Rights of Use to Television Stations
Since 2007, EETT has been responsible for monitoring the radio television spectrum and for granting Radiofrequency Rights of Use to:

- Analog national television stations, at locations not declared to the Greek National Council for Radio and Television (NCRTV)⁸².
- Analog local and regional⁸³ television stations upon application by the interested party.

The competence of granting Rights of Use is temporary and ends upon configuration of the Frequency Maps for analog and/or digital television⁸⁴.

In 2011, with regard to the implementation of the above mentioned, EETT:

- Updated its database, maintained since 2008, in which all the broadcasts of legally operating national, regional and local television stations are registered, now including over 5,400 registrations.
- Received⁸⁵ 59 new applications by television stations for granting Rights of Use in new broadcasting

⁸² According to the provisions of Article 9 of L. 3548/2007 “Inserting publications of Government agencies in the prefectural and local Press and other provisions”.

⁸³ According to the provisions of Article 4 of L. 1866/1989.

⁸⁴ Fulfilling the terms and conditions of Article 17 of L. 2644/1998.

⁸⁵ With the publication of Joint Ministerial Decisions by the

locations (sites). Moreover, 17 Rights of Use for television channels have been granted in response to the relevant requests submitted, while 20 applications were not processed or they were sent back because granting of the requested broadcast locations does not fall under the scope of Law 3548/2007⁸⁶. Finally, 10 applications were rejected on grounds of interference with licensed television stations, or with the Greek Radio Television (ERT), or with a digital broadcasting television network. Also, EETT renewed 18 granted Rights of Use of television networks.

- A request concerning coordination with neighboring countries, according to the framework specified in the 2006 Geneva Agreement⁸⁷ was sent to the Ministry of Infrastructure, Transport and Networks (MITN).
- Received 10 notification letters by network providers broadcasting digitally, for 16 digital television channels (MUXs), based on the obligation⁸⁸ of national, regional or local television stations to submit to EETT, the technical parameters of this transmission as well as specifications about the power and the antenna system that they use, before starting their digital transmission.
- EETT made a positive recommendation⁸⁹, following a Public Consultation, for the channel 36 for television analog broadcasts, during the transitional period from the analog to the complete – final digital broadcasting, as provided in the relevant Plan of Joint Ministerial Decision (JMD)⁹⁰.

Complaints

In 2011, EETT received 1,277 documents and complaints regarding radio-television issues (197 concerning the Attica prefecture, 80 the Thessaloniki prefecture, 28 the remaining region, 8 international interferences, 655 under the jurisdiction of EETT's headquarters in Athens and 299 under the jurisdiction of EETT's regional office in Thessaloniki) which referred to interferences, illegal broadcasts and illegal radio-television station and antenna installations, as well as the ex officio inspections.

Minister of Infrastructure, Transport and Networks and the Minister who has been assigned the responsibilities of the Minister for the Press and the Media.

⁸⁶ L. 3548/2007 "inserting publications of Government agencies in the prefectural and local Press and other provisions".

⁸⁷ FINAL ACTS of the Regional Radiocommunication Conference for planning of the digital terrestrial broadcasting service in parts of Regions 1 and 3, in the frequency bands 174-230 MHz and 470-862 MHz (RRC-06).

⁸⁸ In the context of the implementation of the "Regulation on granting Channel Rights of Use to national television stations holding a license of establishment and operation according to the

In particular, upon these complaints and EETT's ex officio inspections, 801 new cases have emerged concerning:

- 54 radio stations in the Attica prefecture, 38 radio stations in Thessaloniki prefecture, 150 regional radio stations under the jurisdiction of EETT's headquarters in Athens and 155 radio stations under the jurisdiction of EETT's regional office in Thessaloniki, 6 involved international interference issues and 10 involved the entire country.
- 31 television stations in the Attica prefecture, 39 television stations in Thessaloniki prefecture, 103 regional television stations falling under the jurisdiction of EETT's headquarters in Athens and 140 television stations in the wider area of the regional office in Thessaloniki. In addition, 4 cases involved international interference issues and 8 involved issues concerning the entire country.
- 20 inspections of antennas and broadcasting centers in the Attica prefecture, 3 in the Thessaloniki prefecture, 35 in the region of jurisdiction of Athens and 4 in the region under the jurisdiction of EETT's regional office in Thessaloniki.

EETT investigated the majority of the above complaints, whereas in certain cases requiring immediate inspection and related to problems in remote areas of the country with respect to EETT's two offices, the assistance of the Local Authorities was requested.

In the framework of EETT competences concerning control and monitoring of radio-television broadcasting, the recorded results were assessed on the basis of the decisions and the technical data provided by the NCRTV and the legislation, whereas the infringing stations were summoned to comply. The NCRTV was notified of all recorded radio-television broadcastings in order to make lists with the positions and the operating frequencies of radio and television stations having a Certificate of Legal Operation.

Following consignment of relevant letters of compliance, administrative control was conducted for 115 not registered occupations of analog television channels in the area of Athens and 104 in the area of the Regional Office of Thessaloniki. Out of these channels, 29 of analog

provisions of article 4 of Law 1866/1989 and to Regional and Local television stations fulfilling the terms and conditions of article 17 of Law 2644/1998 and the framework of their use pursuant to Law 3548/2007".

⁸⁹ EETT Decision 600/1/14-04-2011.

⁹⁰ "Amendment of 15587 /E/01-09-1997 Joint Ministerial Decision of the Ministers of Transport and Communications and Press and Mass Media for the availability of television channel 36 for use, all over Greece, from analogue television stations to the final digital transition".

broadcasting and 2 of digital broadcasting in the area of Athens and 13 of analog broadcasting in the area of the Regional Office of Thessaloniki were occupied by repeaters of legal television stations operated by Local Authorities. Moreover, 64 cases (47 for antennas and 17 for radio broadcasting) in the area of the Athens headquarters and 11 cases concerning radio broadcasting in the area of the regional office of Thessaloniki resulted to administrative control by EETT.

In 34 cases of radio-television stations (two of which broadcasted digitally) falling under the area of jurisdiction of Athens and in 18 cases under the jurisdiction of the regional office of Thessaloniki, for which the NCRTV decided that they operate illegally, EETT informed in writing of the competent public prosecutors and police authorities about the implementation of the prescribed criminal procedures. Furthermore, as a result of the relevant administrative control, the competent regional prosecutors were informed on the termination of operation of 14 radio stations, 25 television broadcasts and on the illegal installation of 20 local television broadcasters. In cooperation with the competent prosecutors and the police authorities, a number of operations were carried out to terminate illegal transmissions. During those operations broadcasting equipment was confiscated from:

- 12 radio and 8 television broadcasts and 4 wireless cameras in Attica.
- 6 radio and 8 television broadcasts and one wireless camera in the broader area of Athens jurisdiction.
- 7 radio broadcasts in the broader area of jurisdiction of EETT's regional office of Thessaloniki.

Recording of the Radio and Television Stations throughout the Country

In the absence of licensing, mapping of broadcasting centres throughout the country, as well as of the frequencies used by radio and television stations, is an important tool for the management and monitoring of the radio – television spectrum.

In 2011, EETT's technical teams conducted 30 operations outside Attica (for a total of 111 days) and 61 operations outside Thessaloniki (for a total of 89 days), in order to resolve cases and conduct registrations in 46 prefectures and islands, the results of which were also reported to the NCRTV in order to investigate the legality of operation of the radio – television stations. Based on recorded findings, the number of privately owned radio stations operating in each prefecture is on average three to four times

higher than the number of broadcasts stipulated in the Frequency Maps. This resulted in an increased risk of interference to legal spectrum users, as well as the respective degradation in the service quality.

In addition, EETT continued updating the mapping of radio-television broadcast infrastructures in broadcasting centres throughout Greece. The purpose of this updating was to notify EETT and all competent bodies regarding the current conditions in the broadcasting centres both in Athens and Thessaloniki, as well as in other major broadcasting centres, in order to deal more efficiently with the problems caused by illegal broadcasts. In the same context, in borderline areas, EETT continued to record the broadcasts coming from neighbouring countries and notified the MITN regarding the findings in order to undertake action at international level.

EETT, in collaboration with the State Security Division of the Hellenic Police and the Piraeus and Athens Prosecutor's Office respectively, conducted a series of repeated inspections to illegal radio-television broadcasting stations infrastructures in the area of Pirovolia of Mount Egaleo, on Mount Pikilo, on Mount Hymettus and at the area of Tourkovounia. The result of these operations was the termination of all illegal broadcasts, confiscation of the active equipment and dismantling of the antennas. The Public Power Corporation (PPC) was notified on the findings of the inspections in order to suspend electrical power supply to all facilities not owned by to legal users. Moreover, EETT informed in writing all competent authorities for the illegal installations and broadcasts on the Egaleo and Pikilo mountains so as to proceed to coordinated actions.

During 2011 and in the context of smooth operation of the radio-television spectrum, EETT actively participated in the projects of the MITN:

- The study and coordination of organizational issues on the determination of antenna parks, and
- The coordination of the switchover process to Digital Television.

Furthermore, EETT cooperated with the Union of Owners of Private Radio Stations of Athens, aiming at the sufficient coverage within the Attica prefecture, the limitation of mutual interferences with radio stations of neighbouring prefectures and mainly, the protection of EETT monitoring stations and of the Civil Aviation Authority (CAA) receivers.

4.1.7. Air Navigation and Other Governmental Service Networks

The smooth operation of Wireless Networks, related to the protection of human life, as well as public and national safety is a top priority for EETT. This category includes the Government Networks of Emergency Services (Hellenic Police (ELAS), the Hellenic Fire Service and the National First Aid Service (EKAV) of the Transport Safety Networks (air navigation, sea navigation and railways) as well as of the Armed Forces. Among the State networks, the CAA faces the majority of the problems, as the spectrum that has been granted to the air navigation networks (108 -137 MHz) is contiguous with the radio broadcast band (87.5 – 108 MHz). Most of the interferences appearing in these networks are due to lack of technical specifications regarding operation frequency and other important broadcasting parameters, due to absence of licensing of radio stations.

In 2011, interference problems were encountered in the following wireless systems of the CAA:

1. Area Control Service Communication Systems (telecommunication centers).
2. Airport communication systems.
3. Radio Aids.

EETT carried out 19 operations to deal with written complaints regarding interferences in the wireless systems of CAA. Out of these complaints, 17 were related to terrestrial communication receivers, whereas 2 were related to radio aids. EETT acted promptly and resolved all cases of interference.

It is noted that the interference problems of the CAA are expected to be limited only when countrywide licensing of the radio stations is going to be implemented and regional planning rules and inspection of the antenna installations at the broadcasting centers are going to be imposed accordingly.

The cases of interference in the operating frequencies of the other governmental safety and emergency networks, submitted to EETT in 2011, were examined in priority and were immediately resolved. More specifically, EETT received 3 complaints for interference problems in the operating frequencies of the navigational communication system "OLYMPIA RADIO", one complaint by the "GREEK MISSIONS CONTROL CENTER" (GRMCC) for interference problems in the operating frequencies of the emergency satellite system, one complaint by the Air Force, one by ELAS and 2 complaints by the Hellenic Fire Service.

With regard to interference in systems related to the protection of human life and public safety at

international level, one air navigation related complaint was submitted by the competent Turkish Authority.

In the context of prevention to encounter any interference phenomena in state networks, EETT, in cooperation with the Hellenic Air Force, carried out occupation measurements in the two spectrum bands (1.7 GHz and 7 GHz), where the meteorological satellite system (EUMETSAT) operates.

4.1.8. Radio Amateurs

In 2011, EETT received 26 complaints over radio amateur interference in communication systems and 20 complaints for legality inspection of the relevant antenna systems. Technical inspection was carried out for all the cases, the necessary actions were promptly scheduled for resolving the problems and where appropriate, the procedures were followed for imposing the relevant sanctions. The majority of the problems investigated and resolved by EETT, were caused by spurious emissions from electromechanical, electrical or electronic devices, spurious emissions of radio networks and radio – television stations broadcasting systems, as well as by illegal use of frequencies.

4.2. Antenna Mast Constructions

4.2.1. Evolution of the Licensing Process

Throughout 2011, 2,399 applications for new antenna mast constructions licensing and/or the modification of already licensed constructions were submitted to EETT. Out of these applications, 1,857 were not accompanied by the necessary Environmental Terms Approval (ETA) in order to examine the request. 523 licenses for antenna mast construction were granted in total, and 697 licenses were amended, whereas 103 requests were rejected. Moreover, 250 licenses were revoked, mainly due to the license owner's request. Licensing requests remain in pending status mainly due to the lack of ETA and secondarily needing supplementary data.

In addition, according to the specifications of L. 3431/2006 regarding the requirement for environmental licensing of antenna mast constructions, which existed prior to the legislation, 149 applications were submitted to EETT for the confirmation of the validity of licenses which had been granted before this Law was put into practice. As a result, 127 positive Decisions were issued.

4.2.2. Illegal Mobile Telephony Antenna Installations

In 2011, 1,565 complaints were submitted to EETT relating to mobile telephony antenna constructions. Out of these, 1,139 fell under the jurisdiction of the Athens headquarters, while 426 under the jurisdiction of the regional office in Thessaloniki.

Following a thorough investigation, it was found that 893 cases of the Athens prefecture and 138 of the regional office of Thessaloniki were related to licensed antennas, and the complainants/applicants were informed of the legality of those antennas. In total, 534 cases (246 of the Athens office and 288 of the regional office of Thessaloniki) concerned non-licensed constructions.

Teams of technicians of EETT's Spectrum Monitoring Department conducted 301 on-site inspections in total at mobile telephony base stations, out of which 243 were performed in the Attica prefecture and 58 outside Attica prefecture, whereas for 7 cases outside Attica prefecture the on-site inspections were carried out by the competent Prefecture Authorities.

Teams of EETT technicians from the Regional Office of Thessaloniki conducted 135 on-site inspections, out of which 71 were performed in the Thessaloniki prefecture and 64 outside Thessaloniki prefecture, whereas for 14 cases outside Thessaloniki prefecture the on-site inspections were carried out by the competent Prefecture Authorities.

In the cases of non licensed antenna constructions, for which on-site inspections had been performed, EETT proceeded then, to the procedures for imposing administrative sanctions.

4.2.3. Standardised Antenna Mast Construction Regulation

In May 2011, EETT launched a Public Consultation regarding the Regulation that identifies the individual procedures and the required documents of the Standardized Antenna Construction (SAC)⁹¹ licensing process. On the basis of the comments submitted to the Public Consultation, the final text of the Regulation was drafted⁹².

⁹¹ Applying the JMD 11926/261 "Special licensing procedure to which the installation of standardized antenna construction is subject", GG Issue 453/B/22-03-2011.

⁹² EETT Decision 629/9/17-11-2011, GG Issue 3037/B/30-12-2011.

For a construction subject to the SAC status the issue of a Type License is required, which includes the terms and limitations each respective installation must fulfil. For the installation of SAC at a specific position an Installation Statement is required.

The Type License is issued by EETT having obtained the agreement by the competent authorities of the Ministry of Environment, Energy and Climate Change and the Greek Atomic Energy Commission (GAEC). The relevant Application is submitted to EETT and includes SAC technical data and a study, evaluating the effects its installation may cause on human and natural environment.

For the installation and operation of each SAC a Statement of Installation should be submitted to EETT, accompanied by an opinion of the CAA and a study concerning electromagnetic radiation at the specific location, that should be notified to the competent Town Planning Service, the competent Prefecture and GAEC. EETT, in case there is not a documented negative opinion by the jointly responsible bodies, issues, within three months, a certificate of proper Statement submission, on the basis of which the installation of a SAC is allowed.

4.3. Radio and Telecommunications Terminal Equipment (RTTE)

4.3.1. Market Surveillance

EETT conducts regular inspections in the RTTE market to locate and confiscate illegal equipment and prevent potential harmful interference. In this context, EETT monitors the compliance of RTTE that is available in the Greek market with the requirements set by the Presidential Decree (PD) 44/2002.

In 2011, EETT performed regular inspections to RTTE retailers and checked a total of 128 samples, of various types of RTTE equipment (such as mobile phones, PMRs, Short Range Devices, wireless toys). EETT, then, imposed sanctions to companies violating the Law.

4.3.2. Update of Radio Interfaces

By virtue of Directive 99/5/EC, EETT regulates and publishes the radio interfaces, i.e., the technical

⁹³ EETT Decision 623/026/11-10-2011, GG Issue 3006/B/26-12-2011.

⁹⁴ http://www.eett.gr/opencms/opencms/EETT/Electronic_Communications/Radio_Communications/TelecommunicationsEquipment/gr_Interface_Regulations.html

specifications that the radio equipment should comply with for the use of the various spectrum bands.

In this context and aiming at the compliance with the recent technological developments, in 2011, EETT, by virtue of a Decision⁹³, published the updated radio interfaces of radio equipment intended for use in fixed and mobile land service in the Greek market. These include the technical characteristics for:

- Digital point-to-point and multipoint radio relay, operating at the frequency bands of fixed service (1.4 GHz – 86 GHz).
- Radio equipment intended for use in mobile land service at the frequency bands of 138 MHz – 169.8125 MHz and 407 MHz – 461.5 MHz.
- Mobile service radio equipment used for remote notification (warning).

4.3.3. Publication of Interfaces of Electronic Communications Providers

In 2011, EETT continued the inspections concerning the content of the technical specifications of the interfaces through which the providers offer Electronic Communications services to the public. In cases of incomplete data, EETT urged those in charge to publish the complete and updated interfaces⁹⁴.

By means of the published interfaces, the manufacturers are facilitated in the design and production of equipment, that will be connected to the provider's network and it will offer all the services provided by means of the respective interface.

4.4. Regional Offices

To better monitor Greece's radiofrequency spectrum, EETT established two new Regional Offices in Patras and Heraklion, Crete. These specific cities were selected following a thorough analysis:

- of the existing telecommunication installations in Greece and especially of the networks related to human safety,
- of the population distribution and
- of the conditions and time needed by EETT teams to travel to various geographic areas outside Athens.

The area of jurisdiction of the Regional Office of Patras includes the Western Region of Greece and parts of the Regions of Ionian Islands and Epirus, whereas the area of jurisdiction of Heraklion includes Crete and the Southern Aegean Region.

The new Regional Offices are staffed with qualified scientific personnel and equipped with modern electronic equipment consisting of fixed and mobile

Table 4.1. Results of EETT Hearings in the Radiofrequency Spectrum Sector, 2011

| Issue | Number of Hearings | Fines | Recommendations | Exemptions | License Withdrawals | Other Sanctions/ Decisions |
|--|--------------------|------------|-----------------|------------|---------------------|----------------------------|
| Mobile Telephony Antenna Constructions | 417 | 409 | - | 8 | - | - |
| Other Antenna Constructions | 57 | 5 | 10 | 42 | - | - |
| Radio Equipment | 27 | 7 | 20 | - | - | - |
| Use of Non-assigned Frequency Bands for the Operation of Radio Links | 10 | - | 10 | - | - | - |
| Private Mobile Radio networks | 19 | 3 | 5 | 11 | - | - |
| Monitoring of Radio-Television Stations | 179 | 23 | 148 | 8 | - | - |
| Total | 709 | 447 | 193 | 69 | - | - |

[Source: EETT]

spectrum monitoring stations. In parallel, the Regional Offices assist EETT to monitor and control as well as foresee possible future malfunctions.

4.5. EETT's Controlling and Monitoring Actions

In 2001, EETT conducted 709 Hearings regarding violations in radio frequency spectrum issues. As a result, 447 fines were imposed.

4.6. Goals for 2012

EETT's objective regarding the radio frequency spectrum is to ensure the optimal use of this scarce resource both technically and financially. In order to meet this objective, in 2012 EETT will pursue the following goals:

The Development of new networks and citizens access to new services through the provision of spectrum to interested users

EETT will study the exploitation of new frequency bands for fixed and mobile services. In addition, it will implement an online system for antenna mast construction licensing and will impose a new

regulation for the construction of standardised antennas, thus accelerating the licensing and antenna installation process. Furthermore, EETT has planned the re-evaluation of spectrum usage and associated administrative fees, as well as the study and adaptation of more flexible licensing processes.

Safeguarding consumer rights

For the first time, EETT will conduct quality indicator measurements in selected areas for all three mobile networks in Greece and publish the results, whilst developing a Geographic Information System for the licensed antenna constructions.

Efficient spectrum protection to ensure legal usage

EETT will further enhance its spectrum monitoring, through the new Regional Offices in Patras and Heraklion.

Consumer protection against non-compliant equipment

EETT will intensify its campaign for the RTTE monitoring which is available in the Greek market. With the prime objective being the prevention of malicious usage, EETT will cooperate with competent bodies to track and remove non-compliant equipment as quickly as possible and in fact before it can be distributed to users/consumers.



5. The Postal Services Sector



In 2011, EETT stressed out the need to harmonize a number of points of the draft law on Postal Services with the European Law. The proposals submitted by EETT aimed at the growth of the postal market in view to its complete liberalization by December 31, 2012. Furthermore, EETT assumed significant initiatives related to ensuring the Universal Service (US) quality, as well as the implementation of auditing concerning the more effective operation of the Greek postal market.

All the actions taken by EETT in the Postal Services sector in 2011 are analyzed in the following sections, based on two pillars:

- Developing the postal market and protecting consumers.
- Ensuring the quality of the US.

5.1. Development of the Postal Market and Consumer Protection

EETT's objective is to ensure the smooth operation of the postal market and the compliance of the postal operations with the existing regulatory framework. To this end, EETT submitted a proposal to the Ministry of Infrastructure, Transport and Networks (MITN), aiming at the adjustment of the draft law for the postal market, in compliance with the European Directive 97/67/EC⁹⁵ performing, in parallel, regular audits, in the ten largest companies in Courier Services market.

5.1.1. Contribution to the Draft Law on the Organization of the Postal Services Sector

Further to the report submitted in 2010 on the organization of the Postal Services provision sector and the integration of the Directive 2008/6/EC⁹⁶, in 2011, EETT stressed the need to harmonize some points of the draft law with the European Law.

EETT's proposals, among others, were related to:

- The broader context of EETT's regulation and auditing.
- Amendments concerning the participation in the compensation of net costs for US provision.
- The possibility of partial assignment of the US and the determination of more than one USPs for parts of the US and / or parts of the Territory.
- Issues of a more general interest related to ensuring the substantial liberalization of the postal market.

The proposals submitted by EETT aimed at the development of the postal market, in view to its full liberalization by December 31, 2012 as well as to ensure high quality of US provision throughout the Greek Territory and safeguarding consumers' interest.

⁹⁵ As it was amended in compliance with the Directives 2002/39/EC and 2008/6/EC.

⁹⁶ Directive 2008/6/EC of the European Parliament and of the Council on February 20, 2008, for the amendment of the Directive

5.1.2. Annual Review on the Postal Market for the Year 2010

For the fourth consecutive year, EETT in cooperation with the postal companies enlisted in the Registry, collected both quantitative and qualitative data, in order to present an overview of the Greek postal market for the year 2010. Postal market data, services providers' financial data as well as statistical data of the European postal market were also presented in this review.

The number of companies operating in the Greek postal market was increased compared to the previous year, mainly because of the increase in the number of Courier Services providers (postal companies under General Authorization). As a result, on December 31, 2010, 1,344 postal companies including their network were operated. In 2010, approximately 19,000 individuals were employed in these companies, either in full or part time basis.

In 2010, for the second consecutive year, both postal items and postal revenues were declined. The above recession was partly due to electronic substitution. Other reasons for this drop relate to the advertising mail decrease as a result of advertising expenditure cut due to the economic crisis. Consequently and in comparison with 2009, a 6.8% reduction occurred at the volume of the postal items as well as a reduction of 5% at the respective revenues. It should be highlighted that the postal market reduction was driven only by the decrease of letter post, since parcels were increased by 8.6%. For the year 2010, all postal items counted to 678 million pieces compared to 728 million pieces in 2009, whereas the total revenue amounted to 706 million euros compared to 743 million euros for 2009.

97/67/EC concerning the complete implementation of the internal market of the community Postal Services.

Table 5.1. The Greek Postal Market (in items)

| Postal Items | 2007 | 2008 | 2009 | 2010 | 2010/09 |
|-----------------------------------|--------------------|--------------------|--------------------|--------------------|--------------|
| Universal Service Sector | 723,045,301 | 726,188,933 | 678,379,349 | 629,291,191 | -7.2% |
| Universal Service Provider (USP) | 716,220,900 | 718,858,100 | 671,668,468 | 622,525,829 | -7.3% |
| Operators with Individual License | 6,824,401 | 7,330,833 | 6,710,881 | 6,765,362 | 0.8% |
| Courier Sector | 46,470,205 | 50,650,921 | 49,986,523 | 49,186,647 | -1.6% |
| Total | 769,515,506 | 776,839,854 | 728,365,872 | 678,477,838 | -6.8% |
| Annual Change Rate (%) | 4.2% | 1.0% | -6.2% | -6.8% | |

Source: EETT's Annual Review on the Postal Market, 2010.

Table 5.2. Revenues of the Greek Postal Market (in euros)

| Postal Items | 2007 | 2008 | 2009 | 2010 | 2010/09 |
|-----------------------------------|--------------------|--------------------|--------------------|--------------------|--------------|
| Universal Service Sector | 435,581,237 | 453,139,150 | 451,179,897 | 419,631,664 | -7.0% |
| Universal Service Provider (USP) | 432,940,435 | 450,286,543 | 448,630,625 | 417,133,906 | -7.0% |
| Operators with Individual License | 2,640,802 | 2,852,607 | 2,549,272 | 2,497,758 | -2.0% |
| Courier Sector | 281,310,098 | 299,431,578 | 291,907,160 | 286,149,110 | -2.0% |
| Total | 716,891,335 | 752,570,728 | 743,087,057 | 705,780,774 | -5.0% |
| Annual Change Rate (%) | 5.1% | 5.0% | -1.3% | -5.0% | |

Source: EETT Annual Review on the Postal Market, 2010.

5.1.3. Qualitative Research on Postal Market Development

EETT in cooperation with a consulting company, conducted in 2011 a research concerning the operating issues of postal services in Greece and the submission of proposals for further developing the market, in view to the full liberalization.

In the context of this research, EETT contacted postal companies as well as companies/clients of theirs, which are making bulk use of the Postal Services (either of the USP or of the Courier Service). The main issues under study were as follows:

- Dysfunctions due to bureaucracy or the current legislation.
- Business prospects and opportunities in view of

the market's liberalization.

- Areas for improvement of the US operation.
- Competition and cooperation issues in general.
- Access to the Public Postal Network.
- General Authorisation issues.
- Quality control for the provided services.
- Customs clearance.

EETT's contact with the clients/users of the Postal Services (in this case large companies) was particularly useful and fruitful. In particular, the issues under study were related to:

- Perceived satisfaction from the provided Postal Services.
- Identification of areas for improvement regarding the provided Postal Services.
- Substitution of the Postal Service with other services.
- Requirements for new services/innovations.
- Expectations from the postal market's liberalization.

Research results will be available in the first half of 2012 and it is expected to greatly contribute in dealing with the most significant challenges of the postal market.

5.1.4. Meetings with Representatives of the Market

During 2011, EETT met with other regulatory authorities and representatives of the postal market. The objective of these meetings was to reach strategic decisions for issues such as:

- The security of the Postal Services, which was discussed during a joint meeting with the Hellenic Authority for Communication Security & Privacy (ADAE), the Civil Aviation Authority (CAA), the Hellenic Police and large Courier operators.
- The implementation of the General Authorization Regulation that was discussed during a meeting with courier operators.

5.1.5. Development of an Electronic Submission Application for Postal Providers

EETT, aiming at limiting bureaucracy and better corresponding to the requests of Postal Services providers,

completed a pilot program, launched in June 2010, for the electronic submission of the providers' requests, as well as of the required accompanying data/documents.

By simply visiting EETT's website, the Postal Services providers can request:

- Statement for Postal Services Provision.
- Modification of Statement Data for Postal Services Provision.
- Suspension of activity.
- Any other request that EETT will potentially offer.

This application was completed in 2011, by including the additional possibility to electronically issue a Registration Certificate as well as a Postal Network Certificate. A Decision⁹⁷ regarding the application was issued in 2011. The electronic submission of requests is an easy, fast and safe procedure that facilitates the providers and simplifies their communication with EETT. The authorized representative of each Postal Services provider obtains the administrator's role by an online registration. Then, the administrator is entitled to approve and activate other individuals (administrators) according to service category and no additional written authorization by EETT is required.

In the future, this web application will be the only way for Postal Services providers to contact EETT for any requests. However, the option of written submissions is still available.

5.1.6. Informing Consumers on the Custom Fees for Postal Items

EETT has received a significant number of consumers' complaints concerning the additional charges imposed for the customs clearance of postal items coming from non - EU countries. For this reason and in order to enable consumers to check fees imposed to them, EETT issued explanatory directives both on its website and in information leaflets in 2011.

Following consumers' complaints concerning the "customs presentation fee" on "customs-free" postal items, EETT investigated the legitimacy of this fee during customs clearance of the incoming postal items from non-EU countries, in compliance with those provided for in the relevant regulations of the Universal Postal Contract and the national regulatory framework. As a result, it considered that the Hellenic Post (ELTA) should not impose the specific fee on the users. In accordance

⁹⁷ EETT Decision 593/096/2011, GG Issue 540/B/07-04-2011, "Establishing the Internet Application of the National Telecommunications and Post Committee (EETT) as a means for the electronic submission of requests by the Postal Companies".

with L.3185/2003, EETT submitted a recommendation to the Minister of Infrastructure, Transport and Networks to impose a sanction to the Hellenic Post. The MITN deemed appropriate the readjustment of the fees imposed by the Hellenic Post within two months, in accordance with the interpretation given by the Legal Service of the Universal Postal Union (UPU), thus not creating confusion to the end user.

5.1.7. GIS Application for Postal Location Points

Since 2010, an application that searches and lists all the post offices in Greece was added to EETT's Geographic Information System (GIS) available on its website. Through this application, users may easily locate on the electronic map the nearest post office at their area of interest. In 2011, EETT updated this application by adding the locations of Hellenic Post's cluster letterboxes, throughout Greece. Therefore, apart from the post offices, users have the ability to see analytically the points where the cluster letterboxes of the Hellenic Post have been placed, which is especially useful for areas where home mail delivery is not provided.

5.2. Ensuring the Quality of the Universal Service

This second pillar of EETT's actions concerns the Universal Postal Service which must be provided in high quality to all the citizens –wherever they live– on a regular basis, at affordable prices, with transparent and single pricing policy and at particular standards. The Hellenic Post (ELTA) is the provider to which the Hellenic State has assigned the responsibility to provide the US. The Hellenic Post is obliged to collect the postal items once a day from the point of access/ deposit of postal items and distribute them at home or at the premises of each physical or legal entity daily, during working days (with the reservation of the exceptions applying each time).

The Universal Postal Service includes:

- The collection, transport, sorting and distribution of letter post weighing up to 2 kg.
- The collection, transport, sorting and distribution of parcels weighing up to 20 kg.
- The services of registered letters and insured items.

5.2.1. Universal Service Quality Measurements

In 2011 and in the context of its supervisory and monitoring role for the Postal Services, EETT published the results of the US quality measurements, in the category of Domestic First Priority Mail for the first semester of 2011. With these quality measurements, EETT intends to ensure an effective and competitive US, in view to the liberalization of the postal market by December 31, 2012.

The US quality measurements are conducted together with the Hellenic Post, according to the Ministerial Decision (MD) 58134/2275/2010. The measurement is implemented by an internationally acclaimed third party and is based on the handling of more than 60,000 letters per year, throughout Greece, thus ensuring the reliability of the measurements by 95%. An integrated information system is used for data collection and analysis, whereas the measurements are conducted on the basis of the European quality standard EN 13850. As it results from the measurements for the year 2011, the delivery percentage of Domestic First Priority Mail achieved by the Hellenic Post within a working day from the day of deposit (D+1) is 87.3% and within three working days (D+3) is 99.1%. It is observed that in 2011 the Hellenic Post achieved its goals set for both delivery categories of Domestic First Priority Mail.

Domestic First Priority Mail

The Table 5.3. presents:

- a) The delivery percentages of Domestic First Priority Mail within a working day (D+1) and within three working days (D+3) from the day of the item deposit as provided for in the relevant MD⁹⁸, consisting an obligation of the Hellenic Post.
- b) The average delivery time from the working day of the item deposit (in working days).

International First Priority Mail

International First Priority Mail quality measurements are conducted for all EU countries by the International Post Corporation (IPC). There were 35 countries participating in the IPC UNEX measurement in 2011, including Serbia starting from April 2011.

With regard to the overall results for 2011 for all 35 countries, the delivery percentage of International First Priority Mail within three working days (D+3) reached 93.0%, whereas the percentage for deliveries

⁹⁸ MD 58134/2275/2010, GG Issue 42/B/20-01-2010.

Table 5.3. Domestic First Priority Mail

| | Hellenic Post (ELTA) Obligation (D+1) | Hellenic Post (ELTA) Results 2011 (D+1) | Hellenic Post (ELTA) Obligation (D+3) | Hellenic Post (ELTA) Results 2011 (D+3) | Average Delivery Time 2011 (in days) |
|-------|---|--|---|--|--|
| 2008 | 87% | 79.9% | 98% | 98.2% | 1.14 |
| 2009* | | 81.5% | | 98.2% | 1.13 |
| 2010 | | 87.7% | | 98.9% | 1.03 |
| 2011 | | 87.3% | | 99.1% | 1.06 |

(D+1): Within a working day

(D+3): Within three working days

Source: PWC "Measurement Results of the Handling Time of Domestic First Priority Mail according to the European Standard EN 13850:2002"

(*) The source of the 2009 results is the Hellenic Post. The results derive from measurements conducted according to the Standard EN 13850:02 without including exceptions.

Table 5.4. Mail Delivery in "Zone A" Countries

| Country of Destination (from Greece) | Outgoing (D+3) | | Outgoing (D+5) | | Outgoing |
|--|--|---|--|---|--|
| | Hellenic Post (ELTA) Obligation based on MD 58134/2275/2010 | Hellenic Post (ELTA) Results 2011 | Hellenic Post (ELTA) Obligation based on MD 58134/2275/2010 | Hellenic Post (ELTA) Results 2011 | Average Delivery Time (in days) 2011 |
| <i>Zone A*</i> | | | | | |
| Austria | 85% | 84.8% | 97% | 97.1% | 2.6 |
| Belgium | 85% | 87.8% | 97% | 97.2% | 2.4 |
| Bulgaria | 85% | 93.5% | 97% | 100.0% | 2.2 |
| France | 85% | 93.6% | 97% | 98.3% | 2.3 |
| Germany | 85% | 89.8% | 97% | 98.1% | 2.5 |
| Switzerland | 85% | 93.3% | 97% | 100.0% | 2.1 |
| United Kingdom | 85% | 88.7% | 97% | 98.0% | 2.4 |
| Spain | 85% | 84.6% | 97% | 97.0% | 2.5 |
| Italy | 85% | 87.3% | 97% | 97.2% | 2.6 |
| Cyprus | 85% | 84.4% | 97% | 96.4% | 2.7 |
| The Netherlands | 85% | 94.0% | 97% | 99.7% | 2.1 |
| Romania | 85% | 83.6% | 97% | 99.0% | 2.6 |
| Slovakia | 85% | 86.2% | 97% | 97.6% | 2.7 |

D= Day of deposit • Zone A: Countries with daily direct flights from Greece -all the countries of the European Union excluding those of Zone B- (according to Hellenic Post data).

taking place within five working days was 98.1%. Both measurements outreach the goals set by the European Post Directive, in which the goal for delivery within three working days (D+3) is 85% and 97% respectively for deliveries within five working days (D+5). Furthermore, the average delivery time was 2.2 days for the 35 countries in 2011 and it has been improved by half day compared to 1998 and by one day compared to 1994.

The Tables below present statistical data for 2011 regarding:

- (a) The delivery percentages of International First Priority Mail within three working days (D+3) and within five working days (D+5) from the day of item deposit, as provided by the MD 58134/2275/2010 and consist a commitment to be attained by the Hellenic Post.
- (b) The delivery percentages achieved by the Hellenic Post for the International First Priority Mail, within three working days (D+3) and within five working days (D+5) from the day of the item deposit.
- (c) The average delivery time from the day of the item deposit (in working days).

Table 5.5. Mail Delivery in “Zone B” Countries

| Country of Destination (from Greece) | Outgoing (D+3) | | Outgoing (D+5) | | Outgoing Average Delivery Time (in days) 2011 |
|--------------------------------------|---|-----------------------------------|---|-----------------------------------|--|
| | Hellenic Post (ELTA) Obligation based on MD 58134/2275/2010 | Hellenic Post (ELTA) Results 2011 | Hellenic Post (ELTA) Obligation based on MD 58134/2275/2010 | Hellenic Post (ELTA) Results 2011 | |
| <i>Zone B*</i> | | | | | |
| Denmark | 80% | 89.2% | 95% | 99.1% | 2.3 |
| Estonia | 80% | 77.1% | 95% | 98.6% | 2.6 |
| Ireland | 80% | 82.6% | 95% | 96.6% | 2.7 |
| Iceland | 80% | 85.1% | 95% | 97.3% | 2.6 |
| Croatia | 80% | 64.4% | 95% | 97.8% | 3.2 |
| Latvia | 80% | 65.0% | 95% | 88.3% | 3.5 |
| Lithuania | 80% | 54.5% | 95% | 89.6% | 3.5 |
| Luxemburg | 80% | 90.1% | 95% | 97.5% | 2.4 |
| Malta | 80% | 72.0% | 95% | 92.7% | 3.3 |
| Norway | 80% | 79.1% | 95% | 97.9% | 3.0 |
| Hungary | 80% | 86.6% | 95% | 98.0% | 2.6 |
| Poland | 80% | 72.6% | 95% | 92.7% | 3.2 |
| Portugal | 80% | 90.5% | 95% | 97.6% | 2.4 |
| Slovenia | 80% | 68.6% | 95% | 89.8% | 3.7 |
| Sweden | 80% | 82.4% | 95% | 99.2% | 2.7 |
| Czech Republic | 80% | 85.8% | 95% | 99.2% | 2.5 |
| Finland | 80% | 90.6% | 95% | 98.4% | 2.4 |

D = Day of Deposit of Mail • * Zone B: Countries without daily direct flight from Greece (according to Hellenic Post data)

⁹⁹ EETT Decision 551/069/04-02-2010.

5.2.2. Cost Accounting Control of ELTA – New Cost Accounting Model

Further to the Decision⁹⁹ approving the cost accounting system of the USP, EETT held meetings with Hellenic Post officials in 2011 to ensure full compliance with the obligations resulting from its capacity as a USP.

More specifically, these obligations have to do with:

- The introduction of previous period data in the cost accounting system.
- The cost calculation per post office.
- The cost calculation of the excess capacity and determination of cost efficiencies.
- The accuracy of data introduced in the system and the identification of statistic errors to the results obtained.
- The cost calculation for access to the public postal network.
- The transactions of the Hellenic Post with its subsidiaries and affiliates, as well as with the subsidies (grants) obtained by European programs.
- The provision of supplementary reports, actual/forecast data.
- The conversion of non-parametric data to parametric data.
- The development of a mechanism for cooperation between EETT and the Hellenic Post aiming at improving the cost accounting system.
- The development of a mechanism and a methodology for data collection and processing before they are introduced to the costing system.
- The development of a mechanism for regular updating of the cost accounting system.

5.2.3. Submission of Proposals for Universal Service

In the context of improving the US, a survey was completed in 2011 regarding consumer satisfaction. This survey was based on a representative sample of individuals and companies from all over Greece. Furthermore, a small scale qualitative research was conducted at a limited number of municipalities which have a significant number of areas that are excluded from the US quality measurement. The results of this survey, which was also notified by EETT to the MITN, are the following:

- Advantages of the USP: size of the post offices network, reasonable prices for the services provided and a high level of awareness.

- Areas for improvement of the USP: Speed in the dispatch of postal items (objects), effectiveness in dealing with various problems, waiting time for service provision and working hours.
- The main benefits expected by the users from the impending liberalization of the Postal Market are lower prices and a more effective customer service. More specifically, the USP is expected to offer quality improvement for the services provided, whereas improvement to the cost of services is expected by the private providers. More than half of the users (53%) are not aware of their right to US provision following specific quality specifications.
- Home delivery of postal items, even if not daily, is by far preferred to their delivery at other premises like mailboxes, coffee shops, etc.
- The users show particular interest in the operation of the offices of the USP in the afternoon and on Saturdays, even at an extra charge.

5.3. EETT's Control and Monitoring Actions

In 2011, in the context of its monitoring role, EETT conducted eleven on-site audits at postal companies. Following these audits:

- One company was deleted from EETT's Registry.
- Five companies were summoned to a Hearing.
- Two companies received a letter of compliance and were also summoned to a Hearing.
- Three companies received a letter of compliance.

Also in 2011, in total, 60 companies were deleted from the Postal Operators' Registry. From these, 33 were deleted after "ex officio" inspections conducted by EETT's Postal Services Directorate, as no contact with them was possible. The remaining 27 companies were deleted on their request, because they ceased their activity as courier operators. Moreover in 2011, 47 registrations under General Authorization took place, whereas one Individual License was provided. As a result, on December 31, 2011, EETT's Registry contained 1,313 companies under General Authorization (including companies' network). To safeguard consumers' rights and ensure fair competition in the Postal Market, EETT, on a regular basis, renewed the list containing all the courier companies which were deleted from EETT's Registry. It should be mentioned that the companies deleted from EETT's Registry (371 companies in total until this date) do not have the right to provide Courier services to consumers.

5.4. Goals for 2012

EETT's Regulatory Strategy and Action Plan for 2012 are structured around the following two pillars:

Development of the Postal Market

- Issue of the secondary legislation and regulatory actions, pursuant to the new Law.
- Completion of the qualitative research for the development of the postal market in Greece and taking up actions, on the basis of its results.
- Investigation on significant issues concerning any infringements of the competition framework by the USP and possible regulation of equal access to the public postal network.
- Expansion and broader use of internet applications (electronic submission of requests, questionnaires and annual fees, documents provision etc).
- Conduct of regular and ad hoc audits at postal companies to investigate their compliance with the regulatory framework and suspend any illegal activity.

Consumers' Protection and Ensuring Universal Service's Quality

- Ensuring more choices and equal access to competitive services and products for consumers. Provision of information for both individuals and companies through leaflets, studies, internet and meetings in regard to their rights and developments in the postal market.
- Conduct of US quality measurements, based on European standards and evaluation of the areas that are excluded from its specified quality.
- Evaluation of the Hellenic Post actual results for 2011 and adjustment of the US price list. Monitoring of the application and operation of the Hellenic Post (ELTA) new billing system and determination of a reference model for the US net cost calculation, in cooperation with the Hellenic Post.
- Upgrade of the existing GIS (Geographic Information System), concerning the US provision, including access to this application from smart phones.



6. EETT's Cooperations: A Strong Presence in the National & International Developments



In 2011, EETT's presence at national, European and international level was significantly upgraded, while the election of its President, Dr. Leonidas Kanellos, to the Chairmanship of the Body of European Regulators of Electronic Communications (BEREC) for the year 2013 was a recognition of the Authority's hard work. It is noted that EETT holds the Vice-chairmanship of BEREC for the year 2012, thus undertaking a leading role during a period of major challenges for both the European market of Electronic Communications and the administrative organization of the Body itself. Apart from its participation in BEREC, EETT developed a wide network of contacts and cooperations at an international and national level to enhance its effectiveness and continuously upgrade its role.

6.1. National Cooperations

6.1.1. Hellenic Competition Commission

EETT and the Hellenic Competition Commission cooperate on a constant basis over the last years. Their cooperation continued during 2011 with the co-examination of cases relating to the markets of the exclusive competence of each Authority, under Law 3431/2006¹⁰⁰, Law 3959/2011¹⁰¹ and the articles 101¹⁰² and 102¹⁰³ of the Treaty for the Functioning of the European Union (TFEU). Collecting and processing data of supervised markets, exchange views and harmonized application of the Greek and EU Competition Law was the core of this cooperation. Besides, in May 2011, EETT participated successfully in the "ECN Working Group of Cartels Meeting", organized by the Hellenic Competition Committee in Athens.

6.1.2. "Digital Greece 2020" Forum

EETT actively participated in the works of "Digital Greece 2020" Forum. The Forum is composed of seven groups: e-Entrepreneurship, Education-Research-Innovation, e-Inclusion and Digital Literacy, Trust and Security, Interoperability, Free Software/Open Source Software and Open Content and Data, Next Generation Access Networks, Public Administration and Society.

The groups started their work at the end of 2010. In 2011, they submitted their first deliverables, which include proposals for specific actions to be adopted and implemented by the Greek State in the near future, aiming at rapidly improving aspects of the

"Digital Greece" project. On March 30 2011, in an open event, the framework of feasible proposals was presented, as resulted from the gathering of views, the dialogue and the data processing through meetings or teleconferences. These actions set the foundations for Greece to move towards the direction set by the Digital Agenda for Europe (Digital Europe 2020).

The event was attended, among others, by the President of EETT Dr. L. Kanellos, the Special Secretary for Administrative Reform and National Printing Office, Mr. S. Gritzalis and the actions coordinator of the European Commission's Digital Agenda for Greece and Cyprus in the field of Information Society and Mass Media, Ms. N. Pascal.

The works of the groups continued according to the Operational Plan of the Steering Committee. Given the short term actions, medium term actions were identified for the country to work its way towards the 2020 goals. This second phase of work resulted in the policy framework for Digital Greece 2020 that was presented in an open event in Greece on June 1st, as well as during the events for the European Digital Agenda in Brussels, on June 16 -17, 2011.

Mid-term actions include:

- The linking of the projects Fiber to the Home (FTTH), Metropolitan Area Networks (MAN), Coupling and Rural Broadband.
- The revision of Law 2121/1993¹⁰⁴ on copyright exceptions.
- The support from Non Governmental Organizations (NGOs) in groups of socially and digitally excluded citizens regarding the use and exploitation of the Information and Communications Technologies (ICT).

¹⁰⁰ "Electronic Communications and other Regulations"
GG Issue 13/A/03-02-3006.

¹⁰¹ "Competition Protection", GG Issue 93/A/20-04-2011.

¹⁰² Former Article 81 of the Treaty on the establishment of the European Community (TEC) about agreements, partnerships and harmonized practices among companies distorting the competition.

¹⁰³ Former article 82 of the Treaty on the establishment of the European Community (TEC) about the abuse of the dominant position of companies.

¹⁰⁴ "Copy rights, neighboring rights and cultural matters"
(GG Issue A'25/4-3-1993).

- The national health interoperability framework.
- The preparation of a Digital Municipality roadmap for all the classes of Local Authorities, with emphasis on sustainable development and advanced digital services.
- The participatory governance systems in Local Authorities.
- The protection of privacy in telecommunications.
- The periodic actions of public awareness on security and privacy issues, while also surveying and studying the users' level in the specific issues.
- The exercising of Open Access Policy in scientific data and publications etc.

6.2. International Cooperations

6.2.1. Body of European Regulators of Electronic Communications (BEREC)

In 2011, EETT actively participated in the works of the Body of European Regulators of Electronic Communications (BEREC). In fact, its role was significantly upgraded, since EETT President, Dr. Leonidas Kanellos, was elected as the Vice Chair of BEREC for the year 2012.

In this context, EETT participated in Expert Working Groups, according to BEREC's work program. More specifically it participated in the following groups:

- Convergence and economic analysis.
- International roaming.
- Benchmarking.
- Policies for Broadband development.
- Next Generation Access networks.
- Regulatory costing.
- Internet Neutrality.

Through this participation, EETT contributes to the formulation of a common strategy for the single European Market of Electronic Communications and also acquires considerable expertise that can use in its regulatory and supervisory work.

2011 was a landmark year, as the new European regulatory framework was finally put into effect. The important and prestigious role of BEREC was revealed through key interventions and recommendations to the European Commission, the Council of Ministers and the European Parliament, concerning major

issues, such as International Roaming and Internet Neutrality. In parallel, significant progress was made regarding the BEREC's Office, which became operationally independent and can now provide full administrative support to the work of the Body. This Office is based in Riga, Latvia, and was established as a community body with legal entity, according to the establishment Regulation of BEREC¹⁰⁵. For the year 2012, the Chairmanship of BEREC was undertaken by the Austrian President, Mr, Georg Serentschy, following the elections held in December 2010,

EETT in the Chairmanship of BEREC for the Year 2013

During BEREC 9th Conference, held on December 8-9, 2011, in Bucharest, Romania, EETT President, Dr. Leonidas Kanellos, was elected Chairman of the Body for 2013. He was unanimously elected by the 27 Regulatory Authorities of all EU member states comprising the Body, as well as, by the Representatives of the European Commission.

According to the Regulation of the Body, EETT President, as Chairman of BEREC for 2013, assumes the role of BEREC Incoming Vice Chair 2012 and Outgoing Vice Chair 2014. Furthermore, he assumes the roles of Chairman of BEREC Steering Committee, as well as of Independent Regulators Group (IRG) for 2013.

6.2.2. Independent Regulators Group (IRG)

EETT, through its participation in the Independent Regulators Group (IRG), continued during 2011 its cooperation with its European partners to explore the prospects for further development of the Electronic Communications single market. IRG consists of the Regulatory Authorities of the 27 member states of the EU, the four member states of the European Free Trade Zone (Switzerland, Iceland, Lichtenstein and Norway), as well as the four candidate states for EU membership (Croatia, Montenegro, FYROM and Turkey).

Since 2008, IRG is a legal entity based in Brussels, Belgium. EETT is one of the 33 founding members who have co-signed its establishment memorandum and participates actively in it. Nowadays, 45 National Regulatory Authorities participate in IRG.

¹⁰⁵ European Parliament and European Council Recommendation 1211/2009.

6.2.3. European Competition Network (ECN)

As a member of the European Competition Network (ECN), EETT participated in the meetings of the Network throughout the year. In September, EETT participated in the ECN "Telecoms Sectoral Subgroup" during which, it was informed by the National Competition Authorities on best practices and the implementation of articles 101 and 102 of the Treaty of Functioning of the EU in the market of Electronic Communications. Furthermore, it took the opportunity to exchange information and expertise among National Competition Authorities, provided by the ECN intranet system, in order to address specific issues of its responsibility.

EETT also participated in the Plenary meetings of the Network, where wider issues of competition policy were discussed among other things (articles 101 and 102 TFEU) and proposals were submitted for the improvement of the existing procedures. During the year, EETT called for the direct contribution of the European Commission (Directorate-General for Competition – DG COMP) in handling some critical questions–cases, such as market definition questions, etc.

6.2.4. Euro-Mediterranean Regulators Group (EMERG)

EETT is a founding and active member of the Euro-Mediterranean Regulators Group (EMERG). The Group aims to develop the Electronic Communications in the region, in a way that is inspired by the European model of transparency and regulatory stability for the benefit of the market and the consumers, and also enhance the equitable access for all citizens in the Knowledge Society.

The work program for 2011 was prepared following an analysis of regulatory practices and challenges faced by the Group member states, endorsed in the January 2011 Summit. It included key issues such as licensing procedures, consumer protection, digital transition, retail markets regulation, infrastructure sharing and broadband promotion.

In the context of enhancing the bilateral relations of the Group members, a delegation of the Regulatory

Authority of Lebanon (TRA) conducted a working visit to EETT in November 2011. During this visit, the TRA representatives had the chance to gain expertise and experience by EETT, regarding its initiatives and procedures for protecting and informing consumers.

6.2.5. Other Official Committees

In 2011, the presence and contribution of EETT in the European developments were particularly intense, through its participation in the work of the following EU Committees and Groups:

Forum of European Supervisory Authorities (FESA) for Electronic Signatures

This Forum aims at the cooperation between competent bodies (agencies), the exchange of views and the development of common positions on issues arising from the application of Electronic Signatures.

Working Group for Frequency Management (WGFM)

This is a Working Group of the Electronic Communications Committee (ECC) that is responsible for frequency management at the level of the member states of the European Conference of Postal and Telecommunications Administrations (CEPT). WGFM issues regulations (decisions, recommendations and reports) on all matters regarding radio spectrum management, such as fixed, mobile, satellite, broadband and broadcasting services, short range devices, ultra wideband devices, as well as new technology issues in the use of radio-frequencies, such as the cognitive radio systems.

Radiospectrum Committee (RSC)

It was established, following a European Commission Decision, to specify harmonized conditions on the availability and efficient use of the radio spectrum, which is necessary for the establishment and functioning of the internal market in Community policy areas, such as Electronic Communications, Transports, and Research and Development. EETT participated in the work of the Committee along with the Ministry of Infrastructure, Transport and Networks (MITN), in shaping pan-European positions on issues such as the establishment of an integrated database for the use of

the spectrum at European level, the harmonized use of the spectrum for supporting broadcasting services, as well as the optimum use of the 2GHz band for the provision of public Electronic Communications.

Joint Working Group of BEREC and the Radio Spectrum Policy Group – RSPG:

As a product of the cooperation between BEREC and the RSPG of the European Commission, this joint Working Group aims at addressing issues and reporting on the effects of radio frequency spectrum management on the competition level in the Electronic Communications market. The main objective of this joint Group is to use its members' experience, including EETT, in managing the frequency spectrum, and utilize this knowledge to identify best practices.

In the beginning of 2011, the Group finished the report on infrastructure sharing of wireless communications. The main task of the Group for the rest of the year was the evaluation of the economic and social value of the radio frequencies spectrum. As part of this project, EETT briefed participants on the approach followed in our country regarding the procedures for spectrum provision under limitations. Also, EETT offered its expertise in the economic evaluation of frequency spectrum based on its experience in tender procedures concerning the granting of rights for the use of radio frequencies.

Project Team (PT) FM22 of the CEPT/ECC:

It belongs to the Working Group for Frequency Management (WGFM) of the Electronic Communications Committee (ECC) of CEPT, having as its subject spectrum monitoring measurements. In the context of a more general reorganization of the ECC, it was recently decided to merge PT FM22 with PT RA1, which belongs to Working Group of Regulatory Affairs (WGRA) and deals with monitoring regulations and spectrum supervision.

Representatives from European Regulatory Authorities participate in the PT FM22, dealing with the monitoring of the radio frequencies spectrum, whereas the results from its works are submitted to the WG FM for approval and then forwarded to the ECC to be adopted as official documents (Recommendations, Reports, Directives).

EETT participates in the PT FM22 in the last seven years, together with officials from the Spectrum Monitoring Department and the Regional Office in

Thessaloniki. Participation in these meetings allow for exchange of experiences, views and concerns among officials of European Regulators on issues of common interest.

In April and October 2011, the twice-yearly meetings of PT FM22 took place in Montreaux, Switzerland and in Split, Croatia respectively. In these two meetings, subjects on spectrum monitoring were discussed, the most important being:

- The establishment of a legal, administrative and technical framework for the merge of PT FM22 and PT RA1.
- The formulation of a draft Recommendation for the conduct of BEM (Block-Edge Mask) Compliance Measurements concerning the measurement of various technical transmission parameters, aiming at avoiding interference between transmissions of neighboring channels.
- Issues related to new technologies development and their interaction (e.g., interference between DVB-T and LTE stations, interference between Wi-Fi systems and weather radars, etc.).
- The collection of statistics on cases of interference in Air Navigation frequencies in order to draw conclusions.
- The creation of a reference plan on the "Spectrum Management during major events".

EETT representatives actively participate in Drafting Groups, especially established for the last two issues. Especially with regard to the issue of "Spectrum Management during major events", EETT is going to contribute in the draft text on the expertise gathered during the particularly successful, in terms of spectrum management and monitoring, organization of the "Athens 2004" Olympic Games.

Working Group on the "Authorization and Frequency Rights of Use – AUTH" of the Communications Committee – COCOM:

In the context of its participation in AUTH, EETT worked on incorporating EU legislation into Greek Law on the issues of Mobile Satellite Services (MSS) and Mobile Communications on board Vessels (MCV). Analytically:

(a) Mobile Satellite Services (MSS)

Based on the European Communities Decision 2009/449/EC¹⁰⁶ two mobile satellite services providers were selected to provide services in 27 member states. For the first time, the providers are centrally selected by the European

¹⁰⁶ "European Communities Decision on May 13, 2009 concerning the selection of providers of pan-European systems for mobile satellite services".

Commission on a harmonized frequency band. The licensing for MSS is performed under a general license status and the appropriate rights for the use of radio frequencies are granted to the two selected providers, in accordance with the Decision 2009/449/EC¹⁰⁷ and the national legislation. The member states were required to respond directly in order to facilitate the development of the MSS. EETT responded to this obligation and since May 13, 2011, it has applied the licensing framework for MSS issuing two relevant Decisions¹⁰⁸.

(b) Mobile Communications on board Vessels (MCV)
Based on the European Communities Decision 2010/166/EC¹⁰⁹ and the Recommendation 2010/167/EC¹¹⁰ the development of pan-European communications services was enhanced to provide continuous coverage to mobile subscribers on board vessels during a journey, including members of the crew. The specific regulatory texts aim at:

- Harmonizing the technical terms for the availability and the effective use of the radio spectrum of 900 and 1800 MHz bands for systems providing mobile communication services on vessels within the EU territorial waters.
- Coordinating national licensing terms and procedures in regard to the radio spectrum use for mobile communication services on board vessels (MCV services) within the territorial waters of the member states, thus facilitating the installation of these services in the EU and avoiding harmful interferences caused by MCV services to land mobile communications.

In Greece, the systems providing MCV services will operate at a spectrum of frequencies to be determined by the National Frequencies Band Regulation and it is going to be of 2x2 MHz width.

Participation in the European Commission's Conference "Promoting the shared use of radio spectrum resources in Europe":

The conference covered the results of the EU study on issues of "shared spectrum access" in the 27 member states, concerning the technological potential of providing spectrum access with no or minimum regulation. This field offers significant growth perspectives for the

¹⁰⁷ "European Communities Decision on May 13, 2009 concerning the selection of providers of pan-European systems for mobile satellite services".

¹⁰⁸ a) EETT Decision 598/2/31-03-2011 "Amendment of 521/32/05-05-2009 EETT Decision" Regulation on the Terms of Single Radio frequencies Use or Radio Frequencies Band" (GG Issue 1010/ B/28-05-2009)", GG Issue 841/B/ 13-05-2011 and b) EETT Decision 598/3/31-03-2011" Amendment of 276/49/14-02-2003 EETT Decision "Regulation on Determining Usage Fees and Radio

European telecommunication market in the future.

The purpose of the conference was on the one hand to present the first preliminary results of the study and on the other hand to gather comments and practices followed by the member states on the specific field, in order to be incorporated in the final deliverable. From its part, EETT presented its experience from the application of shared spectrum access practices in the Greek market. It should be mentioned that the company SCF Associates Ltd undertook the drafting of the study on behalf of the EU.

Telecommunications Conformity Assessment and Market Surveillance Committee (TCAM):

It was established to assist the European Commission and consult on implementation issues of the Directive 1999/5/EC on Radio and Telecommunications Terminal Equipment (RTTE).

Administrative Cooperation Group (ADCO):

Its basic responsibility is to analyze and address problems concerning the supervision of the RTTE market, forming directives to facilitate the work of the competent authorities in the single European market.

6.3. International Cooperations in the Postal Services Sector

6.3.1. European Regulators Group for Postal Services (ERGP)

European Regulators Group for Postal Services (ERGP) was established in 2010 following a Decision of the European Commission. The member states in ERGP are represented at the highest level (Presidents of the Regulatory Authorities). Its aim is the coordination and cooperation of all the independent Regulatory Authorities of the member states to achieve the postal reform objectives in the EU.

ERPG set out an ambitious work program for the years 2011-12, forming five Working Groups, which dealt with the following issues:

Frequencies Assignment Fees" (GG Issue 256/B/04-03-2003)", GG Issue 841/B/13-05-2011.

¹⁰⁹ "European Communities Decision on March 19, 2010, concerning the harmonized conditions in relation to the use of the radio spectrum for mobile communication services on Vessels in the European Union".

¹¹⁰ "European Commission's Recommendation on March 19, 2010, concerning the Licensing of systems for mobile communication services on vessels".

1. Costing Issues and Pricing

The work undertaken by this group is going to be completed in two phases, and it includes: (a) a report on existing methodologies for the allocation of joint costs and their assessment, and (b) the theoretical analysis and the comparison of the cost allocation methods, aiming at developing better regulatory models. The final deliverable will be the position of the ERGP on a neutral competitive methodology of joint cost allocation.

2. Cross – Border Mail Issues (Products and Pricing/Terminal Fees)

The goal is to create a database with cost data and pricing for the cross–border distribution of products of the European countries. Issues concerning the cross–border mail in each EU country were discussed in the context of this group and the findings were written down in a report, submitted to the ERGP members for formal approval.

3. Access to the Public Postal Network

This working group focused on: (a) the non-discrimination between mailers and consolidators, examining the current situation in Europe, and b) the best practices in technical issues, as well as in issues such as the access to postal codes system, addresses database, post office boxes, mailboxes, information on change of address, re-direction service, return to the sender service etc.

4. Net Cost for the Universal Service Provision – The VAT as benefit/burden

The starting point of the project is to define the minimum requirements of the Universal Service (US) according to the Postal Directive 2008/6/EC (National Regulation)¹¹¹, that includes two phases: (a) the calculation of net costs and the identification of the economic burden and (b) the exploring of the possibility for the settlement of the VAT distortion, through the calculation of the net cost for US provision.

5. End-User Satisfaction and Monitoring of the Market Outcomes

This project includes the two following actions: (a) assessing the impact of the postal market liberalization, with the ultimate aim of ensuring consumer protection in accordance with the provisions of the Postal Directive, making use of tools, such as the quality measurement of the service provided and its

improvement over time, the end-user satisfaction by handling complaints and (b) monitoring the market developments and the consequences of regulation.

In 2011, EETT actively participated in working groups on costing issues, cross-border mail and public postal network.

6.3.2. Universal Postal Union (UPU)

EETT participated in the conference of the Universal Postal Union (UPU) held in Bern, Switzerland, in November 2011. The conference aimed to discuss the role of the postal regulation in a period of intense electronic substitution and liberalization, as well as to identify the best business practices for the development of the postal sector.

The following issues were presented and analyzed in the conference:

- The present and the future of the Universal Service Providers (USPs).
- The role of regulators in controlling the provided services quality in a liberalized postal market.
- The protection of the Postal Services users in a period of multiple electronic options.
- Specific analysis, presentations and challenges concerning the universal postal market.

6.3.3. Postal Directive Committee (PDC)

In April 2011, EETT participated in a meeting of the Postal Directive Committee (PDC) in Brussels, Belgium in the context of regular meetings on the application of the new Postal Directive¹¹².

During the meeting, a briefing was carried out for the member states which have already put in practice the new Postal Directive (Table 6.1), whereas a summary of the issues managed by the ERGP was presented.

Also, in December 2011, EETT attended a meeting of the Committee, with the main discussion topics being the transition and adoption of the new Postal Directive also by other countries, issues on the development of the Postal Services, as well as briefing on ERGP developments. During the work of the PDC in Brussels in early November 2011, the results of various studies were presented, concerning:

¹¹¹ Directive 2008/6/EC of the European Parliament and the Council on February 20, 2008, on the amendment of the Directive 97/67/EC concerning the full implementation of the internal market of Community Postal Services.

¹¹² Directive 2008/6/EC of the European Parliament and the Council on February 20, 2008 for the amendment of Directive 97/67/EC concerning its full implementation in the internal market of the Postal Services of the community.

- appropriate methods for better measurement of the consumer preferences on Postal Services, and
- issues relating to the intra-community cross-border transport of parcels.

Table 6.1. Member States applying the New Postal Directive

| Member-State | Date of Application |
|-----------------|---------------------|
| Austria | 12-10-2009 |
| Belgium | 04-01-2011 |
| Bulgaria | 05-01-2011 |
| France | 23-12-2010 |
| Germany | 22-12-2010 |
| Denmark | 31-12-2010 |
| Estonia | 31-12-2008 |
| Ireland | 02-08-2011 |
| Spain | 10-01-2011 |
| Italy | 23-03-2011 |
| United Kingdom* | 01-01-2006 |
| The Netherlands | 25-06-2009 |
| Slovenia | 28-09-2009 |
| Sweden | 14-09-2010 |
| Finland | 09-03-2011 |

* In Great Britain the liberalization of the Postal Services took place several years before the relative European Directive

6.3.4. European Committee for Postal Market Regulation (CERP)

EETT participated in the 44th plenary meeting of the European Committee for Postal Market Regulation, held in Dublin, Ireland, in May 2011. The main topics of the meeting were:

- The elections for the new Chairman.
- The approval of CERP restructuring due to the establishment of the ERGP.
- Decision to create two working groups, the “Working Group Policy” and the “Working Group UPU”.
- Updating on current working groups progress and results.
- Updating on European Committee and UPU developments.

- The organization of an “Electronic Postal Services” Forum.

The same year, EETT participated in the 45th CERP meeting, held in Montreaux, Switzerland. During this meeting the following topics were discussed:

1. Regulatory Issues of the Postal Services in Europe.
2. Updating on the working groups progress.
3. UPU recent developments.
4. Conducting a Forum entitled “Key Areas of interest of European Regulatory Authorities in 2012”.

During the 45th meeting, new issues emerged and new proposals were submitted which will be discussed in the next meeting to be held in Doha, Qatar, in 2012.

6.3.5. Postal Users Forum

In 2011, the European Committee organized for the first time, the “Postal Users Forum”, aiming at submitting the views of the Postal Services users, in view to the full liberalization of the market.

The main objective of this Forum was the end-user satisfaction, identification of the business-user particular requirements and the improvement of the e-commerce delivery. The main findings of this Forum can be summarized as follows:

1. Lack of effective market competition, even in countries where the liberalization has taken place long time ago.
2. Problems in international e-commerce due to different countries legislation regarding product delivery
3. Need for greater harmonization of the postal policy in all European countries to further develop e-commerce.
4. Identification of the three basic parameters for the development of the e-commerce, which are the alternative choices, the pricing and the delivery of the item.

Key parameters for quality assurance regarding the postal items delivery have emerged:

- The traceability of the postal item (track and trace).
- The on-time delivery, according to preset arrangements.
- Easy and of inexpensive process for return policy.

Some other meaningful facilities for the user are SMS or email notification upon delivery of the item, payment upon delivery, as there is still some reluctance regarding online use of credit cards.

6.3.6. Participation in the Post-Expo

EETT participated in the world exhibition of new technologies for the Postal Services, where innovative technologies and new ideas were presented. More specifically, in the 2011 Post-Expo, innovations related to new electronic applications, hybrid mail, low emissions and automation technologies were presented.

6.4. 1st Conference of the Regulatory Authorities of Cyprus and Greece

The 1st Conference of the National Regulatory Authorities of Cyprus and Greece in Electronic Communications and Postal Services was successfully held in Nicosia, Cyprus, in 2011.

The two-day conference was organized by the Commissioner’s Office on Electronic Communications and Postal Regulation of Cyprus (OCECPR), in cooperation with EETT. Keynote speakers at the conference were the Minister of Communications and Works of Cyprus, Dr. Erato Kozakou – Markoullis and the General Secretary of Communications of MITN, Professor Sokratis Katsikas.

During this conference, various national policies were presented on the development of next generation optical access networks, as well as their potential effect on the Electronic Communications market. Another topic discussed was the appliance of regulatory measures that could lead to increased investments and further penetration of broadband access, as well as measures for the protection of broadband services’ users.

Additionally, the discussed issues also concerned the regulation of the Universal Postal Service, the pricing control of the Universal Service Provider and the regulatory framework for the protection of Postal Services users, in view to the full liberalization of the market both in Cyprus and Greece from January 1, 2013.

6.5. Goals for 2012

The election of EETT in the chairmanship of BEREC and IRG constitutes a major factor for goal setting on international cooperation issues for 2013.

In this light, EETT’s main goal for 2012 is its organizational preparation for a successful term in the chairmanship of BEREC.

More specifically, EETT sets the following goals regarding international cooperations for 2012:

- Active participation in shaping the regulatory developments in the field of Electronic Communications, primarily through its upgraded role in BEREC and IRG.
- Ongoing cooperation with the European Commission and international organizations on issues relating to its responsibilities in the areas of Electronic Communications.

-
- Assistance to the MITN and to the State overall so as to represent the country in European and international organizations.
 - Strong presence in European and international affairs on spectrum and radio frequency issues.
 - Promotion of further cooperation among the national regulatory authorities at regional level and development of bilateral cooperation, particularly in the areas of the Balkans and the Mediterranean Sea. EETT aspires to become a bridge of cooperation between IRG/BEREC groups and the National Regulatory Authorities to promote expertise exchange and best practices in market liberalization issues.
 - Participation in the European Regulators Group for Postal Services (ERGP) and especially in the working groups dealing with pricing issues, cross-border mail and the regulation of access in the public postal network.
 - Contribution in Postal Services developments, mainly through international committees, such as ERPG, CERP and PDC.



EETT:Organizational

- Development & Improvement of Operational Efficiency



EETT is an Independent Administrative Authority, enjoying administrative autonomy and financial independence. Its main responsibilities are the regulation, monitoring and supervision of the Electronic Communications networks and services market, as well as the Postal Services market in Greece. EETT's goal is, on the one hand, to ensure the two markets' smooth operation in a competitive environment and, on the other, to safeguard consumer rights.

7.1. Internal Organization

7.1.1. Organizational Structure

EETT is composed of:

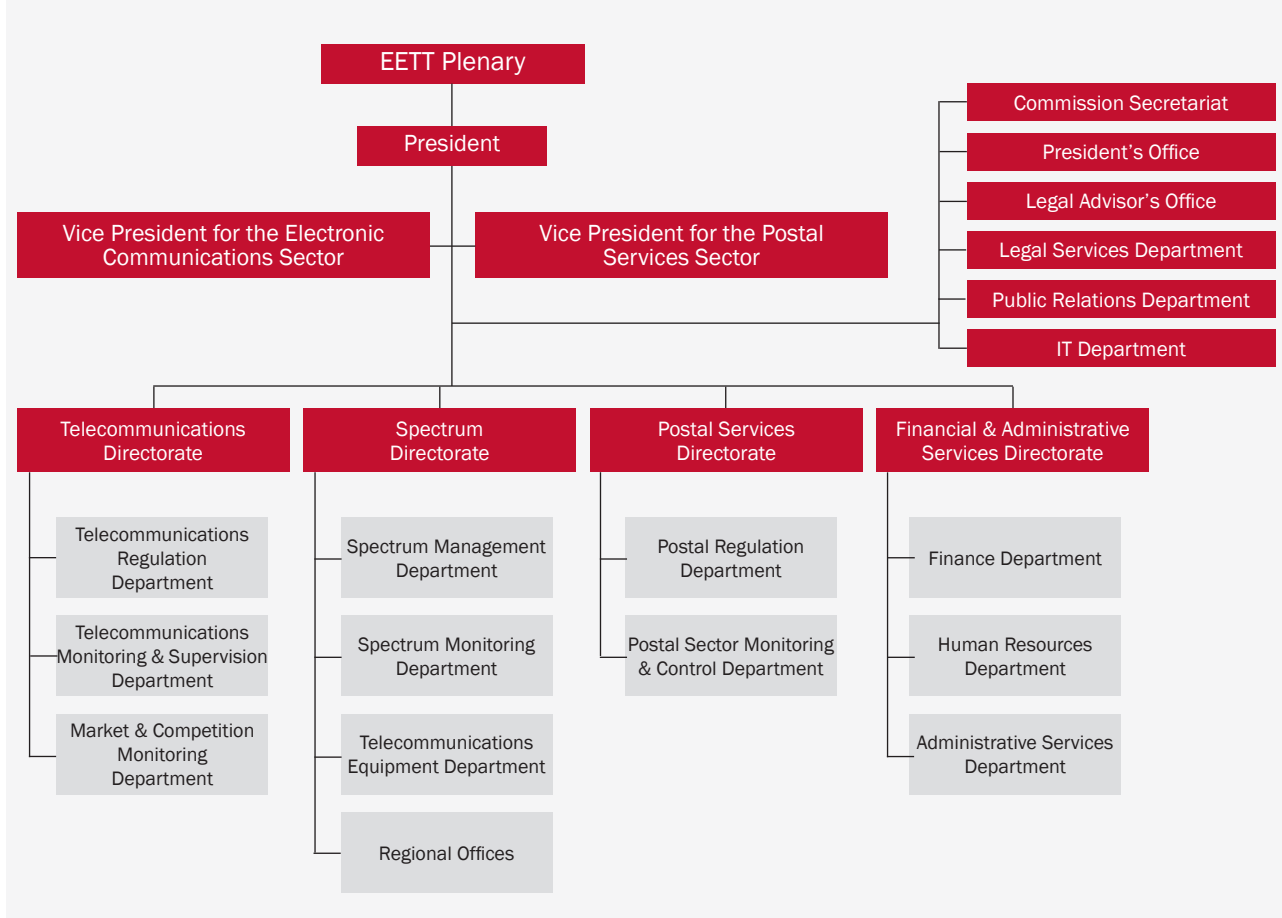
- The nine-member Plenary, consisting of the President, the Vice-President for Electronic Communications, the Vice-President for Postal Services and six members. The President and the Vice-Presidents are selected and appointed by the Council of Ministers, following a proposal by the

Minister of Infrastructure, Transport and Networks and an opinion issued by the Special Permanent Parliamentary Commission for Institutions and Transparency. The rest of the EETT members are appointed by the Minister of Infrastructure, Transport and Networks.

- The Scientific Experts.
- The Permanent Staff.

The organizational structure of EETT is presented in detail in Chart 7.1.

Chart 7.1. EETT's Organizational Chart



7.1.2. Human Resources

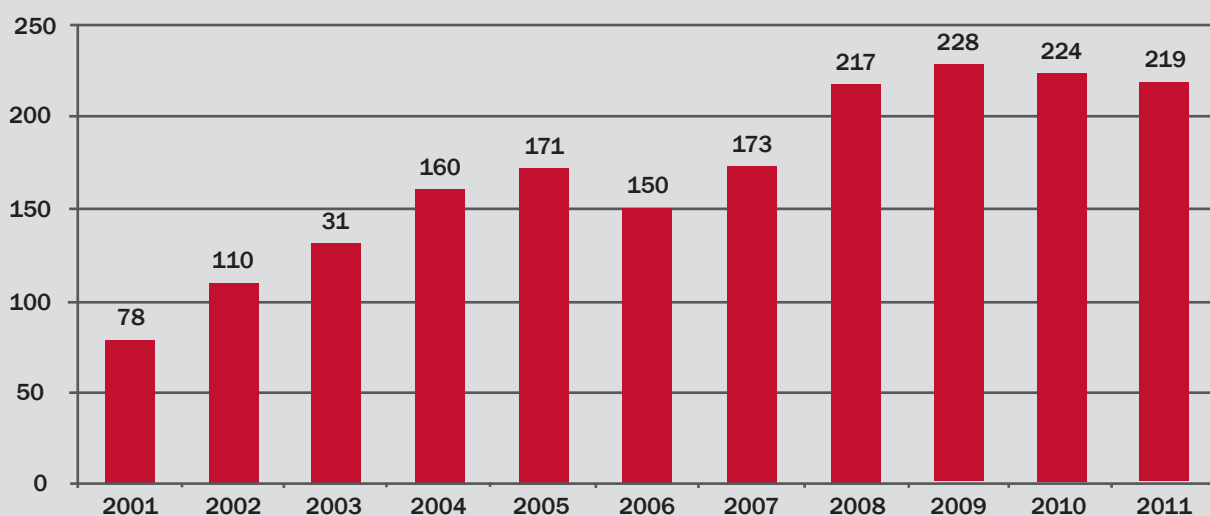
At the end of 2011, EETT had 219 employees compared to 224 at the end of 2010. Out of the above, 206 were engaged on a permanent basis, while 10 were External Associates - Members of Working Groups. Also, three seconded policemen served at the Spectrum Monitoring Department. The first half of 2011 the new Heads of EETT organizational units, selected by EETT Plenary, assumed their duties upon completion of the relevant

tender that started in 2010, following the announcement of 14 positions of responsibility (managerial positions). The new Heads will serve for a three-year term.

The evolution of EETT's human resources is presented in Chart 7.2. and the number of the employees engaged per staff category is shown in Table 7.1.

The educational level of EETT's personnel is depicted in Chart 7.3.

Chart 7.2. Evolution of EETT's Human Resources, 2001 – 2011



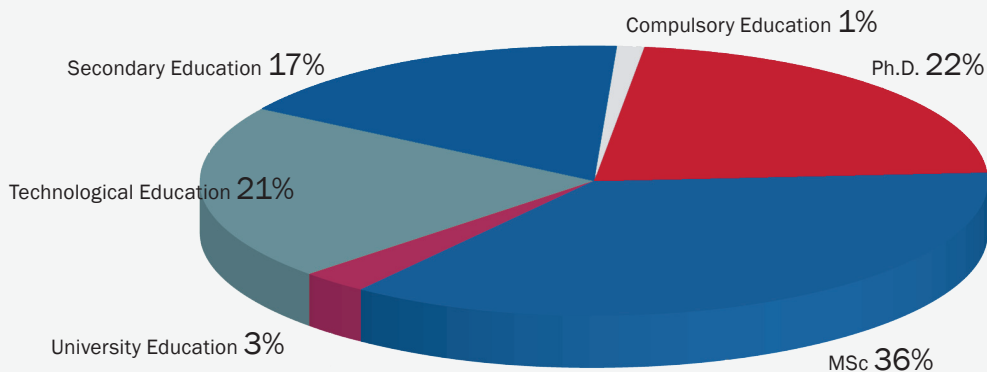
[Source: EETT]

Table 7.1. Employee Distribution per Staff Category, 2003 – 2011

| Staff Category | 31/12/ 2003 | 31/12/ 2004 | 31/12/ 2005 | 31/12/ 2006 | 31/12/ 2007 | 31/12/ 2008 | 31/12/ 2009 | 31/12/ 2010 | 31/12/ 2011 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Scientific Experts | 69 | 64 | 70 | 69 | 85 | 83 | 99 | 106 | 108 |
| Permanent Staff (Open-ended Contracts governed by Public and Private Law) | 42 | 42 | 60 | 63 | 65 | 66 | 63 | 98 | 98 |
| Seconded Staff | 0 | 0 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Temporary Staff | 0 | 34 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| External Associates (Working Groups' Members) | 20 | 20 | 38 | 15 | 20 | 65 | 63 | 17 | 10 |
| Total | 131 | 160 | 171 | 150 | 173 | 217 | 228 | 224 | 219 |

[Source: EETT]

Chart 7.3. Educational Level of EETT's Staff



[Source: EETT]

7.1.3. Training Programs

In the context of constantly training its employees in subjects related to their specialty and job description, EETT supports a broad educational program, which includes the attendance of training seminars in administrative, technical, IT subjects etc. as well as the participation in workshops and international conferences relating to Electronic Communications and Postal Services markets. The total cost for training during 2011, amounted to 53,000 euros.

7.1.4. Health and Safety at the Workplace

A priority for EETT is to provide a healthy and safe workplace, by minimizing any occupational risks and preventing accidents. In this context, a safety inspector and an occupational medicine doctor frequently visit EETT premises and offer their services to employees. In addition, EETT takes all the necessary measures to improve the working conditions, following the safety inspector's recommendations in cooperation with the Committee on Health and Safety at the workplace, consisting of employee representatives. Furthermore, the safety inspector and the occupational medicine doctor advise employees on individual precaution measures.

¹¹³ L. 3861/2010 "Enhancement of transparency following the obligatory posting of laws and acts of the governmental and self-administrative bodies on the internet "Clarity Program" and other regulations", GG Issue 112/A/13-07-2010.

7.2. E-Government and Transparency in EETT

"CLARITY" Program

In line with the Greek government's "Clarity" program (DIAVGEIA), EETT continued to post all acts specified in the relevant Law¹¹³ on a specially designed webpage at <http://sites.diavglgia.gov.gr/EETT>. During 2011, 590 acts were posted, related to budget, expenses, other regulatory actions, establishment of collective bodies, procurements / services assignment, project contracts, etc.

EETT's Website

In 2011, EETT redesigned and refreshed its website, by updating its content and adding interactive services (see Paragraph 7.3). Thereby, EETT enhances transparency and improves its communication with the public and the supervised markets.

In the middle of the year, EETT started the radical reform of its website concerning its creative design and its usefulness. To this direction, the website will also be accessible for people with vision and hearing impairments, by providing zooming of content and adjustability of color contrast and it will be launched at the beginning of 2012.

EETT promoted its events through its website. Therefore, in April, an advertising banner for EETT's conference which

was entitled “To the Liberalization of the Postal Market: European Practice and National Initiative” was displayed on the website. In June, a microsite was developed for the 6th International Conference of EETT entitled “Advanced Communication Infrastructures as a Cornerstone for Europe’s Digital Agenda”, which also offered live streaming of the conference. In November 2011, EETT broadcasted in real time the conduct and the results of a spectrum auction for mobile communication services.

The “Consumer Section” that informs and assists consumers with their requests/questions and also includes contact information to EETT’s Consumer Service Sector, had the majority of visits during the year. Among the main categories, the “Domain Names”, and more specifically the “List of Registrars” had the most visits, whereas the “Press Releases” and the “Telecommunications” followed. Also, noteworthy visits had the “Contact Information” of EETT, “the Search engine”, the “Announcements” and the “Number Assignments”.

Information Systems Security

EETT and its staff manage a series of confidential information, which play a significant role in shaping and managing the competitive framework of the market of Electronic Communications and Postal Services of the country.

For this reason in 2011, EETT installed a system for the security and protection of confidential data (folders and files). The system provides authorized access to a limited number of users, providing the following possibilities:

- Files, folders or discs encryption with an internationally accepted algorithm of a 256-bit key length.
- Full protection of the data at local and network level.
- Complete monitoring and recording of the access at file – user – action level.
- Customizable (parameterized) reports, on computer screen and printer, following criteria selection.

7.3. Specific Information Technology Projects of EETT for Operators and Consumers

Online Support of the Spectrum Auction for Mobile Communication Services

In order to support the Auction for granting rights of use for radio frequencies in the 900 and 1800 MHz spectrum bands, the Information Technology (IT) Department of EETT developed software with the following functions:

- Preparing each round of the Auction.
- Providing functionality for the submission of bids in the Auction.
- Calculating bidders and issuing the results of each round.
- Immediate updating of the participants and the EETT Plenary during the Auction.

The software integrated in its operation the rules of the Auction which were included in the Notice of the Call for Tenders. Its use contributed to the avoidance of mistakes during the bids’ submission, the immediate issue of the results of each round, the proper implementation of the Auction’s rules and generally, to the successful completion of the procedure as a whole.

Electronic Publication of Certificates

Since 2010, EETT has integrated in its website the appropriate web application, which allows postal companies which operate under General Authorization, to electronically submit their applications to EETT. Following a new Decision¹¹⁴, EETT provides, apart from the online submission of applications, the possibility to electronically issue the certificates for registration in the Registry of Postal Service Operators. The companies, through the web application, can now receive valid certificates in the form of electronic files. In order to ensure the legal validity of the certificates, the electronic files have an automatic electronic time stamping.

Electronic Payments of Domain Names

In November 2011, EETT adopted¹¹⁵ a procedure for the electronic payment of the fees paid to the Authority by the registrars of Domain Names. The registrars pay in advance the fees for the Domain Names through the bank of their choice and they acquire the right to submit chargeable actions (assignments, renewals etc.) concerning the Domain Names. EETT is

¹¹⁴ “Determining the Web Application of the EETT as a means for the electronic submission of requests by the Postal Services”, GG Issue 540/B/07-04-2011).

¹¹⁵ EETT Decision 592/012/03-02-2011 “Regulation for the Management and Assignment of [.gr Domain Names], GG Issue 593/B/14-04-2011.

automatically informed for the advance payments of the registrars and in combination with their chargeable actions, it issues the vouchers for the payment of fees. It is stressed that the submission of applications to the registrars' registry is carried out only through EETT's special web application (which has been operated optionally in 2010).

Premium Rate Numbers Search Tool

In 2011, consumers were given a new service through EETT's homepage. An electronic application with a simple user friendly interface informs consumers about the company to which a premium rate number has been assigned. This application collects data from both the information systems of EETT and the Number Portability.

7.4. Financial Data

| ASSETS | | HELLENIC TELECOMMUNICATIONS & POST COMMISSION | | | | | | CAPITAL & LIABILITIES | |
|---|--|---|----------------------|-----------------------|-----------------------------------|----------------------|-----------------------|-----------------------------------|-----------------------------------|
| | | Amounts for the period ended 2011 | | | Amounts for the period ended 2010 | | | | |
| | | Acquisition value | Depreciations | Net Value | Acquisition Value | Depreciations | Net Value | Amounts for the period ended 2011 | Amounts for the period ended 2010 |
| B. ESTABLISHMENT EXPENSES | | | | | | | | | |
| 1. Formation and set-up expenses | | 465,538.60 | 465,538.57 | 0.03 | 465,538.60 | 465,538.57 | 0.03 | | |
| 4. Other establishment expenses (Computer SAW) | | 2,636,219.69 | 2,615,844.56 | 20,375.13 | 2,634,674.81 | 2,594,068.93 | 40,605.88 | | |
| | | <u>3,101,758.29</u> | <u>3,081,383.13</u> | <u>20,375.16</u> | <u>3,100,213.41</u> | <u>3,059,607.50</u> | <u>40,605.91</u> | | |
| C. FIXED ASSETS | | | | | | | | | |
| ii. Tangible assets | | | | | | | | | |
| 5. Transport equipment | | 99,303.76 | 84,727.37 | 14,576.39 | 99,303.76 | 78,623.07 | 20,680.69 | | |
| 6. Furniture and other equipment | | 12,845,417.30 | 12,090,109.47 | 755,307.83 | 12,737,637.77 | 11,738,158.35 | 999,479.42 | | |
| Total tangible and intangible assets (C II) | | <u>12,944,721.06</u> | <u>12,174,836.84</u> | <u>769,884.22</u> | <u>12,836,941.53</u> | <u>11,816,781.42</u> | <u>1,020,160.11</u> | | |
| iii. Participations and other long term financial assets | | | | | | | | | |
| 7. Other long term claims | | | | 101,255.18 | | | 97,916.00 | | |
| Total fixed assets (CII + CIII) | | | | <u>871,139.40</u> | | | <u>1,118,076.11</u> | | |
| D. CURRENT ASSETS | | | | | | | | | |
| i. Stocks | | | | | | | | | |
| 4. Fixed asset spare parts | | | | <u>236,972.79</u> | | | <u>257,625.28</u> | | |
| ii. Debtors | | | | | | | | | |
| 1. Customers | | 5,662,581.32 | | | 5,280,052.33 | | | | |
| Less: Allowances (44-11) | | <u>2,673,472.12</u> | | <u>2,989,109.20</u> | <u>1,435,281.53</u> | | <u>3,844,770.80</u> | | |
| 11. Sundry debtors | | | | 21,907,822.34 | | | 8,282,516.67 | | |
| 12. Advances and credits suspense accounts | | | | 68,150.07 | | | 128,195.98 | | |
| | | | | <u>23,965,081.61</u> | | | <u>12,255,483.45</u> | | |
| iv. Cash items | | | | | | | | | |
| 1. Cash on hand | | | | 3,392.97 | | | 1,099.85 | | |
| 3. Sight and time deposits | | | | <u>221,364,996.38</u> | | | <u>176,545,969.84</u> | | |
| | | | | <u>221,368,389.35</u> | | | <u>176,547,069.69</u> | | |
| Total current assets (DI + DII + DIV) | | | | <u>245,570,443.75</u> | | | <u>189,060,178.42</u> | | |
| E. DEBIT TRANSIT ACCOUNTS | | | | | | | | | |
| 1. Prepaid expenses | | | | 33,298.25 | | | 2,338.76 | | |
| 2. Accrued income receivable | | | | <u>1,750,887.72</u> | | | <u>879,593.12</u> | | |
| | | | | <u>1,784,185.97</u> | | | <u>881,931.88</u> | | |
| TOTAL ASSETS (B+C+D+E) | | | | <u>248,246,144.28</u> | | | <u>191,100,792.32</u> | | |
| DEBIT MEMO ACCOUNTS | | | | | | | | | |
| 2. Debit accounts of guarantees & collateral security | | | | 21,424,042.01 | | | 20,629,931.81 | | |
| 4. Various debit information accounts | | | | <u>63,609,900.00</u> | | | <u>0.00</u> | | |
| | | | | <u>85,033,942.01</u> | | | <u>20,629,931.81</u> | | |

NOTE: The Balance Sheet Account "Sundry Debtors" includes receivable amounting in total to 20,714,152.10 euros from fines imposed by EETT's decisions to liable parties, due to infringements of the legislation in force during the current and previous accounting periods.

INCOME STATEMENT (PROFIT & LOSS ACCOUNT) FOR THE YEAR ENDED 31st DECEMBER 2011 (1st JANUARY - 31st DECEMBER 2011)

| I. OPERATING RESULTS | Amounts for the period ended 2011 | | Amounts for the period ended 2010 | |
|--|-----------------------------------|--|-----------------------------------|--|
| | | | | |
| Net turnover (collected fees) | 43,082,624.85 | | 43,708,348.46 | |
| Less: Cost of services provided | <u>13,856,969.93</u> | | <u>15,198,062.99</u> | |
| Gross operating results (profit) | 29,225,654.92 | | 28,510,285.47 | |
| Plus: Other operating income | <u>5,605,887.64</u> | | <u>29,234,809.26</u> | |
| Total | <u>34,831,542.56</u> | | <u>57,745,187.72</u> | |
| Less: 1. Administrative expenses | <u>1,964,397.59</u> | | <u>2,467,885.61</u> | |
| Operating results (profit) before financial transactions | 32,867,144.97 | | 55,277,302.11 | |
| Plus: 4. Credit interest and related income | 13,881,875.27 | | 9,067,054.24 | |
| Less: 3. Debit interest and related income | <u>2,040.15</u> | | <u>1,971.17</u> | |
| Total operating results | <u>46,746,980.09</u> | | <u>64,342,385.18</u> | |
| ii. PLUS: EXTRAORDINARY RESULTS | | | | |
| 1. Extraordinary and non-operating income | 39,160.53 | | 26,087.32 | |
| 3. Prior period income | 104,920.98 | | 0.00 | |
| 4. Income from unused prior period provisions | 1,075.90 | | 361,960.50 | |
| | <u>145,157.41</u> | | <u>388,047.82</u> | |
| Less: 1. Extraordinary and non-profit expenses | <u>402,639.76</u> | | <u>664.45</u> | |
| 3. Prior period expenses | <u>1,382.00</u> | | <u>13,814.00</u> | |
| 4. Provisions for extraordinary contingencies | <u>1,239,266.49</u> | | <u>14,260,000.00</u> | |
| Net income (profit) before taxes and extra depreciation | <u>1,643,288.26</u> | | <u>14,264,278.45</u> | |
| Total depreciation recorded | 382,206.48 | | 398,072.12 | |
| Less: Normal depreciation (included in the operating cost) | <u>382,206.48</u> | | <u>398,072.12</u> | |
| NET RESULTS (PROFIT) FOR THE YEAR BEFORE TAXES | <u>45,248,849.25</u> | | <u>50,466,154.55</u> | |

INCOME (PROFIT) APPROPRIATION ACCOUNT

| | Amounts for the period ended 2011 | | Amounts for the period ended 2010 | |
|--|-----------------------------------|--|-----------------------------------|--|
| | | | | |
| Net results (profit) for the period | 124,314,347.38 | | 138,453,554.36 | |
| Balance (profit) brought forward | <u>62,543.04</u> | | <u>21,005,504.10</u> | |
| Reserve under art. 60 of Law 3431/2006 | <u>183,457,099.03</u> | | <u>209,925,213.01</u> | |
| Total | <u>287,313,989.45</u> | | <u>369,384,271.47</u> | |
| Profit appropriation | | | | |
| - Reimbursements according to MITN Decisions | 813,898.24 | | 505,552.45 | |
| - Reimbursements to national budget | 0.00 | | 71,211,410.78 | |
| - Reserve under art. 60 Law 3431/2006 | <u>11,677,572.90</u> | | <u>13,893,902.40</u> | |
| - Profit Carried Forward | <u>170,965,627.89</u> | | <u>124,314,347.38</u> | |
| | <u>183,457,099.03</u> | | <u>209,925,213.01</u> | |

Maroussi, 10 April 2012

THE ACCOUNTABLE FINANCIAL ADMINISTRATOR
EETT PRESIDENT

THE FINANCIAL & ADMINISTRATIVE SERVICES DIRECTOR

THE HEAD OF THE EETT ACCOUNTING DEPARTMENT

Dr. LEONIDAS I. KANELLOS
I.D. No AE 085249

GIORGOS M. ORFANOS
I.D. No AZ 095420
ECONOMIC CHAMBER OF GREECE CLASS A REG. No. 0003370

AGGELIKI H. SPINGOU
I.D. No AB 047533

CERTIFIED AUDITOR - ACCOUNTANT'S REPORT To the "Hellenic Telecommunications and Post Commission"

Report on Financial Statements. We have audited the above Financial Statements of the "Hellenic Telecommunications and Post Commission" which comprise the Balance Sheet as of December 31st 2011, the Income Statement (Profit & Loss Account) and the Income Appropriation Account for the period then ended. Administration's Responsibility for the Financial Statements. The Administration of the "Hellenic Telecommunications and Post Commission" is responsible for the preparation and fair presentation of the Financial Statements in accordance with the Accounting Standards prescribed by Greek Legislation, as well as for designing, implementing and maintaining an internal audit system relevant to the preparation and fair presentation of Financial Statements that are free from material misstatement, whether due to fraud or error. Certified Auditor's Responsibility. Our responsibility is to express an opinion on the above Financial Statements, based on our auditing data. We conducted our audit in accordance with the International Auditing Standards. These Accounting Standards require that we comply with the rules of business ethics and that we plan and perform the audit to obtain reasonable assurance that the Financial Statements are free from material misstatement. An audit involves following procedures for obtaining audit evidence about the sums and disclosures in the Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor takes into account the internal control system which is relevant to the entity's preparation and fair presentation of the Financial Statements, in order to design audit procedures that are appropriate for the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control system of the "Hellenic Telecommunications and Post Commission". An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the Administration's accounting estimates, as well as the overall presentation of the Financial Statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide the grounds for our audit opinion. In our opinion, the above Financial Statements give a true and fair picture of the economic situation of the "Hellenic Telecommunications and Post Commission" as of December 31st 2011 and of its financial performance for the year then ended, in accordance with the Accounting Standards prescribed by Greek Legislation. Report on other legal and regulatory requirements. The content of EETT's President's report to the Plenary regarding the Annual Report is consistent with the accompanying Financial Statements.

Athens, 12 April 2012
THE CERTIFIED AUDITOR - ACCOUNTANT



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7.5. Goals for 2012

EETT's Financial and Administrative Services Directorate supports the management and the operational units of EETT.

In 2012, due to the continuous effort to improve the supporting services, emphasis will be given to the redesign of the procedures aiming at the optimum utilization of human resources.

The Directorate's goals for 2012 are the following:

1. Restart the process related to finding new premises for EETT headquarters in Athens, through the Public Real Estate Corporation.
2. Administrative support of the new Regional Offices in Heraklion and Patras.
3. Implementation of training programs for EETT's employees.
4. Maintaining a healthy and safe workplace.
5. Electronic tracking of the employees' presence in the office and vacation time (in cooperation with the IT Department).
6. Improvement of EETT's Integrated Information System (IIS) (a project that will be carried out in cooperation with the IT Department).
7. Evaluation – clearing of EETT's physical record, which consists of all the documents of its organizational units.

Regarding the IT support of the Authority for 2012, the following goals have been set:

1. Establishment of an electronic platform for the operators' submission of requests concerning the assignment of radio frequencies and the licensing of antennas constructions, as well as for the electronic payments of antennas.
2. Design of a web Geographic Information System (GIS) presenting data relevant to the Universal Postal Service (post offices and agencies, post office boxes and cluster letterboxes).
3. Integration of electronic signatures with a certified time – stamping system in EETT documents and compliance with the regulations of the Law¹¹⁶ for electronic government.
4. Completion of the redesign of EETT's website (www.eett.gr).
5. Design and development of applications for portable devices (smart phones and tablets) to better inform both consumers and the market.

¹¹⁶ L. 3979/2011 "For the electronic government and other regulations" GG Issue 138/A/16-06-2011.

8. Appendix



8.1. The Greek Legislative – Regulatory Framework (01-01-2011 to 31-12-2011)

(a) Laws, Presidential Decrees and Other Legislative Acts

| Decision Number | Title | GG Issue |
|-------------------------|---|-------------------|
| MD 11926/261 | Special licensing procedure concerning the installation of antennas mast constructions | 453/B/22-03-2011 |
| MD 20509/541/19-05-2011 | Amendment of the Ministerial Decision 26634/924/03-05-2007 “National Numbering Plan for Electronic Communications Services”, as applicable. | 1284/B/16-06-2011 |

(b) Regulatory Texts

| Decision Number | Title | GG Issue |
|-----------------|--|-------------------|
| 592 012 | Regulation on the Management and Assignment of [.gr] Domain Names. | 593/B/14-04-2011 |
| 593 096 | Determination of the Web Application of the Hellenic Telecommunications and Post Committee (EETT) as a means of electronic submission of requests by the Postal Companies. | 540/B/07-04-2011 |
| 595 013 | Definition of the national Retail Markets of Publicly Available Telephone Services at a fixed location, identification of Operators with Significant Market Power and their Obligations (2 nd round of market analysis). | 533/B/06-04-2011 |
| 598 002 | Amendment of the EETT Decision 521/32/05-05-2009 “Regulation of the Terms of Use of Single Radio Frequencies or Radio Frequencies Bands” (GG Issue 1010/B/28-05-2009). | 841/B/13-05-2011 |
| 598 003 | Amendment of the EETT Decision 276/49/14-02-2003 “Regulation of the Terms of the Charges for the Use of the Spectrum and the Charges for the Assignment of Radio Frequencies” (GG Issue 256/B/04-03-2003). | 841/B/13-05-2011 |
| 598 010 | Amendment of EETT Decision 566/016/03-06-2010 “Amendment and Codification in a single document of the Regulation on Number Portability in the Greek Market” (GG Issue 967/B/30-06-2010), as applicable, amended with Decision 586/05/30-11-2010 (GG Issue 2052/B/31-12-2010). | 987/B/26-05-2011 |
| 612 013 | Amendment – Correction of provisions of EETT Decision 573/0115/22-07-2010 in regard to the “Approval of OTE’s Reference Offer 2010 for LLU and Related Facilities, pursuant to EETT Decision 531/065/23-07-2009” (GG Issue 1338/B/31-08-2010) as amended by EETT Decision 580/010/14-10-2010 (GG Issue 1814/B/19-11-2010). | 1952/B/02-09-2011 |
| 613 010 | Extension of the date of entry into force of EETT Decision 592/012 “Regulation on the Management and Assignment of [.gr] Domain Names” (GG Issue 593/B/14-04-2011). | 1953/B/02-09-2011 |
| 614 011 | Definition of the national markets: (a) retail access to the public telephony network at a fixed location via PSTN, ISDN BRA and managed VOIP access lines, for residential and non-residential users and (b) retail access to the public telephony network at a fixed location via ISDN PRA access lines, identification of Operators with Significant Market Power and their Obligations (2 nd round of market analysis). | 1907/B/30-08-2011 |
| 614 012 | Definition of the National Wholesale Broadband Access Market, Identification of Operators with Significant Market Power and their Obligations (3 rd round of market analysis). | 1983/B/7-09-2011 |

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|-----|-----|--|-------------------|
| 621 | 011 | Amendment and Codification of EETT Decision 480/017/13-05-2008 "Identification of the Quality Indicators of the Electronic Communications Services provided to the public and determination of the content and form of the information to be published, as well as of the way and the time of their publication by the electronic communications services providers (GG Issue 1153/B/2008)". | 2417/B/01-11-2011 |
| 624 | 216 | Regulation of the Terms of Use of Single Radio Frequencies or Radio Frequencies Bands. | 2512/B/7-11-2011 |
| 626 | 26 | Amendment of EETT Decision 276/49/14-02-2003 "Regulation on the Identification of the Charges for the Use of the Spectrum and the Charges for Radio Frequencies Assignment" (GG Issue 256/B/04-03-2003). | 2914/B/22-12-2011 |
| 634 | 135 | Amendment of EETT Decision 441/121/21-6-2007 "Regulation on the Management and Assignment of the Numbering Resources of the National Numbering Plan", as applicable. | 266/B/13-02-2012 |

(c) European Regulatory Framework

Electronic Communications

- COM/2011/0222 final – Communication from the Commission to the European Parliament, the Council, the Economic and Social Committee and the Committee of the Regions on the open internet and net neutrality in Europe.
- COM/2011/0795 final – Communication from the Commission to the European Parliament, the Council, the Economic and Social Committee and the Committee of the Regions on Universal service in e-communications: report on the outcome of the public consultation and the third periodic review of the scope in accordance with Article 15 of Directive 2002/22/EC.

Law of Competition

- 2011/C 308/06 – Commission Notice on best practices for the conduct of proceedings concerning articles 101 and 102 of the Treaty on the Functioning of the European Union (TFEU) (2011/ C 308/06).
- 2011/C 11/01- Communication from the Commission – Guidelines on the applicability of article 101 of the Treaty on the Functioning of the European Union to horizontal cooperation agreements.

8.2. Glossary

| TERM | EXPLANATION |
|---|--|
| Access Network Frequency Plan | Rules that govern the development and operation of the various systems at specific points of the access network, aiming at minimizing the mutual crosstalk due to the introduction of the xDSL technology signals. |
| Administrative Cooperation (ADCO) | Committee responsible mainly for supporting actions with regard to the joint resolution of problems and the exchange of experiences on issues of Radio and Telecommunications Terminal Equipment (RTTE) market surveillance. |
| Application Program Interface (API) | The software interface between the external applications –used by radio and television operators and service providers– and the advanced television equipment for digital radio and television services. |
| Asymmetric Digital Subscriber Line (ADSL) | A technology for data transmission of operating over a traditional telephone line but achieving higher rates of transmission than the traditional modem (i.e., the equipment that converts the digital signal originating from an electronic computer system to an analog signal). |
| Bluetooth | Wireless short-distance telecommunication technology standard, for data transmission to digital devices using short length radio waves. It provides standardised wireless communication between PDAs, mobile telephones, portable/personal computers, printers, digital cameras, etc., via a safe, low cost, and globally available non-licensed, short range radiofrequency. |
| Body of European Regulators of Electronic Communications (BEREC) | BEREC is a continuation of the European Regulators Group (ERG). Its aim is to contribute to the development of the Electronic Communications market in the EU through the creation of a single regulatory environment in the member states. |
| Broadcasting | Transmission of sound and/or optical signals (programs) to a broad number of recipients (audience or viewers). |
| Call Termination | The Electronic Communications service where one of the contracting parties (the one providing the service) terminates in its network a call coming from the network of the other contracting party. |
| Carrier Selection | The option offered to OTE subscribers to make calls through another operator by dialing a special 4-digit or 5-digit Carrier Selection Code assigned to the specific operator before the desired number. |
| Carrier Pre-selection | The option given to OTE subscribers, upon request, to select as a default the operator who will process one or more categories of calls (international, local, distance calls and calls to mobile phones), not dialing the four or five - digit code as in the case of Carrier Selection in the Selection of Carrier (Provider). |
| Certified Service Providers (CSP) | Individuals or legal entities or other bodies issuing certificates or providing other services with respect to Electronic Signatures. |
| Chart of Obligations to Consumers (COC) | The providers rendering Postal Services under a General Authorization must prepare a COC to include: (a) a description of characteristics of the service and the time limits within which it is provided, (b) information for users on prices based on the data affecting them including expected improvements 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 Services providers, the obligations and commitments to users, the management of postal items, user service and potential compensation. |

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| Com - ITU | A committee of the European Conference of Postal and Telecommunications Administrations (CEPT) responsible for coordination with regard to Europe's participation in the activities of the International Telecommunications Union (ITU). |
| Courier Services | Services for emergency transportation of postal items, which are monitored electronically by the Track and Trace System. |
| Dialer | Dialers are software that can be transmitted through the Internet and can be installed in the computer of the consumer. This software changes the settings of the consumer's modem from one internet address to another. Usually, the change is from the common number of the Internet Service Provider (ISP) that the consumer uses, to a high cost number, either of a 90X XXX XXXX series or a number abroad (00X XXX XXXX). |
| Digital Video Broadcasting-Terrestrial (DVB-T) | A model for terrestrial digital TV. |
| Distant Collocation | Form of collocation in which, in accordance with OTE's legal obligations, an Electronic Communications operator obtains access to OTE sources through connecting cables. |
| Double Play Services | The term that is used in Electronic Communications for the provision of two different services. It may refer to any combination of the following four services: (1) fixed telephony, (2) broadband Internet access, (3) television or video through the Internet, and (4) mobile telephony. However, its more common use refers to the combination of fixed telephony and Internet access. |
| Downstream Power Back-Off | A mechanism called DPBO has been put in place by organizations such as the broadband forum (a non-profit industry consortium dedicated to developing broadband network specifications) and standardized in standards such as ITU-T G993.2 and ITU-T G997.1. DPBO establishes a trade-off between obtaining the best possible signal in a communication line (by injecting a maximal power), and maximally reducing the crosstalk generated by the communication line for neighboring communication lines (by injecting a minimal power in the communication line). |
| Effective Price | The price that results from dividing the revenues of a service (e.g., long distance traffic) by the volume of this service (minutes of long distance traffic). |
| European Competition Network (ECN) | A network consisting of the European Commission and the Competition Authorities of the member states with the aim of protecting competition. It constitutes a mechanism for consultation and cooperation in the framework of the implementation of the competition policy of the European Community. |
| European Conference of Postal and Telecommunications Administrations (CEPT) | Established in 1959 as a coordinating body for telecommunications and postal services organizations. It is divided into two Committees: the Electronic Communications Committee (ECC), which is responsible for telecommunications and radio, and the European Committee for Postal Regulation (CERP), which is responsible for postal issues. |
| European Committee for Postal Market Regulation (CERP) | A committee founded in 1992 in the frame of CEPT (European Conference of Postal and Telecommunication Administration) dealing with postal issues. |
| European Regulators Group (ERG) | This is an advisory group which was established pursuant to Commission Decision 2002/627/EC and comprised the heads of the Regulatory Authorities of the 27 EU member states. Today it has been replaced by BEREC. |

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| European Regulators Group for Postal Services (ERGP) | Established in 2010 by the European Commission, its aim is to develop best regulatory practice in Europe on issues relating to Postal Services. It comprises the heads of the 27 national postal Regulators and it is assisted by a Secretariat staffed by the European Commission. |
| Express Delivery Voucher (EDV) | Document accompanying the postal item that contains identification data. |
| Fixed Service (Radio-communications) | Radio communications service which includes wireless Electronic Communications networks between specified fixed points for the implementation of which the radiofrequencies are used. |
| Frequency Map | Imprint of the available channels for use at a specific geographic location and under specific circumstances. |
| Fully Distributed Cost | The costing method according to which all the cost elements, including the indirect cost, are distributed to the generated products or the provided services through a set of algorithms. |
| Geographic Information System (GIS) | The Geographic Information System, abbreviated as GIS, is an address system for spatial data and correlated properties. In the strictest sense, it is a digital system capable of integrating, storing, editing, analyzing and displaying geographically - referenced information. In a broader sense, it is a "clever map" tool that enables its users to create questions interactively (searches created by the user), analyze the spatial data, and adapt it. Contrary to other systems of vector design (CAD), the main GIS feature is that it operates with geographic coordinates. |
| Geographic Numbers | The numbers whose prefix denotes the geographic location of the number holder. |
| GSM Repeaters | These are devices used for boosting reception of mobile phones in restricted areas where the signal is weak. |
| Independent Regulators Group (IRG) | A group comprising 45 European Regulatory Authorities, which was established in 1997, aiming at the exchange of views, experiences and practices among its members concerning issues of common regulatory interest. In 2008, the process of its establishment as a legal entity was completed according to Belgian Law. It is based in Brussels. |
| Information and Communication Technologies (ICT) | As a term, it refers to all the different ways in which computers are used and to the purposes of this use. |
| Inmarsat | International Maritime Satellite Organization. It provides telephony and data services to users worldwide via special terminals. An Inmarsat terminal communicates through satellite with ground stations. It offers reliable communications services to governments, aid agencies, media outlets and businesses with a need to communicate in remote regions or where there is no reliable terrestrial network. |
| Inmarsat PSA (Point of Service) | An entity that has concluded a contract with Inmarsat for the activation and maintenance of records and accounts of Inmarsat terminals. |
| Integrated Central ADSL Service Connection (OKSYA) | The OKSYA service offers a connection with Gigabit Ethernet (GE) access interfaces, STM-1 POS and ATMs, and is available in the following types: Local - Regional - Central. The OKSYA II is available at Points of Presence (POPs) where BRAS are installed for routing ADSL traffic from all BRAS nodes in a particular area (POP) to the facilities of a Telecommunications Service Provider. |
| Interconnection | The physical and logical connection of Electronic Communications 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. |
| Interconnection Link | The link between OTE's switching center (node) and the switching center of an Electronic Communications provider which enables Interconnection. |

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| Interference | The result of an unwanted action due to one or more transmissions, radiations or inductions during reception to a radiosystem, as demonstrated by any fall in performance, wrong interpretation or loss of information which would have been otherwise received, had this unwanted action not taken place. |
| Jammers | These are devices that interfere in mobile telephony radiofrequency transmissions, thus preventing their reception. |
| Link | The total of telecommunications equipment required for the implementation of the connection between two points of an Electronic Communications network. |
| Local Loop | The circuit that connects the terminating point of each subscriber with the main distributor in the OTE Local Exchange. |
| Long Term Evolution (LTE) | State of the art technology used for the wireless communication and networking of the mobile devices, at high speeds. |
| Mobile Service | Radio service between Mobile Stations and Fixed Stations or between Mobile Stations. |
| Reference Unbundling Offer (RUO) | The reference document used as a basis for the contract signed for Local Loop Unbundling (LLU) provision by OTE to other operators. This document is released by OTE and approved by EETT. |
| National Numbering Plan | Rules defining the structure of numbers used by Electronic Communications operators for the provision of services to users. |
| National Radiofrequencies Registry (NRFR) | A data base including the total radiofrequencies assigned at the national level. |
| Next Generation Access Networks (NGAs) | Packet Switching networks for the provision of broadband Electronic Communications services based on multiple access and backbone technologies (reaching high-quality levels). Furthermore, these technologies, if desired, could provide continuous service coverage to the user and access to more than one service operators simultaneously. |
| Number Portability | The option given to consumers to maintain their telephone number when changing operator. |
| Physical Collocation | Form of collocation in which OTE, in accordance with its legal obligations, constructs a special space in its Local Exchanges which is reserved for installation of equipment of Electronic Communications operators. |
| Premium Rate Service (PRS) | A call whose charge is higher than the maximum normal charge for geographic numbers within the country, with part of the increased charge going to the called party who is assigned this number. |
| Quad Play Services | The term used in Electronic Communications to describe the combined provisions of four different services which are usually the following: (1) fixed telephony, (2) broadband Internet access, (3) television or video through the Internet and (4) mobile telephony. |
| Radio and Telecommunications Terminal Equipment (RTTE) | Equipment which includes a transmitter and/or receiver and provides communication through radio waves by means of spectrum. |
| Radio Spectrum Committee (RSC) | It was established by Decision of the European Commission to define harmonized conditions for the availability and the effective use of the radio spectrum, which are necessary for the establishment and operation of the internal market in community policy fields, such as Electronic Communications, Transport and Research and Development. |
| Satellite Services | Services whose provision is based in whole or in part on the installation and operation of earth satellite station networks. At a minimum, these services include radio link via earth satellite stations with the space part (uplinks) and radio links between the space part and earth satellite stations (downlinks). |
| Service Free of Charge | Call for which the caller is not charged. |

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| Significant Market Power (SMP) | An enterprise is considered to hold Significant Market Power when, either individually or in cooperation with other enterprises, it holds a position equivalent to a dominant position, i.e., a position of financial power which allows it to operate to a great extent independently of the competition, the customers and the consumers. |
| Special Postal Items Track and Trace System (SPITTS) | Information system for tracking and tracing postal items. |
| Specific Absorption Rate (SAR) | It is a measure of the rate at which radiofrequency radiation is absorbed by the tissues of the human body. It is used extensively in mobile phone manuals which mention the relevant specific absorption rate of a device. |
| Private Mobile Radio Networks (PMR) | The term is used to describe the professional Radio Networks of the terrestrial mobile service, used to meet not only the communication needs of various professional users, but also of emergency services. |
| Soil Moisture and Ocean Salinity Satellite (SMOS) | A satellite used as part of the Living Planet Program of the European Space Agency (ESA) for collecting information on Earth's water cycle and climate change. |
| Telecommunications Conformity Assessment and Market Surveillance Committee (TCAM) | Committee established to assist the European Commission and consult on monitoring tasks as far as the application of Directive 99/5/EC is concerned and, if it is deemed appropriate, to issue directives for various issues. |
| Transit | The service when one of the two contracting parties transmits a call to the network of a third party, coming from the network of another contracting party. |
| Triple Play Services | The term that is used in Electronic Communications to describe the combined provision of three different services. Usually, the term refers to any combination of three of the following four services: (1) fixed services, (2) broadband Internet access, (3) television or video through the Internet and (4) mobile telephony. |
| Ultra Wide Band (UWB) | A new form of wireless technology based on low power transfer and codified impulses at a short distance environment. It is used in commercial and industrial applications to determine distances among objects, security systems and medical systems. It is also applied on television, on the Internet, on computers and on wireless local area networks (WLANs) and in secret communications. |
| UNEX | It is a system for the quality measurement of the Universal Service of the cross - border mail in European countries sponsored by the International Post Corporation (IPC). The UNEX is not used among the EU-27 countries but in Europe as a whole (in 2008 measurements participated 34 countries). |
| Universal Postal Union (UPU) | UPU is an international organization that is nowadays included in the special organizations of the United Nations. It pursues the continuous improvement of Postal Services and the promotion of international cooperation in this sector. |
| Universal Service (US) (in the Electronic Communications sector) | The provision of a fixed set of basic Electronic Communications services available to all citizens of Greece, regardless of their geographic location, at affordable prices. |
| 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 high quality Postal Services. The Universal Service in the Postal Services sector includes: (a) the collection, transportation, sorting and distribution of postal items up to 2 kg, (b) the collection, transportation, sorting and distribution of postal parcels up to 20 kg, and (c) services of registered mail and deliveries with a declared value. The US includes both national and cross-border services. |

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| Universal Service Provider-USP (in the Electronic Communications sector) | The provision of a fixed set of basic Electronic Communications services available to all citizens of Greece, regardless of their geographic location, at affordable prices. |
| Universal Service Provider-USP (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 high quality Postal Services. The Universal Service in the Postal Services sector includes: (a) the collection, transportation, sorting and distribution of postal items up to 2 kg, (b) the collection, transportation, sorting and distribution of postal parcels up to 20 kg, and (c) services of registered mail and deliveries with a declared value. The US includes both national and cross-border services. |
| Very High Speed Digital Subscriber Line (VDSL) | The very high speed digital subscriber line is a technology providing faster data transmission than plain ADSL. |
| Virtual Collocation | Refers to the capability of collocation of an Electronic Communications operator's equipment in a space within OTE's Local Exchanges where the related equipment of OTE is hosted, for purposes of full or shared LLU. The maintenance and operation of the equipment is carried out by OTE. |
| Wireless Fidelity (Wi-Fi) | Wireless local network which uses radio frequencies to transmit and receive data, based on the IEEE 802.11 standards group. |
| Working Group Frequency Management (WGFM) | Working Group of the Electronic Communications Committee (ECC) that is responsible for the management of frequencies at the level of member states of the European Conference of Postal and Telecommunications Administrations (CEPT). |
| World Interoperability for Microwave Access (Wi-Max) | Wireless network, that uses radio frequencies in order to transmit and receive data and which is based on the the IEEE 802.16 group standards. |

8.3. Abbreviations

| | |
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| ADAE | Hellenic Authority for Communications Security and Privacy |
| ADCO | Administrative Cooperation Group |
| ADSL | Asymmetric Digital Subscriber Line |
| ANFP | Access Network Frequency Plan |
| BEM | Block-Edge Mask |
| BEREC | Body of European Regulators of Electronic Communications |
| BQMN | Broadband Quality Measurement Node |
| BRA | Basic Rate Access |
| CAA | Civil Aviation Authority |
| CEPT | European Conference of Postal and Telecommunications Administrations |
| CERP | European Committee for the Postal Market Regulation |
| COCOM | Communications Committee |
| CSP | Certified Service Providers |
| CSS | Consumer Service Sector |
| DCS | Digital Cell Site |
| DECT | Digital Enhanced Cordless Telecommunications |
| DG COMP | Directorate-General for Competition |
| DPBO | Downstream Power Back-Off |
| DSLAM | Digital Subscriber Line Access Multiplexer |
| DVB-T | Digital Video Broadcasting – Terrestrial |
| EC | European Commission |
| ECC | Electronic Communications Committee |
| ECN | European Competition Network |
| EET | Hellenic Telecommunications Commission |
| EETT | Hellenic Telecommunications and Post Commission |
| EKAV | National First Aid Service |
| ELAS | Hellenic Police |
| ELTA | Hellenic Post |
| EMERG | Euro-Mediterranean Regulators Group |
| ERGP | European Regulators Group for Postal Services |
| ERT | Greek Radio Television |
| ETA | Environmental Term Approval |
| EU | European Union |
| EUMETSAT | European Organization for the Exploitation of Meteorological Satellites |
| FCC | Federal Communications Commission (FCC) |
| FDC | Fully Distributed Cost |
| FESA | Forum of European Supervisory Authorities for Electronic Signatures |
| FTP | File Transfer Protocol |

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| FTTB | Fiber to the Building |
| FTTC | Fiber to the Cabinet |
| FTTN | Fiber to the Node / Neighborhood |
| FTTH | Fiber to the Home |
| GAEC | Greek Atomic Energy Commission |
| GG | Government Gazette |
| GIS | Geographic Information System |
| GRMCC | Greek Mission Control Center |
| GSM | Global System for Mobile Communications |
| HCAE | Hellenic Committee of Atomic Energy |
| HDPA | Hellenic Data Protection Authority |
| ICT | Information and Communications Technology |
| ICCS | Institute of Communication and Computers Systems |
| IIS | Integrated Information System |
| IPC | International Post Corporation |
| IRG | Independent Regulators Group |
| ISDN | Integrated Services Digital Network |
| ISP | Internet Service Provider |
| IT | Information Technology |
| ITU | International Telecommunications Union |
| JMD | Joint Ministerial Decision |
| KV | Kabelverzweiger |
| L/E | Local Exchange |
| LLU | Local Loop Unbundling |
| LRAIC | Long-Run Average Incremental Cost |
| LRIC | Long-Run Incremental Cost |
| LTE | Line Terminating Equipment |
| MCV | Mobile Communication services on-board Vehicles |
| MD | Ministerial Decision |
| MEECA | Ministry of Environment, Energy and Climatic Change |
| MITN | Ministry of Infrastructure, Transport and Networks |
| MSS | Mobile Satellite Service |
| NCRTV | National Council for Radio and Television |
| NGA | Next Generation Access Network |
| NGO | Non-Governmental Organization |
| NNP | National Numbering Plan |
| NRA | National Regulatory Authority |
| NRDNP | National Reference Database on Number Portability |
| NTUA | National Technical University of Athens |
| OCECPR | Office of the Commissioner of Electronic Communications and Postal Regulation of Cyprus |
| OTE | Hellenic Telecommunications Organization |

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| PD | Presidential Decree |
| PDC | Postal Directive Committee |
| PMR | Private Mobile Radio |
| PPC | Public Power Corporation (DEI) |
| PRS | Premium Rate Service |
| PSMS | Premium Short Message Service |
| PSTN | Public Switched Telephone Network |
| PT | Project Team |
| QoS | Quality of Service |
| RSC | Radio Spectrum Committee |
| RSPG | Radio Spectrum Policy Group |
| RTTE | Radio and Telecommunications Terminal Equipment |
| RUO | Reference Unbundling Offer |
| SAC | Standardized Antenna Construction |
| SDSL | Symmetric Digital Subscriber Line |
| SMOS | Soil Moisture and Ocean Salinity Satellite |
| SMS | Short Message Service |
| SMTP | Simple Mail Transfer Protocol |
| SMP | Significant Market Power |
| SNG | Satellite News Gathering |
| SPEBS | System for Performance Evaluation of Broadband Connection Services |
| TCAM | Telecommunications Conformity Assessment and Market Surveillance Committee |
| TOEU | Treaty for the Operation of the European Union |
| TRA | Regulatory Authority of Lebanon |
| TRAI | Regulatory Communication Authority of India |
| TSL | Trusted Service List |
| UMTS | Universal Mobile Telecommunications System |
| UPU | Universal Postal Union |
| US | Universal Service |
| USP | Universal Service Provider |
| VAT | Value Added Tax |
| VDSL | Very High Speed Digital Subscriber Line |
| WBA | Wholesale Broadband Access |
| WGFM | Working Group Frequency Management |
| WGRA | Working Group of Regulatory Affairs |
| Wi-Fi | Wireless Fidelity |
| Wi-Max | World Interoperability form Microwave Access |
| WLR | Wholesale Line Rental |

8.4. Index of Charts, Tables and Pictures

Charts

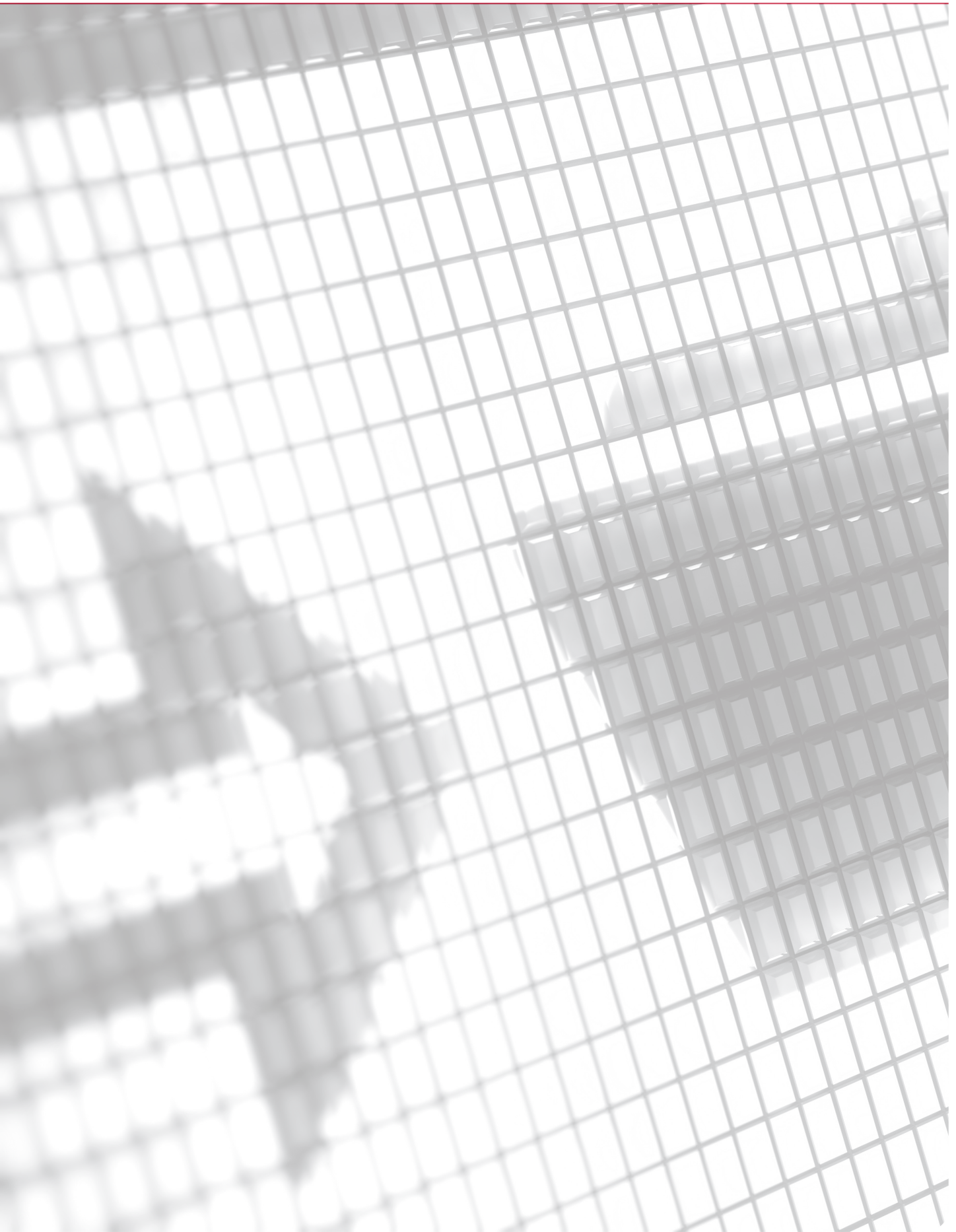
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