

ANNUAL REPORT 2017

SUMMARY



EETT

HELLENIC TELECOMMUNICATIONS & POST COMMISSION

Summary of EETT's actions

In 2017, EETT carried out a number of regulatory and supervisory actions, implementing its annual strategic objectives, for the benefit of the electronic communications and postal services markets, consumers and the national economy.

In order to protect consumer rights and to provide them with full information, the Regulatory Authority has implemented important actions, including: the improvement of the annulment procedure for number portability requests, imposing - to the benefit of consumers - specific obligations to providers through the new General Authorizations Regulation, the adoption of a Directive on the inclusion of both VAT and charges in the providers' price lists, the provision of information on the abolition of roaming charges within the EU, the issuance of recommendations for the use of mobile devices and radio equipment, and the updating of customs clearance fees for postal items originating from non EU countries. Furthermore, as regards to Consumer Service Sector (CSS), EETT managed a total of 10,565 written requests/complaints.

In particular, regarding its fields of responsibility, EETT implemented a number of actions, summarized as follows:

Telecommunications sector

- *Issue of the General Authorizations Regulation:* EETT issued the new General Authorizations Regulation that defines the obligations carried out by the electronic communications providers and puts emphasis on defending consumers' rights and controlling their telephony and Internet's charges.
- *Market analysis on the basis of the European regulatory framework:* EETT defined discreet wholesale markets for calls terminating on each mobile operator's network in Greece, thus assigning Significant Market Power (SMP) to COSMOTE, VODAFONE, WIND and CYTA for calls terminating on their networks irrespective of the origination point and imposing the appropriate ex ante regulatory obligations.
- *Development of new generation networks by implementing VDSL Vectoring technology at the access network:* EETT initiated the procedure for introducing VDSL Vectoring technology at the access network in the Greek market by assigning the relative areas-Local Exchanges (L/E) to the interested parties, defining the form of the interim measures, the technical aspects and the minimum characteristics required for Virtual Local Unbundling (VLU) as well as by launching, based on a bottom up model and in collaboration with an independent body, the cost-oriented price definition of the NGA products.
- *Amendments of the LLU Reference Offer:* EETT carried out three successive amendments of the LLU Reference Offer, including changes not only in the procedure of LLU provision but also in implementing distant co-location, laying out the implementation framework for granting inactive loop, sub-loop and virtual products' requests that are not serviced by OTE's network as well as in including the new wholesale VPU/FTTH product in the relative Reference Offer.
- *Audit of OTE's bundled services/programs:* In 2017 EETT audited a total of 235 OTE economy programs and is-

sued the relevant decisions. Furthermore, EETT continued to support the telecommunications operators by providing them with the “Preliminary Test Module” of economy programs (PTM, mini model). It is worth mentioning that in 2017, the mini model was used in 1,332 audits by almost all of market operators.

- *Cost-accounting audit-accounting separation:* EETT, in collaboration with independent auditors, concluded OTE’s cost audit for 2016 and 2017 by using actual data for 2014 and 2015 and forecasted data for 2016 and 2017, regarding the regulated wholesale markets that carry price control, cost-accounting and accounting separation obligations. Furthermore, EETT, in collaboration with an independent auditor, examined the compliance of the three mobile operators with their accounting separation obligation for 2015 and the results are expected within the first 2018 quarter.
- *Amendment of Number Portability Regulation:* EETT amended the Number Portability Regulation thus improving the annulment procedure for number portability requests in order to deal with current issues and dysfunctions.
- *Publication of Network Neutrality Report:* EETT published its first annual report about implementing Network Neutrality Regulation for the period May 1st 2016 to April 30th 2017. The report presents quality measurements data for accessing Internet, information about traffic management practices and specialized services, commercial practices such as zero-rating or subsidized data, as well as complaints lodged with the Consumer Service Sector that pertain to issues of the relative Regulation.
- *Issue of the Operational Regulation for the Price Observatory for telecommunications and postal services (Pricescope):* EETT issued the Operational Regulation for Pricescope that delineates the System’s operational procedures given its update.
- *Annual market survey:* EETT decided to conduct a nationwide consumers’ survey within 2017 in order to register and access the household access to fixed and mobile services, broadband access and pay-TV, the use of bundled services that include fixed telephony and of Over The Top (OTT) services as well as consumers’ perspective and behavior regarding issues pertaining to the aforementioned services. The survey is expected to be completed at the end of February 2018.
- *Audits and hearings:* EETT investigated the implementation of the relative framework on issues for example pertaining to the General Authorizations Regulation, checked the compliance level for the Premium Rate Services and inspected the fixed telephony and Internet infrastructures. In 2017, EETT carried out 54 hearings that resulted to 18 fines, 7 recommendations, 21 other sanctions/decisions and 9 acquittals. More specifically, EETT imposed an administrative fine of 6.3 million euros on OTE (2.8 million euros for infringing its regulatory obligation for

non-discrimination and 3.5 million euros for infringing Competition Law) after examining the relative complaints lodged by HELLAS ON LINE and WIND HELLAS, as well as reports from CYTA και FORTHNET.

Radiofrequency spectrum sector

- *Granting of frequency rights of use:* During 2017 the procedures for granting the rights of use of the 1800MHz and the 410-430 MHz frequency bands were completed. These procedures, aimed at the efficient use of spectrum, following transparent tender procedures and taking into account the market opinion as well as the EU decisions and recommendations. The tender procedures were designed and implemented by EETT, using the valuable know-how of the Regulator’s experts with no cost for the Greek public sector. EETT also granted, modified or revoked rights of use for fixed, private mobile radio and satellite services concerning news.
- *Modification of the regulatory framework concerning the frequency bands 1980–2010 MHz/2170–2200MHz for mobile communication on aircrafts and the 1785-1800 MHz frequency band including the regulation for the radio program transfer.*
- *A public consultation was conducted to investigate the conditions for granting the rights of use of the 3400-3800 Mhz band, measurements were performed in order to study the electromagnetic compatibility between the ATC Radar and the LTE 2600 MHz base stations, and additionally, conformity to the European decisions concerning new technologies and frequency bands for mobile communications on vessels (MCV) was also achieved.*
- *Extension of the Electronic System for the Antenna Construction Applications (SILYA):* Upgraded and new services were made available at the portal for antenna constructions licenses (keraies.eett.gr) giving the opportunity to the users to access the granting documents in digital format. The antenna construction licensing process was also continued.
- *Supervision and control of Radio and Telecommunications Terminal Equipment:* EETT conducted tests of radio samples and audits of companies/distributors, to protect users and legitimate networks from harmful interferences and to check the conformity to the Radio Equipment Directive 2014/53/EU (RED) (in Greek legislation: Presidential Decree 98/2017).
- *Supervision and monitoring of radio spectrum:* EETT conducted measurements of electronic communications quality indicators, as well as audits regarding fixed wireless access services and investigated complaints concerning cases of interferences, illegal broadcasting and illegal stations and antenna constructions. Additionally, EETT continued to monitor the reception possibility measurements for digital video broadcasting. Finally, EETT held 287 hearings and imposed fines in 230 cases.

Postal services sector

- *Approval of installation of cluster letterboxes:* EETT approved the installation of 1,704 cluster letterboxes in order to serve 1,639 households and 130 businesses in areas with incomplete numbering or no unique street names.
- *Approval of the cost accounting system of ELTA:* EETT implemented the project for the evaluation of new modifications and functionalities of ELTA's cost accounting system and the approval of the cost accounting system for three years, which is expected to be completed by 2018.
- *Quality measurements for Universal Service (US):* EETT conducted a quality measurement of the US, in compliance with the EN 13850 quality standard of the European Commission. The results of the measurements showed that the delivery percentage within one working day (D+1) was significantly lower than the percentage set by the relevant Ministerial Decision while the delivery percentage within three days (D+3) was also lower than the percentage of the expected obligations of the Universal Service Provider (USP).
- *Verification of ELTA's net cost of Universal Service Obligation (USO):* EETT started the project on the verification of the net cost of USO of ELTA, which is expected to be completed in 2018. The aim of the project is to evaluate the reference model submitted by ELTA and to verify the net cost of USO of ELTA for the years 2013, 2014, 2015.
- *Consultations:* In the light of the amendment of the postal market regulatory framework, EETT held public consultations regarding the Regulation on General Authorizations for the provision of postal services, the postal services code of conduct, the Regulation for the determination of the cases in which flat-rate compensation is required for poor delivery of postal services and the Regulation for the operation of Pricescopes for postal services.
- *Data collection from postal operators:* EETT collected from the registered postal operators quantitative and qualitative data on their postal activity and prepared the annual study for 2016.
- *Audits and hearings:* EETT conducted audits to postal operators under General Authorization in order to examine their compliance with the existing legislation and to ensure users' protection as well as the improvement of the service delivered. Furthermore, EETT carried out actions to clear the postal registry from postal operators under General Authorization that were not consistent with their regulatory obligations during the years 2012-2015.

In addition to the aforementioned actions and its ongoing work, EETT started in 2017 the procedures for the implementation of national scope and importance developmental projects such as the new spectrum monitoring systems and EETT's organizational redesign, in order to upgrade its internal operation.

Furthermore, EETT focused upon the development of national and international collaborations. In this contextual framework, EETT participated in committees and working groups of Greek, European and international bodies, within its competences while making a decisive contribution in shaping regulatory developments at European and international level.