Current trends in European Telecoms Regulation

Presentation to Portugal Telecom

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Outline

1. 2006 review
2. Status of market analysis notifications
3. Appeals
4. Retail fixed markets (markets 1-6)
5. VoIP
6. New infrastructure investment
7. Cable networks (market 12)
8. Mobile access and call origination (market 15)
9. Mobile call termination (market 16)
10. Wholesale international roaming (market 17)

1. 2006 review

Milestone	Timing
Deadline for responses to the public call for input	Jan. 31, 2006
Commission communication on article 7 procedures	Feb. 2006
Commission communication to Council and European Parliament on functioning of the EU regulatory framework	June 2006
Consultation on possible changes to the EU regulatory framework	
Consultation on draft revised version of recommendation on relevant markets	
Commission proposals to Council and Parliament on amendments to directives forming the EU regulatory framework	End-2006
Adoption by Commission of revised recommendation on relevant markets	
Political agreement in Council and Parliament on revised directives	2007-08
Transposition of revised directives by Member States into national law	2009
Revised directives in force	2009-2010

2. Status of market analysis notifications

- Only Finland completed all 18 markets
- 5 NRAs still no notifications
- Unlikely all Member States finish by summer 2006

3. Appeals

- National appeal procedures vary
- Already appeals against market analysis decisions in 11 Member States
- First appeal decisions ordering NRAs to redo market analyses

4. Retail fixed markets (markets 1-6)

- Article 17 USD - Retail regulation only when wholesale regulation and CPS insufficient
- Few examples

5. VoIP

- Some NRAs included ‘managed VoB’ in markets 3-6
- ‘Naked DSL’ prerequisite for VoB.
  How recover common costs of local loop?

6. New infrastructure investment

- Regulatory status of new infrastructure not clear
- Test case - VDSL in Germany

7. Cable networks (market 12)

- Included in wholesale broadband access market in some Member States
- Mainly due to indirect pricing constraint at retail level
- No SMP cable operators – except PT

8. Mobile access and call origination (market 15)

- Competition or joint SMP?
- Single operator SMP in some smaller Member States

9. Mobile call termination (market 16)

- No consistent approach to glide paths for MTRs
- Impact of countervailing buyer power

10. Wholesale international roaming (market 17)

- Competition or joint SMP?
- Impact of traffic direction techniques