

RESOLVING OPERATOR DISPUTES

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LICENSE ISSUANCE

- On **22 January 2010**, RATEL's Managing Board decided to issue a License for public fixed telecommunications networks and services for the territory of the Republic of Serbia to the company Telenor Ltd.
- The following premises guided the Managing board members towards reaching such a decision:
 - necessity for introducing competition within the fixed telephony sector,
 - issuance of two licenses for fixed wireless access (FWA) for public telecommunications network and services in June 2009 (a one-off fee of EUR 540,000 was paid for both licenses respectively),
 - significant investments in the telecommunications infrastructure as a prerequisite for enabling a new fixed operator to provide high quality services, primarily the service of broadband access.
- On **19 February 2010**, Telenor was officially granted the license for a ten- year period, with a possibility of extension for additional 10 years.
- Telenor is under the obligation to start offering commercial services within one year from the license issuance date.



TELEKOM SRBIJA - TELENOR DISPUTE



On 24 February 2010, Telenor, a public telecommunications operator, submitted a request for resolving a dispute with Telekom Srbija, an SMP operator, urging RATEL to mediate in resolving the issues related to:

- the price of accessing Telekom Srbija's infrastructure**
- conditions pertinent to interconnection.**

RESULTS OF MEDIATION

On 4 June 2010, RATEL adopted a Decision stipulating the conditions and prices pertaining to:

- 1.lease of optical fibers,**
- 2.lease of telecommunications ducts,**
- 3.interconnection, particularly call termination, access points and interconnection lines,**
- 4.co-location, and**
- 5.unbundled access to the local loop**

LEASE OF OPTICAL FIBERS

- The price for obtaining transport capacities by means of the lease of optical fibers with the irrevocable right for a 15-year period of use, was determined as the median value of the prices proposed by Telekom Srbija and Telenor within the Interconnection Agreement.
- Given the fact that the price of building an optical fiber network is higher in densely populated cities and that line faults are more likely to occur, a one-off fee for the lease and maintenance of a pair of local optical fibers was increased by 33% in relation to the one-off fee for the lease of intercity optical fibers.
- A one-off fee for the **lease of a pair of intercity optical fibers amounts to 2.5 EUR/m**, whereas the annual maintenance fee amounts to 2.5% of the total one-off fee.
- A one-off fee for the **lease of a pair of local optical fibers amounts to 3.33EUR/m**, whereas the annual maintenance fee amounts to 3.33% of the total one-off fee.

LEASE OF TELECOMMUNICATIONS DUCTS

- **A monthly fee for the lease of telecommunications ducts was determined by benchmarking - comparing the data available from the countries in the region.**
- **A monthly fee for the lease of telecommunications ducts (laying cables in ducts up to 40 mm in diameter) amounts to 0.09 EUR/m.**

INTERCONNECTION

- The conditions and the price for the service of interconnection of public fixed telecommunications networks, in particular the call termination service, were determined by benchmarking the data obtained from the countries in the region.
- Call termination service prices are the following:
 - **0.21 RSD/min in peak traffic hours and 0.11 RSD/min in off-peak traffic hours at a local level;**
 - **0.68 RSD/min in peak hour traffic and 0.41 RSD/min in off-peak hours at a transit level (single transit level);**
 - **0.82 RSD/min in peak traffic hours and 0.41RSD/min in off-peak traffic hours at a national level (double transit level)**
- Telekom Srbija and Telenor are under the obligation to secure the equipment and bear all the costs of setting up access points on their respective sides of an interconnection line.
- A one-off fee is not paid for establishing an interconnection line.
- The prices for the service of interconnection between Telenor's fixed network and Telekom Srbija's mobile network will be the ones stipulated in the Interconnection Agreement, which was concluded on 8 February 2007 and which governs the interconnection conditions between Telekom Srbija's fixed network and Telenor's mobile network.

CO-LOCATION

- In determining the amount of the monthly fee for the service of co-location, the agreement between Telekom Srbija and Telenor, reached in the negotiated procedure prior to the decision on setting the price, was taken into account.
- A **monthly fee amounts to 150 EUR** per each location.

UNBUNDLED LOCAL LOOP ACCESS

- In determining the price for access to telecommunications infrastructure, a one-off fee for the unbundled access to the local loop (full or shared access) and a monthly fee for the unbundled access to the local loop (full or shared) was determined by the benchmarking method – by comparing the data obtained from the countries in the region.
- Prices for the unbundled access to the local loop are the following:
 - a one-off fee for the unbundled access to the local loop amounts to **38.20 EUR per access line;**
 - a monthly fee for a full unbundled access to the local loop amounts to **6.28 EUR per access line;**
 - a monthly fee for the shared unbundled access to the local loop amounts to **2.49 EUR per access line.**

THANK YOU!



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