



## REPORT II

### ANNEX CROSS-COUNTRY TABLES

Supply of services in monitoring regulatory and market developments  
for electronic communications and information society services in  
Enlargement Countries

June 1, 2009

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A. Electronic communications market overview

1. General economic background

Any assessment of telecommunications markets has to be seen against the general performance of the economy, its level compared to other economies and the relative growth rates. This requires data on the size and growth of the economy and of the population. Additionally, it helps to consider the distribution of income within an economy, together with (un)employment, poverty and literacy rates which might all be expected to be correlated with the adoption of ICTs.

2. Currencies, inflation, exchange rates and VAT

In order to compare the economies, markets prices and other indicators between the eight entities and with the EU-27 it is necessary to make adjustments for the different exchange rates (see Table A.1).

Country	Currency	Code	Average exchange rate			Jan. 1, 2009
			2006	2007	2008	
Croatia	Croatian Kuna	HRK	7.3229	7.3362	7.2230	7.3603
FYROM	Macedonian Denar	MKD	61.19	61.17	61.2654	61.4044
Turkey	New Turkish Lira	TRY	1.809	1.7865	1.9064	2.1233
Albania	Albanian Leke	ALL	123.27	122.20	122.8029	123.8000
Bosnia & Herzegovina	Bosnian Marka	BAM	1.96	1.96	1.96	1.9558
Montenegro	Euro	EUR	1.00	1.00	1.00	1.00
Serbia	Serbian Dinar	RSD	85.00	78.67	81.9092	88.6000
Kosovo (UNSCR 1244)	Euro	EUR	1.00	1.00	1.00	1.00

Table A.1 - Exchange rates<sup>1</sup>

<sup>1</sup> MB-Ch.8-Exchange rates at <http://www.ecb.int/stats/services/downloads/html/index.en.html>  
[http://www.nbs.yu/export/internet/english/80/80\\_2/foreign\\_exchange\\_rates.pdf](http://www.nbs.yu/export/internet/english/80/80_2/foreign_exchange_rates.pdf)  
[http://www.bankofalbania.org/web/pub/kursi\\_2008\\_2349\\_1.xls](http://www.bankofalbania.org/web/pub/kursi_2008_2349_1.xls)  
<http://www.nbrm.gov.mk/default-en.asp?pmenu=kurslistENIKL>



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Currency fluctuations can have significant effects when comparing prices, spending patterns and operator revenues. The economic crisis and recession of 2008-09 has caused significant and unanticipated variations in exchange rates. As noted in previous reports, these can cause the apparent decline in the value of specific telecommunications markets when expressed in Euros.

In addition to converting other currencies into Euros, in order to facilitate comparisons, it is helpful to adjust prices using Purchasing Power Parities (PPPs). These are an indicator of the differences in price levels between countries, measuring how many currency units a given quantity of goods and services will cost in different countries. It has been popularised by *The Economist* as the Big Mac Index, measuring the relative cost of a hamburger in a range of countries.<sup>2</sup>

PPPs are derived by relatively complex processes and are subject to revision as better and more complete data become available. Work on determining PPPs in the Western Balkans has been supported by international collaboration involving UNECE, OECD and Eurostat.<sup>3</sup>

The PPPs for candidate and potential candidates are published by Eurostat, these are changed from the last report (see Table A.2 ). As yet, there are no plausible values or estimates of PPPs for Kosovo. PPPs for 2008 are not yet available.

	2005	2006	2007
Croatia	4.6523	4.6516	4.5292
FYROM	22.5333	22.8318	22.5470
Turkey	1.0265	1.0716	1.1033
Albania	52.1028	52.1503	52.6335
Bosnia & Herzegovina	0.8574	0.8778	0.8891
Montenegro	0.4197	0.4142	0.4362
Serbia	31.7161	34.3351	37.3042
Kosovo (UNSCR 1244)	...	...	...
EU-27	1.0000	1.0000	1.0000

Table A.2 - Purchasing Power Parities (PPPs)<sup>4</sup>

<sup>2</sup> <http://www.economist.com/markets/bigmac/index.cfm>

<sup>3</sup> [http://www.stat.si/radenci/program\\_2004/roberts-1.doc](http://www.stat.si/radenci/program_2004/roberts-1.doc)

<sup>4</sup> European Commission > Eurostat home page > Economy and finance > Prices  
[http://nui.epp.eurostat.ec.europa.eu/nui/show.do?dataset=prc\\_ppp\\_ind&lang=en](http://nui.epp.eurostat.ec.europa.eu/nui/show.do?dataset=prc_ppp_ind&lang=en)

Prices can vary because of the different levels of taxation. It is therefore important to be able to identify, compare and, where appropriate, remove this element from any charges. Operators, service providers and business customers can usually reclaim VAT, so that this can be discounted from any charges.

The rates of Value Added Tax (VAT) in South-East Europe range from 15 to 22 per cent (see Figure 1). These are close to the general range of the EU-27.

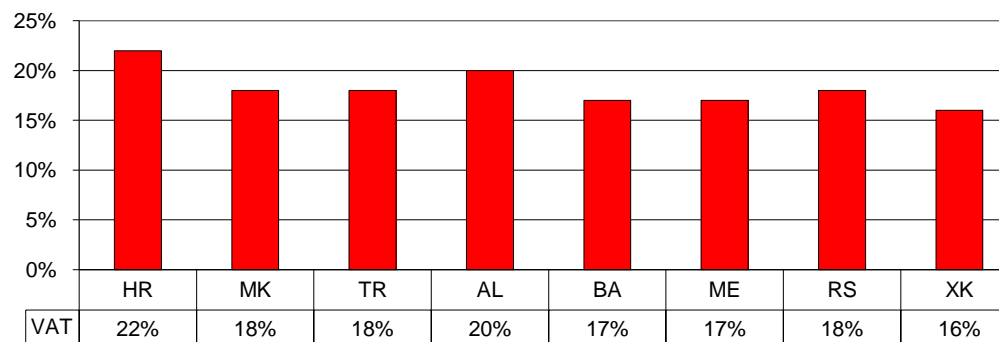


Figure 1 - Rates of Value Added Tax

There are some additional retail taxes, notably the Special Communications Tax (SCT) of 25% on mobile network services and 15% on fixed network services in Turkey. These cannot be reclaimed by businesses and so must be included in charges. In April 2009, a temporary additional 10% tax on impulses in mobile networks was proposed by the Serbian government as part of emergency economic measures to address the consequences of the economic crisis and the growing budget deficit.

### 3. Population and households

The three candidates and five potential candidates together represent 94 million people or almost twenty per cent of the EU-27 population (see Table A.3). The greatest part of that population is represented by Turkey, nearly ten times the size of Serbia, the next largest. Montenegro has much the smallest population, only 35 per cent larger than Luxembourg. Consequently, it is necessary to be careful when comparing the seven much smaller markets with Turkey. There was a substantial downward adjustment in the population of Turkey for 2006, based on new survey data.

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	Population			Inhabitants per sq km		Percentage of EU-27 total 2007	Households		Persons per household
	2006	2007	2008	2006	2007		2006	2007	
Croatia	4.443	4.441	4.432	78.5	78.5	0.89%	1.477		3.0
FYROM	2.039	2.042	2.048	79.3	79.4	0.41%	0.564		3.6
Turkey	72.520	69.689	70.586	89.9	90.1	14.07%	18.492		3.8
Albania	3.149	3.153	3.170	109.5	109.7	0.63%	0.753		4.2
Bosnia & Herzegovina	3.843	3.844	3.843	75.0	75.1	0.77%	1.034		3.7
Montenegro	0.624	0.625	0.634	45.1	45.2	0.12%	0.180	0.183	3.5
Serbia	7.425	7.382	7.365	95.8	95.3	1.49%	2.521	2.537	2.9
Kosovo (UNSCR 1244)	2.100	2.127	2.070	192.9	195.3	0.42%	0.311		6.6
Total	96.143	93.303	94.148	-	-	18.84%	25.343		3.7
EU-27	492.965	495.090	497.455	114.8	-	-	-		2.4

Table A.3 - Populations and households (millions)

Notes:

Source: Eurostat Pocketbook on candidate and potential candidate countries 2009 edition. [KS-PF-09-001-EN](#) (Table 1.1).  
2007 and 2008 data from Eurostat [population data](#).

EU-27: Household composition is for the EU-25 in 2003.<sup>5</sup>

Montenegro: Population density is for 2005.

Kosovo: Population density is for 2005.

The population in the EU-27, as well as Turkey, Montenegro and FYROM have been increasing since 1996 as, since 2000, has Albania. While the EU-27 population grew by almost 3.3%, the growth of Turkey was 16.3%. Montenegro and FYROM grew slightly faster than the EU-27, while Albania was slightly slower. However, Serbia has seen a reduction in its population.

There has been considerable migration in recent years both within and beyond the region. These movements may not be fully reflected in the figures and the patterns may not yet be fully documented and understood.

The household composition is quite different from the existing EU member states, which have an average of 2.4 members per household. In South-East Europe, households are significantly larger, notably in Turkey and Albania respectively 3.8 and 4.2. The figure for Kosovo is extremely high, being 2.8 times

<sup>5</sup> <http://epp.eurostat.ec.europa.eu/tgm/printTable.do?tab=table&plugin=1&language=en&pcode=cdb10000&printPreview=true>

the EU average, a level normally associated with some of the least developed countries. According to *Kosovo in figures in 2006* the average number of household members in rural areas was 7.8.<sup>6</sup> Higher numbers of persons in a household would suggest that, cultural factors being equal, fixed telephone and broadband lines would be available to a larger number of people than in the EU-27.

#### 4. Gross Domestic Product

The Gross Domestic Product (GDP) is defined as the total market value of all final goods and services produced within a country in a year.<sup>7</sup> There is long-standing evidence that GDP and GDP growth correlate with telecommunications and telecommunications network growth.<sup>8</sup>

There are problems of determining the value of GDP accurately in some economies, given the existence of “informal” sectors that must be estimated.

The values shown in Table A.4 indicate the very different sizes of the economies of the region.

	2001	2002	2003	2004	2005	2006	2007
Croatia	22,138	24,448	26,216	28,677	31,263	34,221	37,497
FYROM	3,839	4,001	4,105	4,325	4,676	5,081	5,155
Turkey	219,816	243,570	269,322	314,304	387,655	419,013	480,281
Albania	4,541	4,705	5,048	5,883	6,582	6,911	7,326
Bosnia & Herzegovina	5,930	6,559	7,416	8,071	8,655	9,777	11,065
Montenegro	1,295	1,360	1,510	1,670	1,815	2,149	2,256
Serbia	13,186	16,812	18,009	19,724	21,077	24,255	31,400
Kosovo (1244)	1,624	1,735	1,797	3,007	3,068	3,192	-
EU-27	9,579,832	9,941,617	10,108,367	10,602,725	11,062,220	11,672,735	12,339,731

Table A.4 - Gross domestic product (Euro million)<sup>9</sup>

The economic crisis of 2008-09 has caused the European Commission, the European Central Bank and the International Monetary Fund (IMF) to reduce their forecasts for growth of GDP, often by significant amounts. Indeed, they have made progressively more pessimistic forecasts for the global economy and especially for certain countries. Forecasts for 2009 are much less certain than in the past, as they rely on the view taken of the effects on individual

<sup>6</sup> [http://www.ks-gov.net/ESK/esk/pdf/english/general/kosovo\\_figures\\_06.pdf](http://www.ks-gov.net/ESK/esk/pdf/english/general/kosovo_figures_06.pdf)

<sup>7</sup> <http://circa.europa.eu/irc/dsis/nfaccount/info/data/ESA95/ESA95-new.htm>

<sup>8</sup> Lars-Hendrik Röller & Leonard Waverman (2001) “Telecommunications infrastructure and economic development: a simultaneous approach” *The American Economic Review* **91** (4) 909-923.

<sup>9</sup> Source: Table 5.1 in Eurostat Pocketbook on candidate and potential candidate countries 2009 edition. [KS-PF-09-001-EN](http://epp.eurostat.ec.europa.eu/tgm/table.do?tab=table&init=1&plugin=0&language=en&pcode=tdgs00028). and <http://epp.eurostat.ec.europa.eu/tgm/table.do?tab=table&init=1&plugin=0&language=en&pcode=tdgs00028>

national economies and the speed with which each might be expected to begin to recover. Nonetheless, the IMF suggests that growth in the Western Balkans and Turkey will resume and will be substantially higher than in the Euro zone (see Figure 2).

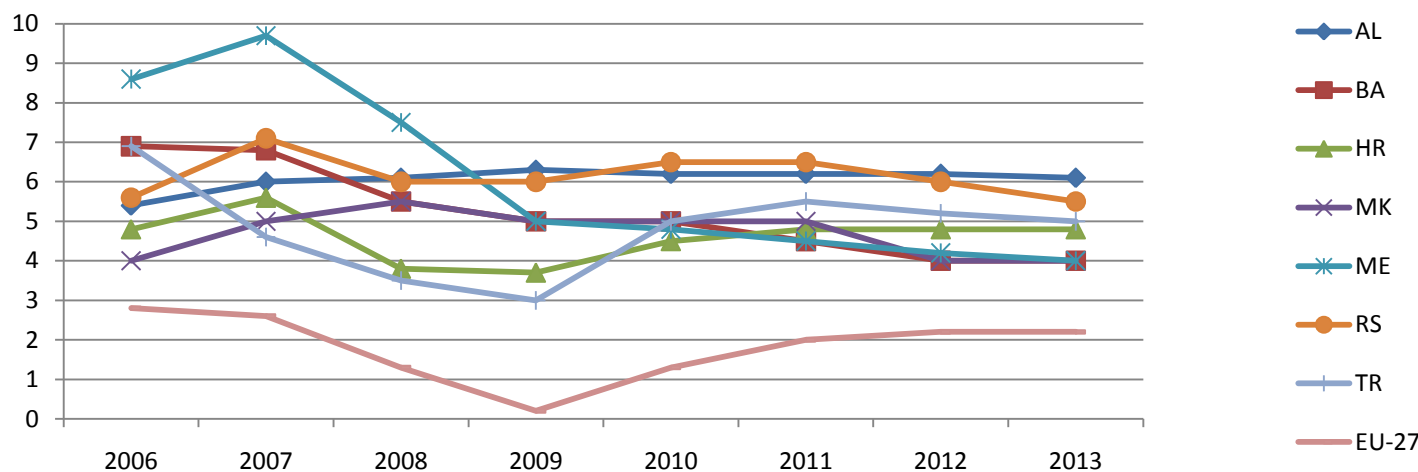


Figure 2 - IMF forecasts for economic growth (October 2008)<sup>10</sup>

In its response to the global economic crisis, the EC adopted an Economic Recovery Plan in November 2008.<sup>11</sup> It committed to continuing support for the economic and social consolidation of the candidate countries and the Western Balkans, announcing its intention to allocate €120 million 2009 for the “Crisis Response Package”, which is expected to leverage some €500 million in loans from international financial institutions.

In the period from 2000 to 2006 GDP growth in constant prices was considerably higher in most of the candidates and potential candidates than in the EU. The average growth in the EU-27 was 2.2%, less than half that achieved by Croatia. Other economies managed 5 or even 6 per cent.

Figure 3 shows the GDP growth rates over recent years, compared to that of the EU-27.

<sup>10</sup> <http://www.imf.org/external/datamapper/index.php>

<sup>11</sup> Communication from the Commission to the European Council: A European Economic Recovery Plan, COM(2008) 800 final, 26.11.2008.

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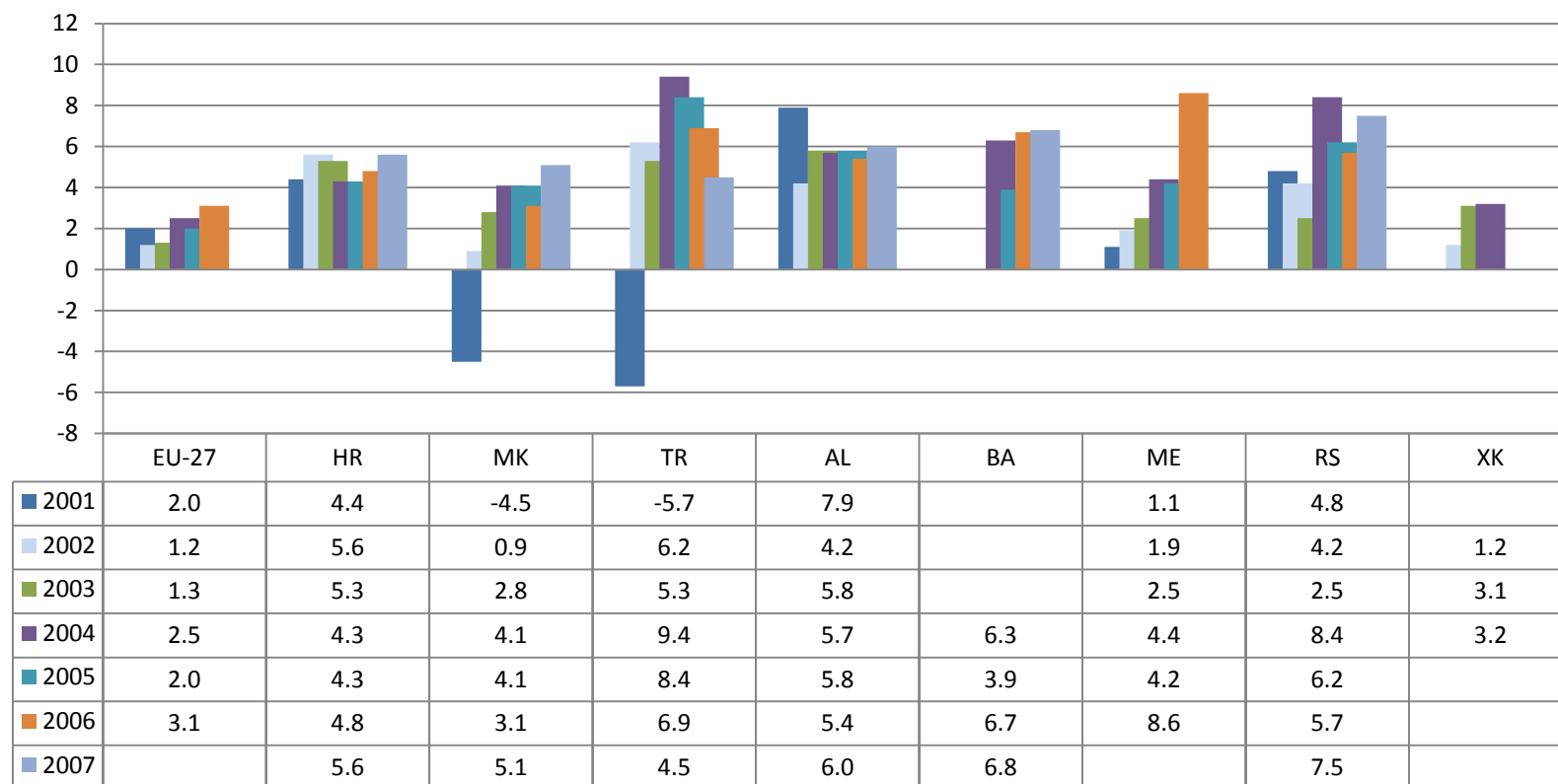


Figure 3 - GDP growth rates<sup>12</sup>

<sup>12</sup> Source: Table 5.1 in Eurostat Pocketbook on candidate and potential candidate countries 2009 edition. [KS-PF-09-001-EN](http://epp.eurostat.ec.europa.eu/tgm/table.do?tab=table&init=1&plugin=0&language=en&pcode=tsieb020), Eurostat <http://epp.eurostat.ec.europa.eu/tgm/table.do?tab=table&init=1&plugin=0&language=en&pcode=tsieb020>. In the absence of data from Eurostat, IMF data were used for Albania for 2006 and 2007 and for FYROM for 2007 <http://www.imf.org/external/datamapper/index.php>

Figure 4 shows the volume indices of GDP per capita in the monitored countries, expressed in relation to EU-27=100. With the exception of Croatia and Turkey that had a GDP per capita similar to that of some of the lower EU member states, the remaining countries came out at a level substantially below the average level of the EU-27. Some are around one quarter of that level and making only modest rates of improvement.

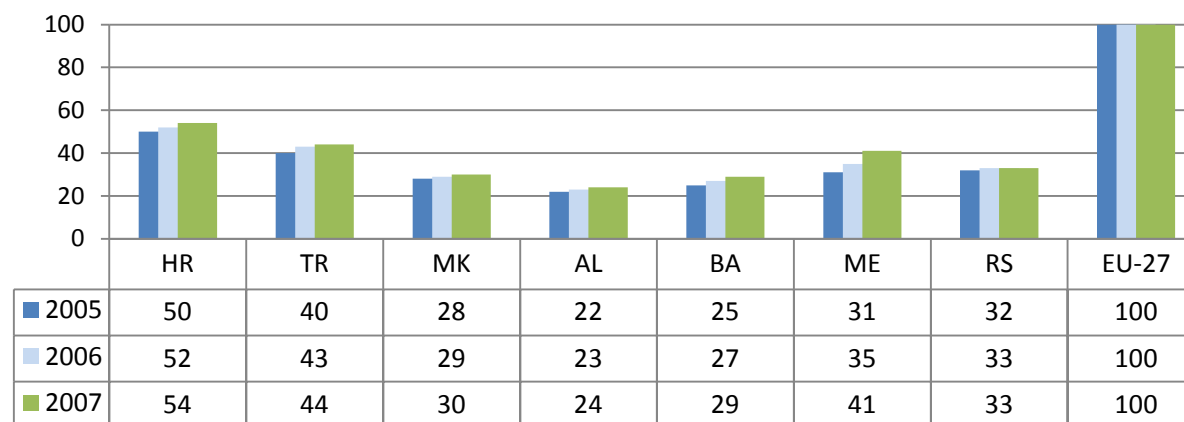


Figure 4 - Volume index of GDP per capita in PPPs<sup>13</sup>

There is a wide range of values for GDP per capita (see Figure 5). Croatia had the highest amongst the candidates and potential candidates at around one third of the EU-27 level. Turkey came next at around 57% of Croatia or 20% of the EU-27, followed by Serbia with about 15% of the EU-27 level. Except for Kosovo that displayed the lowest GDP per inhabitant, the remaining countries had comparable values, ranging between €2,300 and €2,900 per inhabitant.<sup>14</sup>

<sup>13</sup> Table 1 in Eurostat *Statistics in focus* 112/2008.

<sup>14</sup> Eurostat uses an IMF estimate for these numbers

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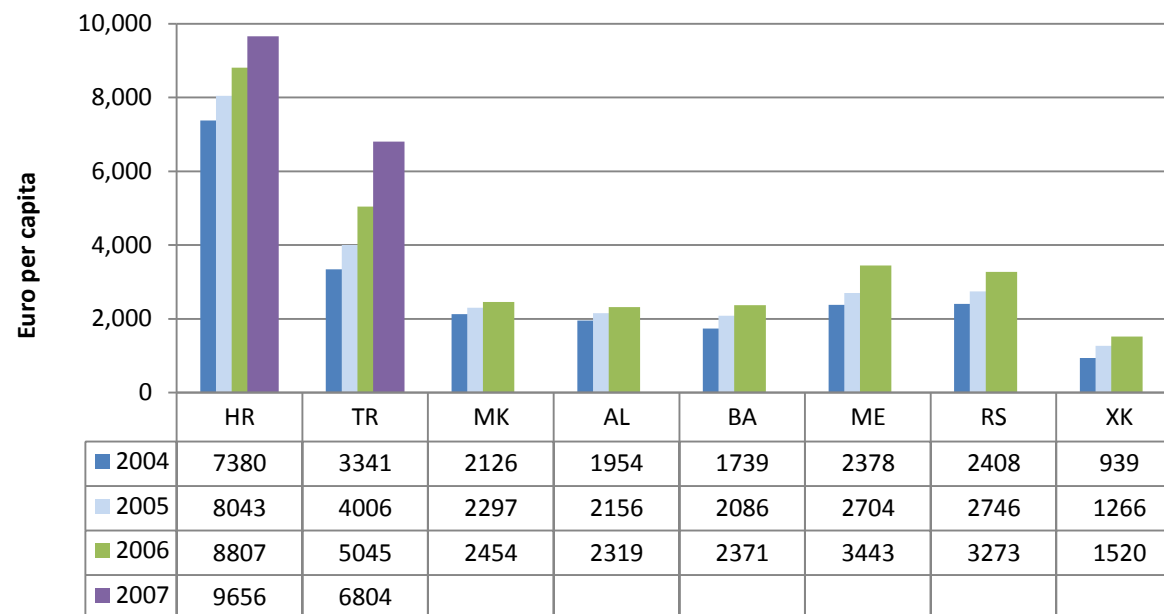


Figure 5 - GDP per capita in nominal Euro<sup>15</sup>

The candidates and potential candidates all have significantly lower employment rates than the EU-27 (see Figure 6). Kosovo has consistently had the lowest level of employment, at less than half that of the EU-27, though it has shown some improvement. Part of the explanation for the low levels of employment is due to involvement with the ‘grey’ or ‘unofficial’ economy, which is expected to decline with the growth of the official economy and with the continuing fight against corruption.

<sup>15</sup> Taken from the previous CI report.



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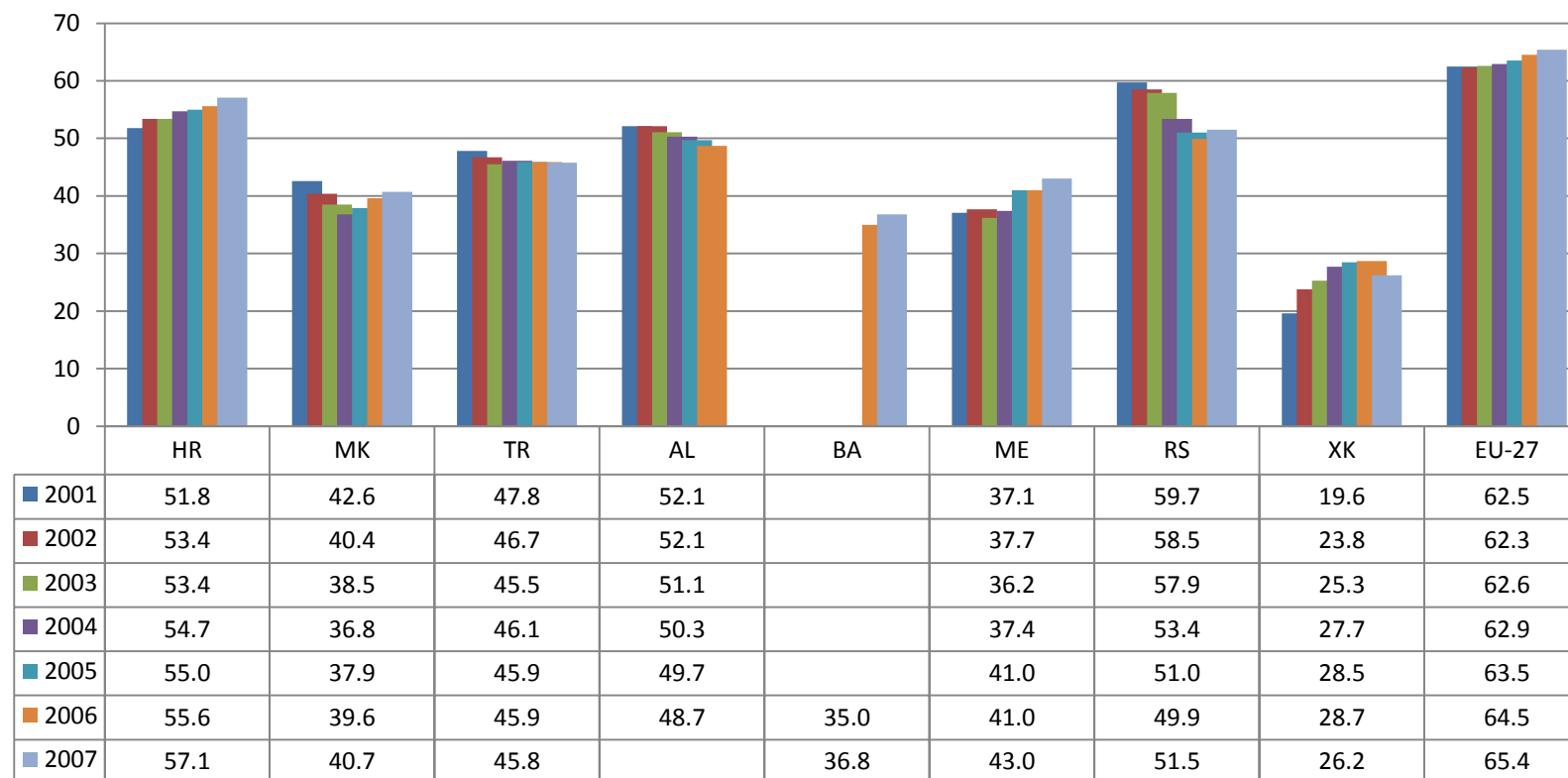


Figure 6 - Percentage of the population aged 15-64 in employment<sup>16</sup>

The unemployment rate in the EU-27 in 2006 was 7.9%. In the candidates and potential candidates, unemployment rates were relatively high, with values of 45% in Kosovo, 36% in FYROM and 31% in Bosnia & Herzegovina in 2006, while in Croatia and Turkey the rates were closer to the EU at 11% and 10% respectively. In the EU-27, the youth unemployment rate was more than double the general unemployment rate, while a range of similar multipliers, from 1.7 in FYROM and Kosovo to 2.6 in Croatia, was observed in the region.

The Gini index is a measure of dispersion used to represent inequality of income distribution. A low Gini index indicates more equal income distribution, while a high index indicates more unequal distribution. 0 corresponds to perfect equality and 100 corresponds to perfect inequality. For the EU-15, Eurostat

<sup>16</sup> Source: Table 4.1 in Eurostat Pocketbook on candidate and potential candidate countries 2009 edition. [KS-PF-09-001-EN](#).

has reported relatively constant values of the Gini Index at around 29 and 30 over the first half of this decade, while for the NMS-10 the figure has risen from 29 to 32. There is only limited evaluation of the Gini index in South-East Europe, in part because of the complex processes involved. Eurostat reported Croatia in 2003 having 29, while Turkey had 46 and 45 in 2002 and 2003 respectively.

The UNDP for 2007-08 reported data for five entities, confirming the high value for Turkey, but also suggesting a relatively high value for FYROM (see Table A.5 ). With the exception of Turkey, the literacy rates are quite high.

	<b>Gini Index</b>	<b>Adult literacy rate</b>
Croatia	29.0	98.1
FYROM	39.0	96.1
Turkey	43.6	87.4
Albania	31.1	98.7
Bosnia & Herzegovina	26.2	96.7
Montenegro	...	...
Serbia	...	...
Kosovo (UNSCR 1244)	...	...

Table A.5 - Gini and literacy rates<sup>17</sup>

The price levels of consumer electronic goods within Europe are very closely grouped, with the index numbers for 27 of 37 countries in the range 90 to 110, reflecting the easy tradability of such goods across borders. South-East Europe is mostly within the same range, though Montenegro has a significantly lower price level (see Figure 7).

However, the price level indices in 2006 for communications show much greater variation than for goods (see Figure 7 and Figure 7). The countries of the Western Balkans show some substantially lower prices than the EU-27 average.

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<sup>17</sup> <http://hdrstats.undp.org/indicators/147.html>

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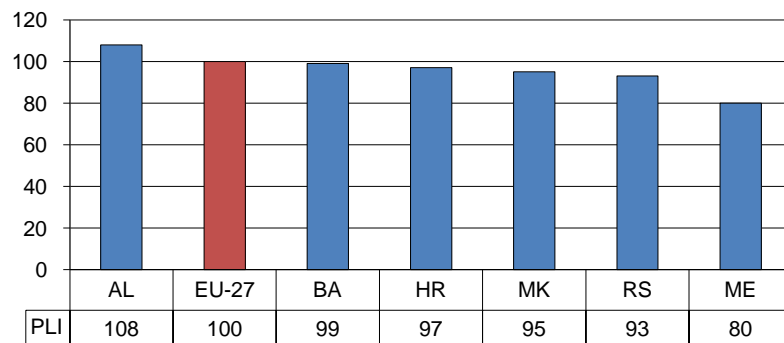


Figure 7 - Price level index for consumer electronic goods (2007)<sup>18</sup>



Figure 8 - Price level index for communications (2006)<sup>19</sup>

Cultural and economic factors lead to considerable variations in household spending patterns (see Figure 9). Communications in 2006 (the topmost segment) accounted for anywhere from 2.3% of household spending in Kosovo to 5.7% in Montenegro.

<sup>18</sup> Eurostat *Statistics in focus* 63/2008.

<sup>19</sup> Eurostat *Statistics in focus* 36/2008.

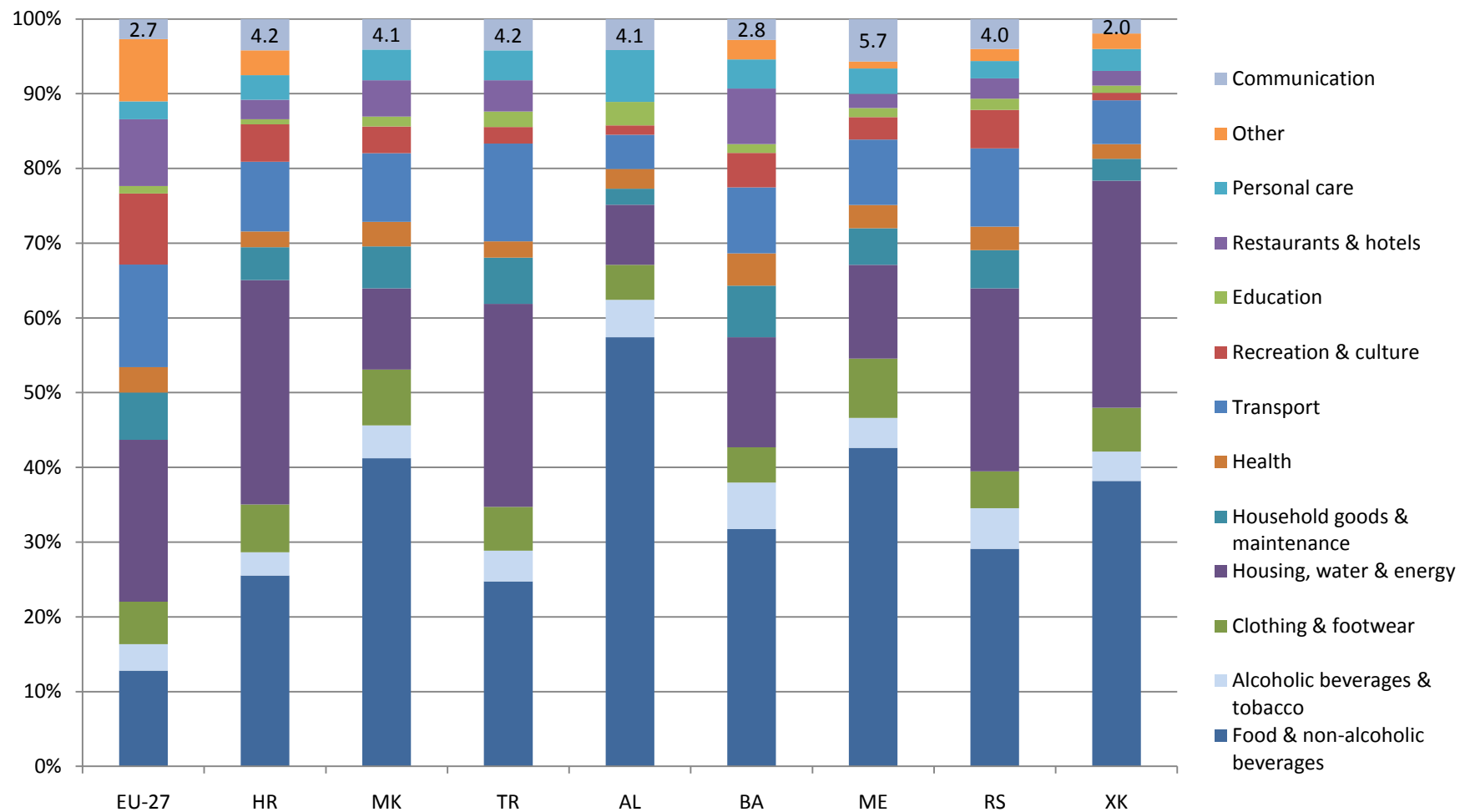


Figure 9 - Breakdown of household expenditure (2007)<sup>20</sup>

<sup>20</sup> Table 3.3 of Eurostat Pocketbook on candidate and potential candidate countries 2009 edition. [KS-PF-09-001-EN](#).

5. Electronic communications market value

The total value of the electronic communications market is estimated at €15.86 billion in 2007, a substantial increase from the previous year (see Table A.6). The strong growth of mobile and Internet services over recent years have continued and seem likely to do so into the future. The complete 2008 data is not yet available.

	2006	2007	2006-07 growth
Fixed voice telephony	5,150,815,532	5,411,329,183	5.05%
Internet services	687,550,293	964,779,498	40.32%
Mobile telecommunications	7,113,338,539	9,013,530,423	26.71%
Data communications	378,234,015	384,632,703	1.69%
Cable TV (excl. Internet)	91,903,050	90,599,535	-1.41%
Total	13,421,841,429	15,864,871,342	18.20%

Table A.6 - Total electronic communications markets revenues (Euro)

The greatest share of the market is represented by mobile telecommunications (see Figure 10). The next largest part is fixed voice, with much smaller shares for the Internet, data communications and cable television. Cable television revenue figures, however, are far from being complete as no data was available for Albania and Montenegro at the time of data collection.

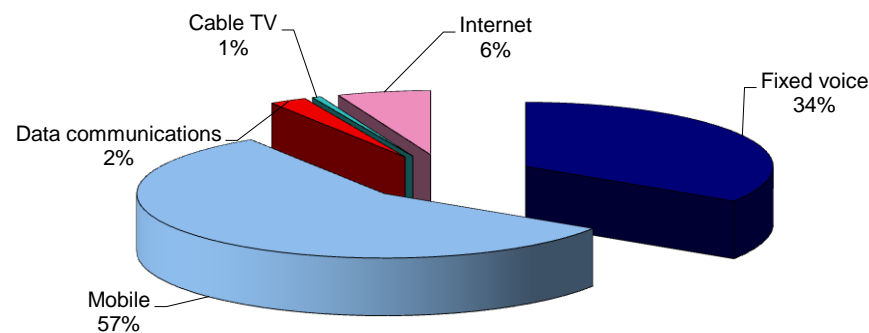


Figure 10 - Electronic communications market in 2007

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Electronic communications represents quite different proportions of the various economies (see Figure 11). While this reflects different levels and patterns of spending and of production and supply within an economy it may also be affected by the accuracy of the measurement of the GDP.

The high values for Montenegro may indicate underestimation of the GDP though it does match the high household spending on communications (see Figure 9).

Taking the individual GDPs from Table A.4 gives a total of €582 billion, which at €15.86 billion for electronic communications gives an average value of 2.7%. This is heavily weighted by the lower Turkish value, excluding which the average is 4.9%.

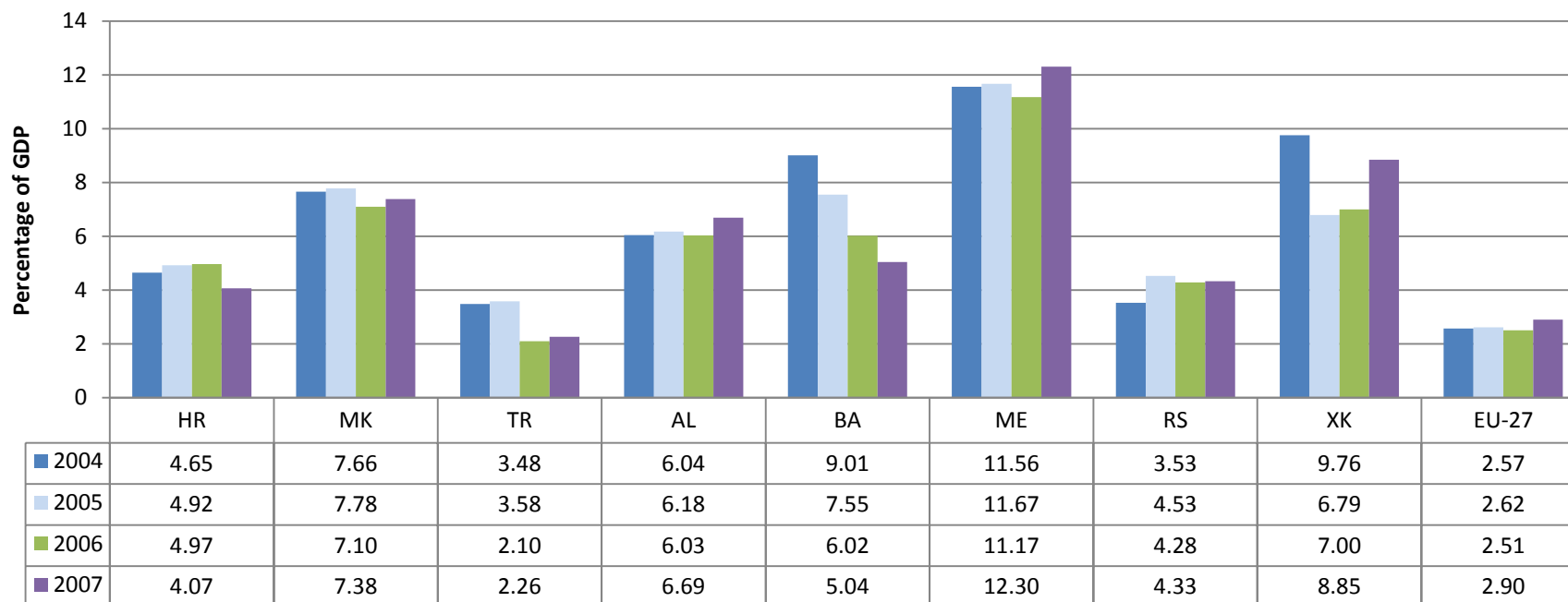
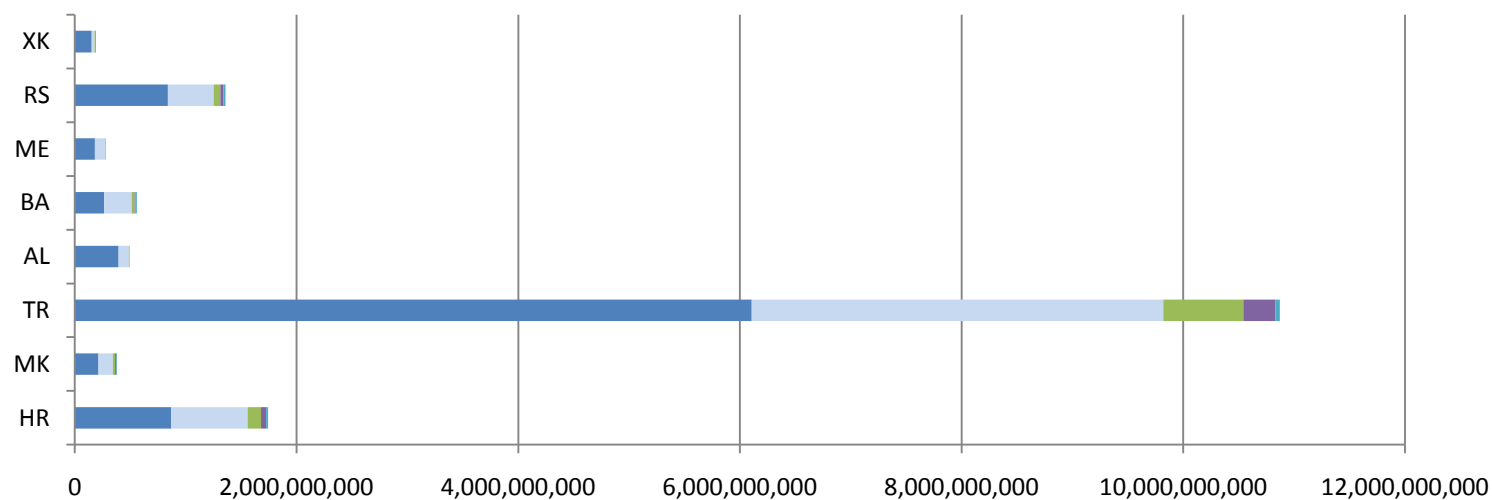


Figure 11 - Electronic communications as a percentage of GDP<sup>21</sup>

Breaking down the markets by economies and sectors, the patterns are inevitably dominated by the size of the Turkish markets (see Figure 12). To remove the effect of the different sizes, the same data are presented as percentages in Figure 13.

<sup>21</sup> 2007 data refer to EU27 instead of EU25, taking into account the EU accession of Bulgaria and Romania.

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Euro	HR	MK	TR	AL	BA	ME	RS	XK
■ Mobile	866,365,111	212,062,744	6,104,860,656	395,404,330	265,186,299	180,155,784	839,160,499	150,335,000
■ Fixed voice	691,245,827	130,126,912	3,715,485,086	92,235,415	247,887,124	93,049,705	414,111,114	27,188,000
■ Internet services	121,522,587	21,077,338	722,486,805	2,179,765	26,223,030	4,182,868	59,260,945	7,875,000
■ Data communications	47,672,126	10,867,374	288,832,732	384,761	8,664,825		26,990,885	1,220,000
■ Cable television	14,604,755	6,258,493	39,401,249		10,219,008		19,836,029	280,000

Figure 12 - Telecommunication markets in 2007

**Notes:**

Albania: 2008 data: Fixed voice: €92,579,247 (+0.4%); mobile: €402,026,337 (+ 1.7%); Internet services: €2,258,579 (+3.61%); data communications: €354,226 (-7.9%). No revenue data reported for cable TV services for 2008.

Montenegro: No revenue data reported for data communications and cable TV services.

FYROM: Provisional 2008 data: Fixed voice: €123,766,824 (-4.8%); mobile: €228,004,844 (+7.5%); Internet services: €32,881,610 (+56%); data communications: €14,134,699 (+30.1%); cable TV services € 8,669,477 (+38.5%).

Turkey: Data available as of 3rd quarter of 2008. Fixed voice: €2,129,181,198; mobile: € 5,287,565,137; internet services: € 1,110,220,557; data communications: € 223,750,715.8; cable TV services: € 40,240,590.12.

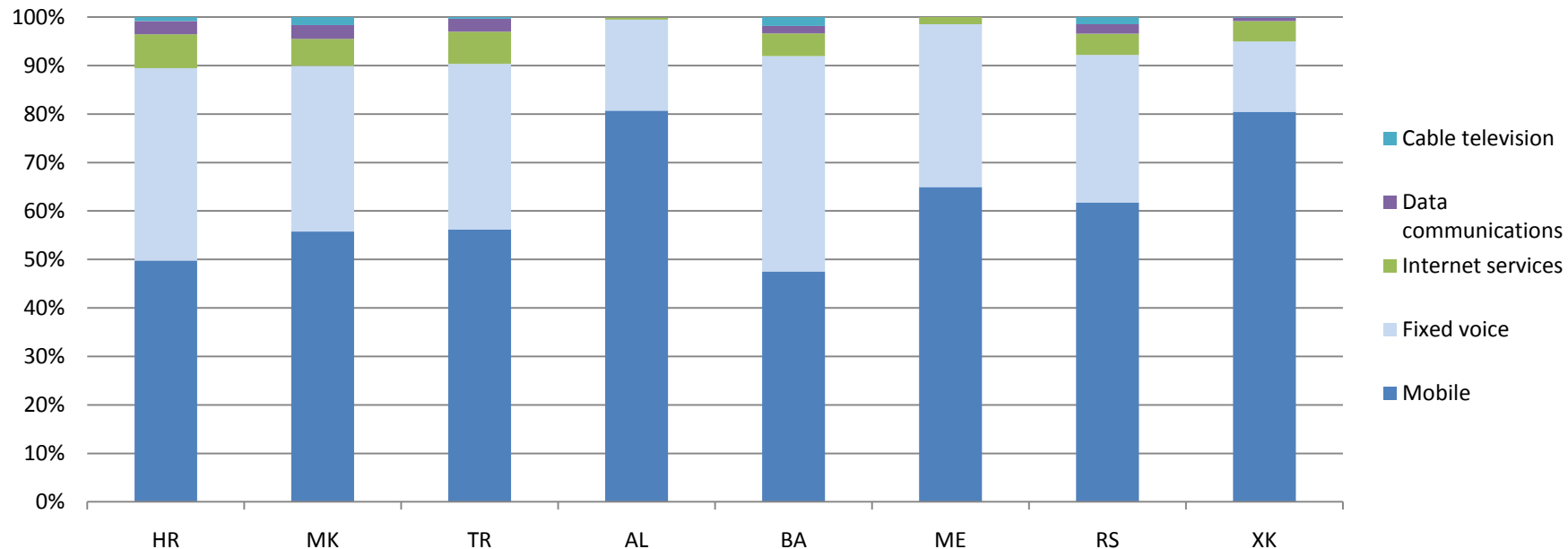


Figure 13 - Composition of telecommunications markets in 2007

Looking at the same data calculated as per capita revenues (see Figure 14), gives yet another view of the markets. Turkey drops down to an average level, while it is Croatia that shows the much larger size of market per capita. Again, it is Kosovo that has the lowest value.



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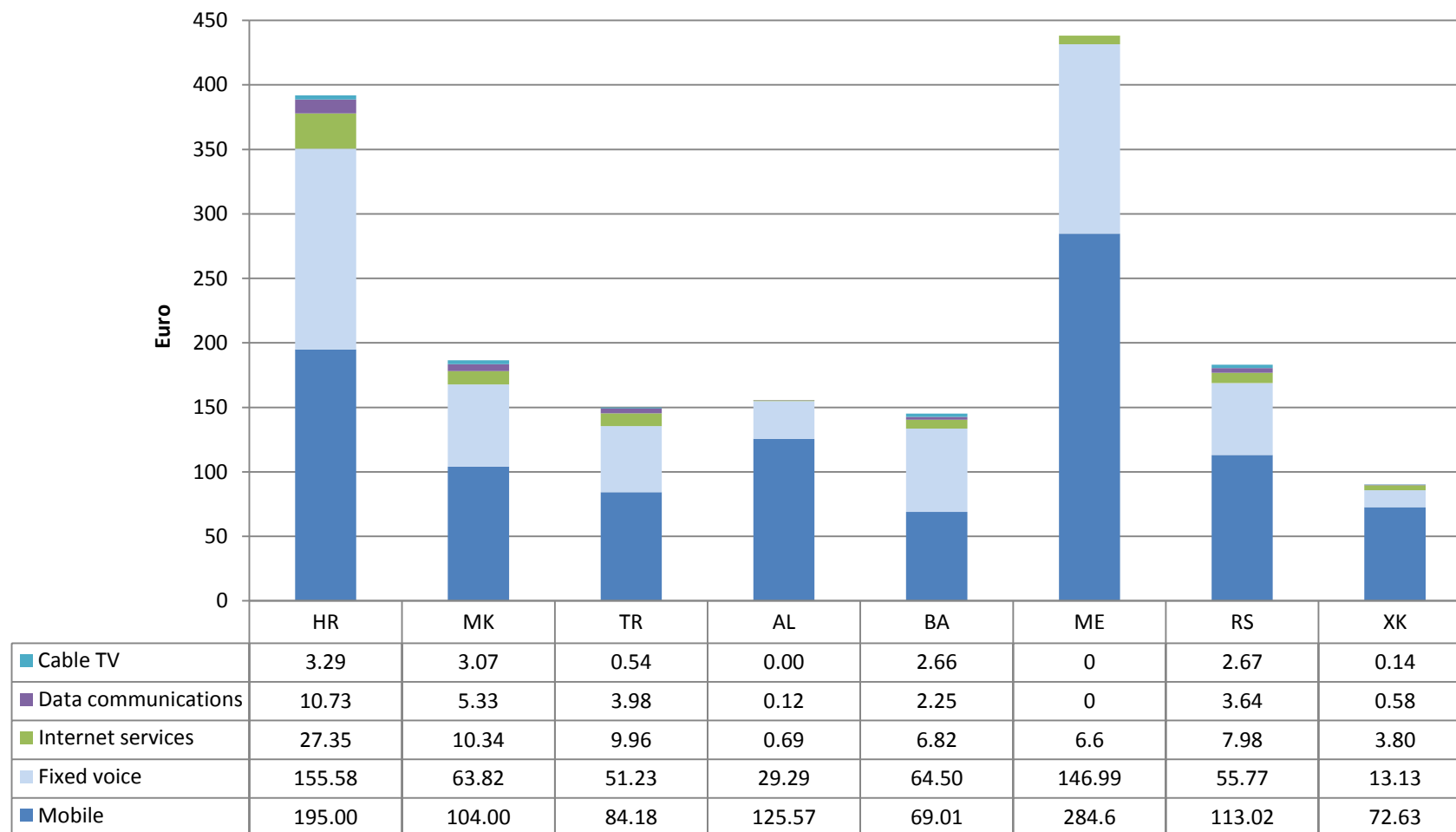


Figure 14 - Revenue per capita by sector in 2007

## 6. Fixed telephony market

## a) Fixed network penetration and digitalisation rate

The numbers of active subscriber fixed lines are given in Table A.7, by technology and by type of customer. These are shown as penetration rates, i.e., as lines per 100 population, in Figure 15. Several fixed networks have shown declines in penetration rate as customers express a preference for GSM, which is more personal and offers more flexible use and payment schemes. There are considerable differences in the levels of penetration of the fixed network, with Albania and Kosovo at relatively low levels, while Croatia and Serbia have higher levels, but still substantially below the EU-27 average and well below those of the EU-15.

Country	Total number of fixed lines	By technology		By user category	
		PSTN	ISDN	Residential	Business
Croatia	1,705,434	1,598,251	107,183	1,335,658	370,464
FYROM	457,122	436,581	15,460	400,925	51,116
Turkey	17,680,772	17,663,769	17,003	17,516,266	164,506
Albania	326,336	325,407	929	287,310	39,026
Bosnia & Herzegovina	981,111	947,689	33,422	873,498	107,613
Montenegro	178,809	160,037	18,772	149,099	29,710
Serbia	3,084,872	3,000,937	83,935	2,766,085	318,787
Kosovo	95,862	95,462	400	80,600	15,262
Total	24,510,318	24,143,485	272,074	23,270,173	1,134,686

Table A.7 - Fixed network lines by technology and by user category in 2008

## Notes:

ISDN: ISDN is offered in two forms: Basic Rate Access (BRA) and Primary Rate Access (PRA). BRA lines allow two telephone numbers and two simultaneous calls, being used by households and smaller organisations. PRA lines enable 30 simultaneous calls and are normally used for larger organisations. The number of ISDN lines is weighted for BRA and PRA.

FYROM: The total includes 5,081 other lines representing public payphones, internal and test lines of the incumbent operator.

Montenegro: The number of ISDN subscriptions at the end of 2008 was 6,740. On December 31, 2008 the number of ISDN-BA lines was 6,551 and number of ISDN-PRA lines was 189. Thus, the total number of ISDN channels was  $(2 \times 6,551) + (30 \times 189) = 18,772$ .

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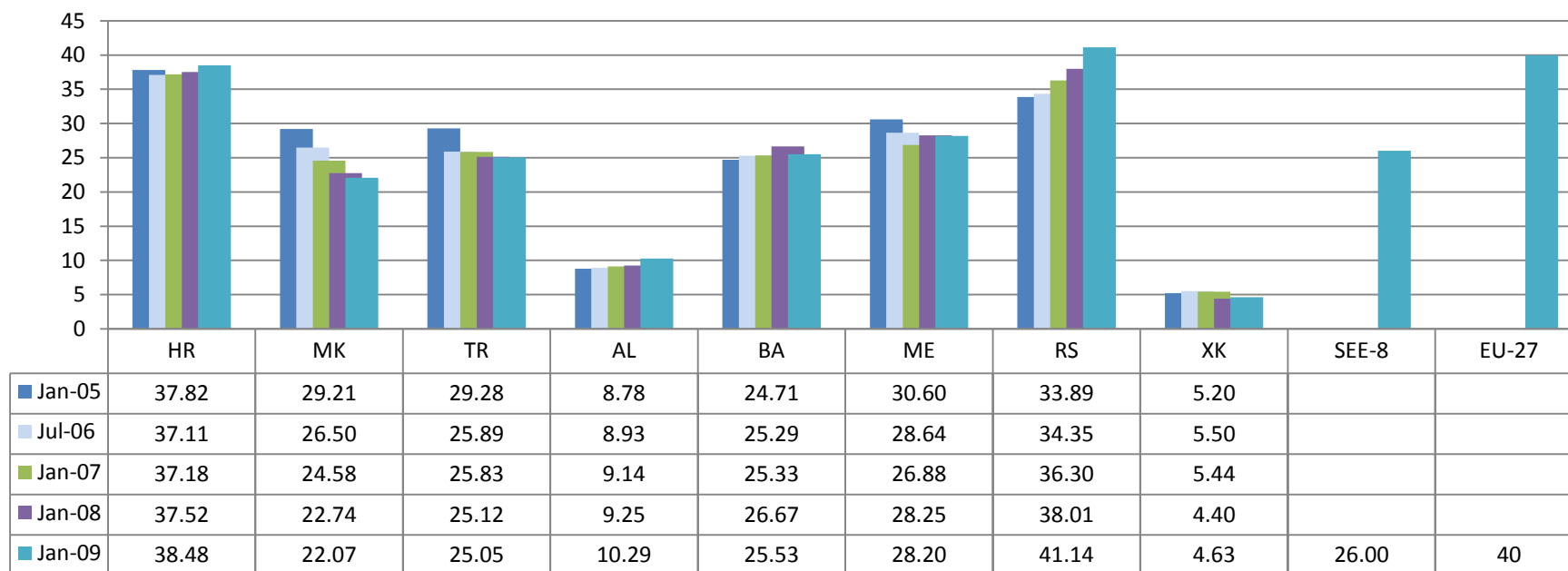


Figure 15 - Fixed lines per 100 population

The process of converting analogue networks to digital has been relatively slow, but should be completed within the period of the present monitoring project. Table A.8 shows the levels in 2006, 2007 and 2008. Croatia, Montenegro, FYROM and Kosovo have achieved full digitalisation. Turkey has achieved full digitalisation in 2008, and Albania and Bosnia & Herzegovina have almost reached the target. Serbia, which had less than 70% in 2005, has made significant progress and should reach 100% by 2010.

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Country	January 2007	January 2008	January 2009
Croatia	100.0	100.0	100.0
FYROM	100.0	100.0	100.0
Turkey	98.3	99.0	100.0
Albania	99.86	99.87	99.92
Bosnia & Herzegovina	98.4	99.0	99.2
Montenegro	100.0	100.0	100.0
Serbia	88.6	93.3	95.5
Kosovo	49.0	100.0	100.0

Table A.8 - Fixed network digitalisation rate (%)

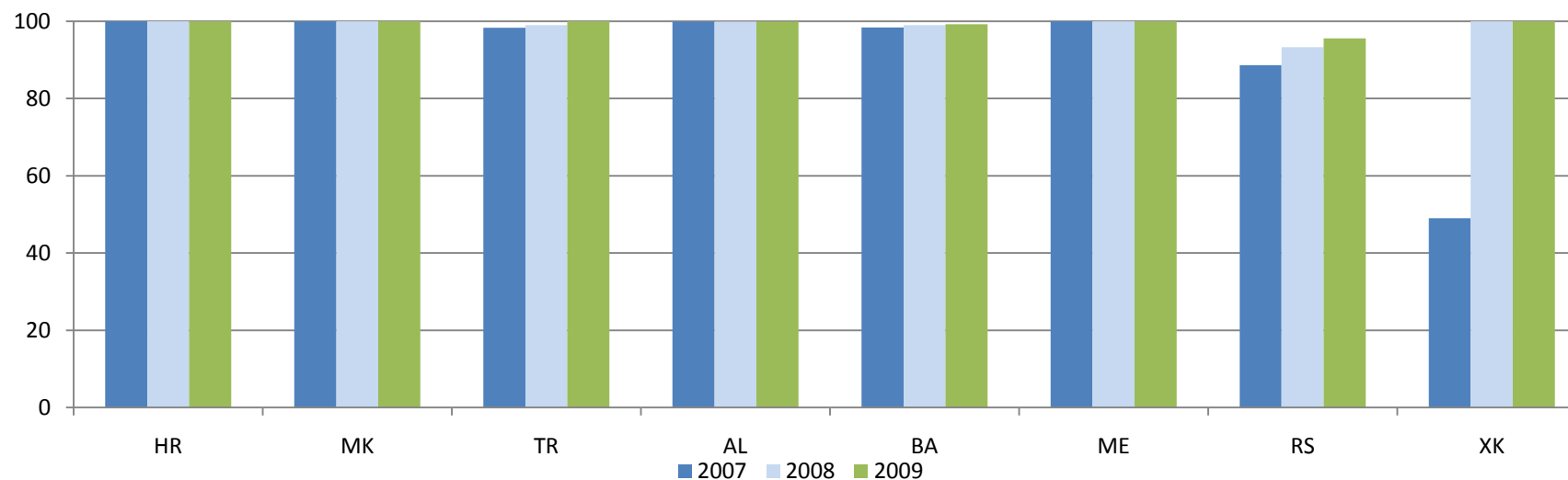


Figure 16 - Fixed network digitalisation rate (%) – growth 2007-2009

Party or group lines serve two or more subscribers and remain a significant factor in the region (see Table A.9). These lines are a potential barrier to any intensive use of the telephone service, such as dial-up Internet access and value added services. They are also an obstacle to local loop unbundling and thus to broadband Internet access. Croatia, FYROM, Kosovo and Turkey have no party lines. Small but significant percentages are still found in Albania, Bosnia & Herzegovina, Montenegro and Serbia.

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Country	Multiple party lines	
	Total number	As percentage of total fixed lines
Croatia	0	0.0
FYROM	0	0.0
Turkey	0	0.0
Albania	14,000	5.0
Bosnia & Herzegovina	19,694	2.0
Montenegro	2,562	1.4
Serbia	177,415	5.75
Kosovo	0	0.0

Table A.9 - Multiple party lines in 2008

b) Competition

The development of competition in fixed networks and services in each country has been determined by individual liberalisation processes. In some cases, it has been gradual, with local and domestic long distance services being opened to competition at different times. Albania and Turkey are examples where competition at the local and the national level was not introduced at the same time. However, now in Albania all authorisations apply on national level. In Turkey, the new general authorisation regime with notification to the NRA is expected to enter into force in May 2009.

Table A.10 shows authorised public network operators and public fixed voice telephony service providers and highlights those which are operational in the market. Public network operators are defined as those installing, managing and operating a telecommunications transmission network to provide public telephony services or public network services. Public fixed voice telephony service providers include cable operators providing public voice telephony are also included as well as managed VoIP operators.

Country	Public fixed telephony network operators		Public fixed voice telephony service providers	
	Authorised operators	Operators active in the market	Authorised operators	Operators active in the market
Croatia	15	9	54	39
FYROM	47	7	132	26
Turkey	1	1	33	N/A
Albania	67	67	67	67
Bosnia & Herzegovina	74	74	14	13
Montenegro	2	2	10	5
Serbia	1	1	1	1
Kosovo	3	2	3	2

Table A.10 - Competition in fixed telephony - public network operators and service providers

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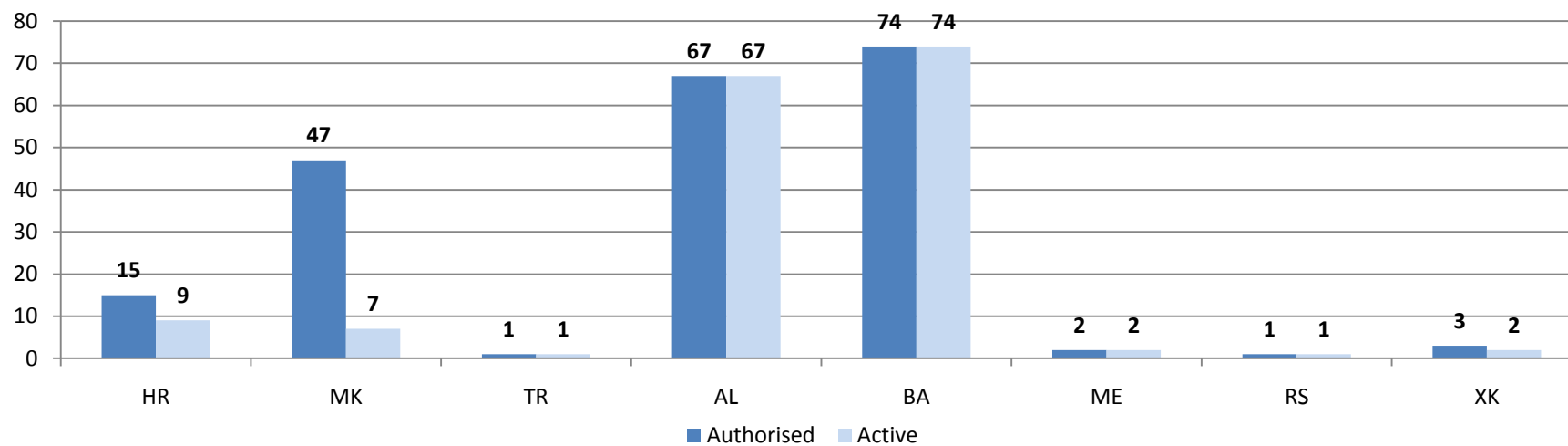


Figure 17 - Public fixed telephone network operators

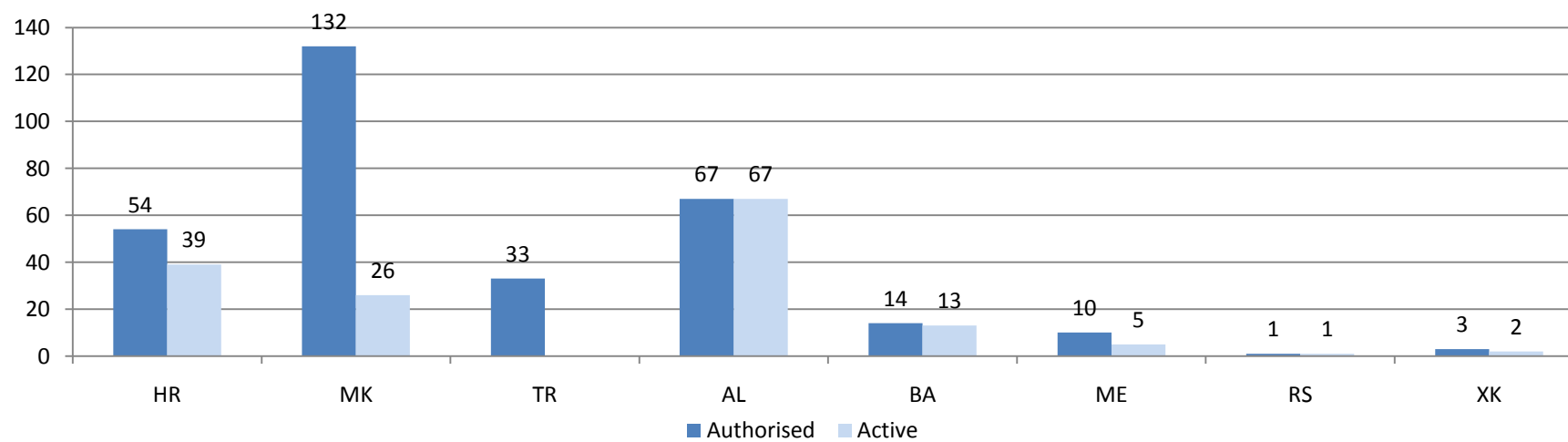


Figure 18 - Public fixed voice telephony service providers

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**Notes:**

- Turkey:** Only Türk Telekomünikasyon A.Ş. is authorised to operate public fixed telephony networks. The only competitors are long distance operators using CS/CPS and VoIP calls licensed under Type 2 licences.
- Montenegro:** There are only two licensed fixed telephony network operators: T-Com Montenegro (formerly Telecom Montenegro), the incumbent, and M:Tel, a mobile operator that also provides fixed wireless access using WiMAX. The number of authorised public voice telephony service providers includes eight licensed VoIP providers. The NRA granted five licences for VoIP in September 2007 and a further three in February 2008.
- Serbia:** Until December 2008, Telekom Srbija was the only licensed fixed network operator in the market. Between December 22, 2008 and May 22, 2009 RATEL issued 20 authorisations for public telecommunications networks and 23 authorisations for voice transmission service over the Internet (without the right to use numbering resources). So far, however, Telekom Srbija remains the only licensed provider of public voice telephony services over own fixed network and use of numbers.
- Kosovo:** Ipko Telecommunications is the second authorised fixed telephony network operator. Konet is the third operator, licensed in January 2009, not yet operational.

Table A.11 shows the proportion of fixed subscriber numbers allocated to incumbent and alternative operators. It is an important indicator of the state of competition in the fixed market, though it is not to suggest that all of the allocated numbers are in immediate use.

Country	Fixed incumbent operator (%)	Alternative operators (%)
Croatia	91.1	8.9
FYROM	82.8	17.2
Turkey	100.0	0.0
Albania	60.3	39.7
Bosnia & Herzegovina	95.0	5.0
Montenegro	96.4	3.6
Serbia	100.0	0.0
Kosovo	95.4	4.6

Table A.11 - Competition in fixed telephony - numbers allocated by NRA in 2008

**Notes:**

- Albania:** As of February 2009
- Montenegro:** Agency for telecommunications and postal services of Montenegro allocated 1,468,000 numbers to T-Com Montenegro (fixed incumbent operator) and 55,000 numbers to alternative (VoIP) operators – M:Tel, Broadband Montenegro, Dimal Telecom, PTT inzenjering, VOIP Telecom.

Figure 19 shows the trends over time of the numbers allocated to alternative providers.

The overall numbers given to alternative operators is still very small and in the cases of Turkey and Serbia no numbers have ever been allocated. By contrast, Albania has assigned almost half of its fixed numbers, indicating a very strong basis for competition.

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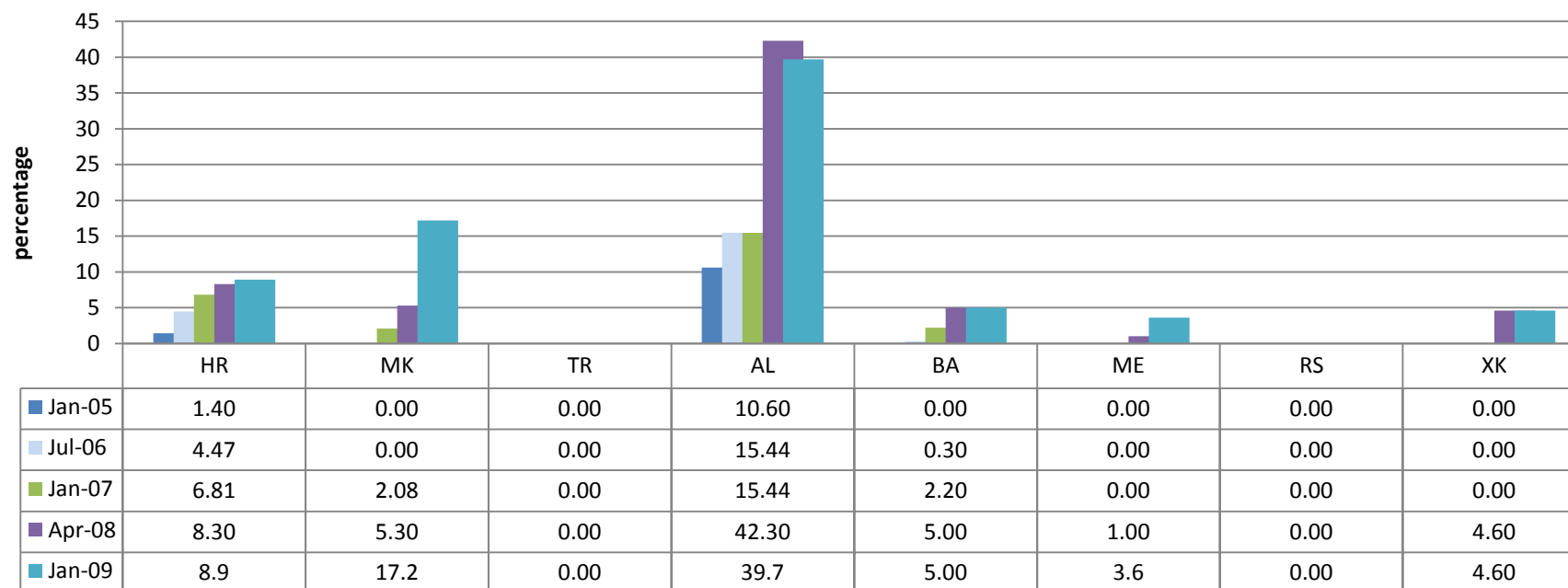


Figure 19 - Percentage of fixed numbers allocated to alternative operators

Market shares can be measured in many different ways, by numbers of lines, customers, minutes of traffic and revenues. Table A.12 shows the market share of the respective incumbent operators by revenues and by minutes of traffic. It is given for both national calls and international calls, then as the overall figure, the sum of the two other markets.

The continued dominance of the incumbent operators is very clear in every case for which there are data. The high market shares for international traffic suggest that the basic measures to introduce competition, by opening international gateways have not been taken or have not been effective. Alternative operators using carrier selection or VoIP ought to be able to claim significant market shares with limited investment.

Country	Overall market share		National calls		International calls	
	By retail revenue	By minutes of traffic	By retail revenue	By minutes of traffic	By retail revenue	By minutes of traffic
Croatia	82.20	77.5	82.20	77.10	82.40	86.30
FYROM	90.70	99.2	98.50	99.1	85.00	73.90
Turkey	80.00	88.0	N/A	88.00	N/A	78.00



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Country	Overall market share		National calls		International calls	
	By retail revenue	By minutes of traffic	By retail revenue	By minutes of traffic	By retail revenue	By minutes of traffic
Albania	94.00	92.7	N/A	72.40	N/A	96.00
Bosnia & Herzegovina	97.14	99.58	99.94	99.83	93.06	98.64
Montenegro	N/A	99.0	N/A	99.00	N/A	98.23
Serbia	100.00	100.00	100.0	100.00	100.00	100.00
Kosovo	99.60	N/A	N/A	N/A	N/A	N/A

Table A.12 - Competition in fixed telephony - Incumbent operator's market share (%) in 2008

Notes:

FYROM: Since there is no 2008 data available for all fixed voice telephony market players, the NRA approximates that the market share of the incumbent in international call market is between 85-90%

Turkey: Data as of September 2008. International calls data includes only outgoing traffic.

Bosnia & Herzegovina: The table shows combined market shares of the three incumbent operators.

Montenegro: Operators must submit revenue data related to the previous year to the NRA by June 30, according to the Accounting Law. Therefore no revenue data for 2008 are available yet. From 2010 the deadline for providing financial data will be end of the February.

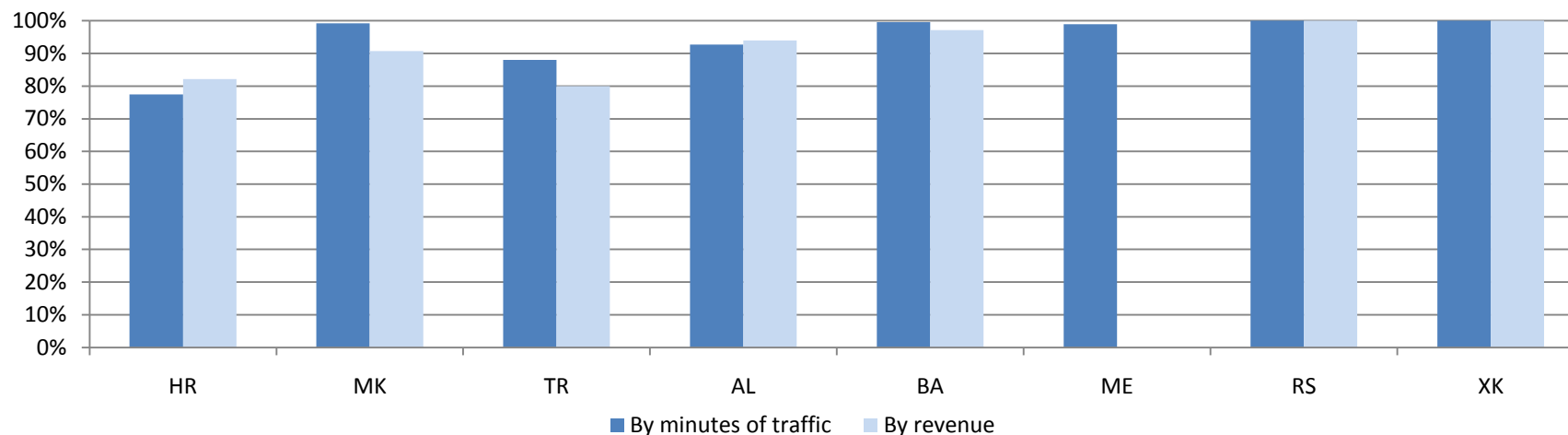


Figure 20 - Incumbent operators' overall market share in fixed voice telephony in 2008

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Voice over Internet Protocol (VoIP) is now a well established service in the EU-27 and one frequently advertised in South-East Europe. Yet the market shares for operators using VoIP appear to be relatively small (see Table A.13). The differences between the columns reflect the unit prices, so that cheaper VoIP calls will show as a lower percentage of revenues than minutes of traffic.

Country	By retail revenue	By minutes of traffic
Croatia	1.8	5.7
FYROM	9.62	10.73
Turkey	8.0	3.65
Albania	5.8	4.0
Bosnia & Herzegovina	N/A	N/A
Montenegro	N/A	0.21
Serbia	0.0	0.0
Kosovo	0.0	0.0

Table A.13 - Market share of VoIP operators (%) in 2008

Notes:

Croatia: Internet traffic is not included.

Bosnia&Herzegovina: According to the licence for provision of public fixed telephone services, fixed voice telephony services can be deployed based on the technology neutrality principle. There are no separate data for VoIP providers.

Turkey: Long distance service providers can provide VoIP services. There is no different licence type for VoIP services.

A cost-effective way for alternative carriers to take market share from incumbent operators is using carrier selection (CS) and carrier pre-selection (CPS). Table A.14 shows the levels of adoption of both, broken down by national and international call destinations.

Country	Subscribers using an alternative provider for voice telephony services through CS/CPS and/or direct access		
	Total number of subscribers using an alternative provider	Subscribers using an alternative provider for national calls	Subscribers using an alternative provider for international calls
Croatia	418,050	N/A	N/A
FYROM	11,633	11,633	11,633
Turkey	3,962,466	N/A	N/A
Albania	60,000	N/A	N/A
Bosnia & Herzegovina	7,405	6,150	7,405
Montenegro	6,592	6,592	6,592
Serbia	...	...	...
Kosovo	4,862	4,862	4,862

Table A.14 - Subscribers using alternative providers for voice telephony services in 2008

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Notes:

Albania, Serbia and Kosovo: CS/CPS not available. In Albania, around 18% of Altelecom's subscribers use VoIP services of alternative providers based on prepaid calling cards. 60,000 subscribers for Albania: estimate reported in AKEP Market Indicators Information Report, April 2009.

FYROM: The NRA asked for the total number of subscribers using carrier selection, without requiring that they be broken down by the destination of the call.

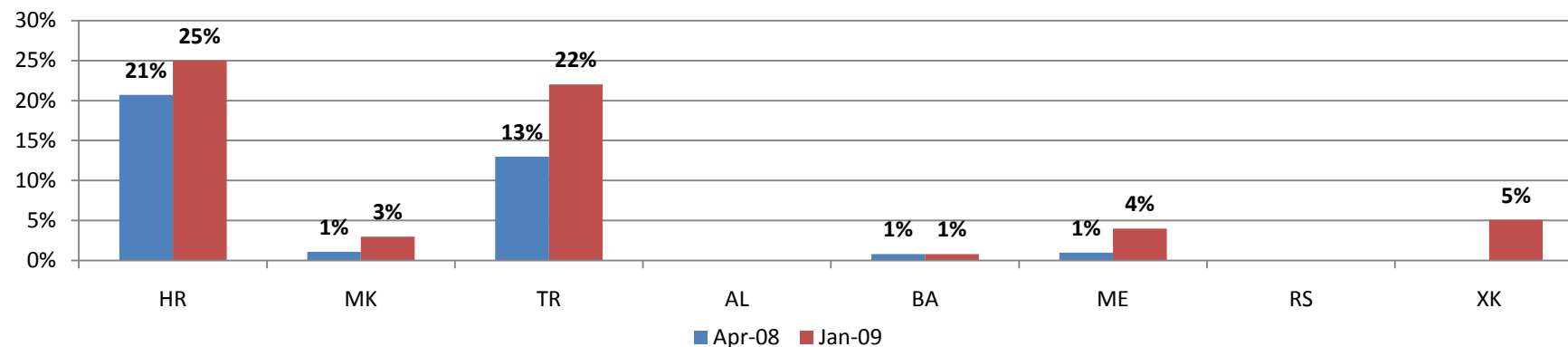


Figure 21 - Subscribers using alternative providers as percentage of total number of fixed lines

### 7. Mobile market

#### a) Mobile subscribers

At the end of 2008 there were over 91 million subscribers of mobile services (see Table A.15). The rise in the levels of mobile penetration rates has been rapid and sometimes dramatic (see Figure 22). Croatia, FYROM and Montenegro already have reached mobile penetration rates above the EU-27 average.

However, these numbers are not to be taken to mean that everyone in South-East Europe has a mobile phone. There appear to be significant numbers of plastic roamers that is people with multiple SIM cards who switch to a local operator on moving between the entities or on moving into South-East Europe from the rest of the Europe. Some others may have multiple domestic SIM cards in order to exploit particularly attractive tariffs or to ensure network coverage. Discrepancies also arise from different practices in defining an 'active' pre-paid customer, ranging from three to 12 months, depending on the mobile operator.

Country	Total number of active subscribers	Penetration rate (%)
Croatia	5,879,850	132.55
FYROM	2,501,938	123.7
Turkey	65,824,110	92.0
Albania	2,964,473	92.0
Bosnia & Herzegovina	3,179,036	82.7

## Enlargement Countries Monitoring Report II – June 2009

Country	Total number of active subscribers	Penetration rate (%)
Montenegro	1,150,459	185.5
Serbia	9,618,767	128.3
Kosovo	1,235,000	59.0
Total	92,353,633	98.1

Table A.15 - Mobile subscribers in 2008

**Notes:**

FYROM

Albania:

T-Mobile applies 6 months period for the definition of the active subscriber, VIP and Cosmofon use 12 months period.

The definition of active subscribers is given based on the terms of use of recharging cards for pre-paid users.

AMC: The ALBAKARTA service can be used for 12 months from activation. If the credit is used up before this period then a customer continues to receive calls for another 6 months.

Vodafone Albania: The subscriber can make as many phone calls as are allowed by the value of its credit, until 6 months after the activation of the SIM card.

Airtime duration is for 6 months and cannot be transferred to another SIM card. If the credit of the SIM card has finished, the subscriber can still receive phone calls within 6 months from the card activation. If the SIM card credit has not been consumed within 6 months, the subscriber loses its right to use the remaining credit.

Eagle Mobile: All Eagle Mobile Card services can be used for 12 months since the moment of activation (i.e. since the moment you will make the first call). If credit ends before the above period, then calls can still be received within 6 months from the card activation.

BiH

Montenegro:

The 'active' periods are 90 days for BH Telecom and 120 days for m:tel.

As of December 31, 2008. Pre-paid card subscribers are dropped after 12 months of inactivity. The main tourist season is June to August when large numbers of pre-paid cards are sold. The penetration is calculated using the most recent official data on population: 620,145 at the end of 2003.

Serbia:

Data as of Dec. 2007. mt:s applies a four months 'active' period.

Kosovo:

Ipko has 349,000 mobile subscribers and Vala has 886,000 subscribers. 'Active' periods are one year for IPKO and four months for Vala.

## Enlargement Countries Monitoring Report II – June 2009

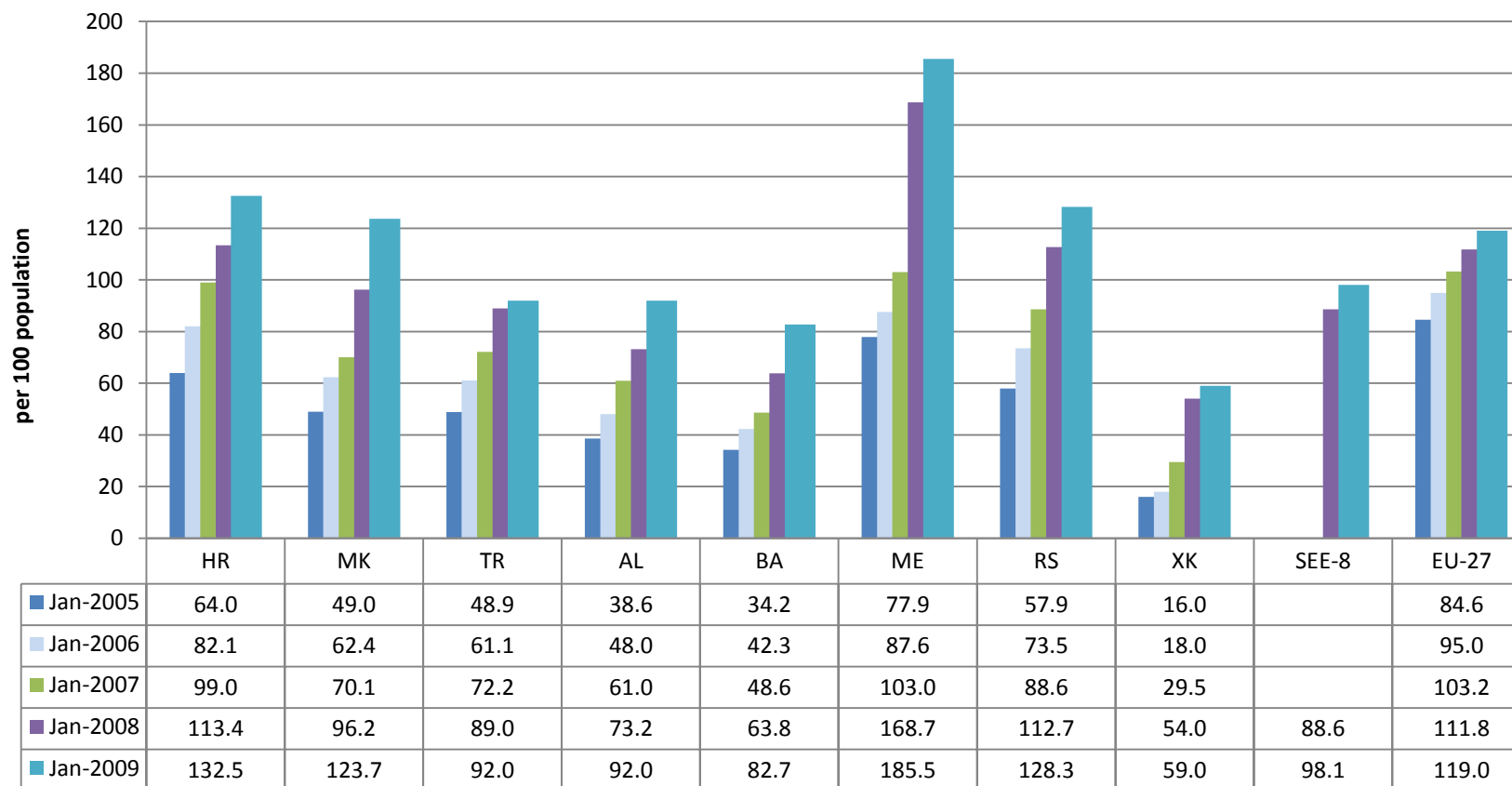


Figure 22 - Growth in mobile penetration (2005-2008)

Note:

EU-27:

The values are for October of the previous year, as reported in the annual EC implementation reports.

The great majority of customers use the prepaid service, rather than the subscription or postpaid service (see Table A.16). In Kosovo nearly all the customers are prepaid, with the second operator only recently launching a postpaid option. Albania has a slightly lower level at almost 94 percent.

The very high levels of pre-paid customers raises questions about the move to broadband and mobile value added services, where a different business model may be necessary.

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Country	Prepaid mobile subscribers (%)	Postpaid (monthly paid) mobile subscribers (%)
Croatia	74.79	25.21
FYROM	88.02	11.98
Turkey	80.00	20.00
Albania	93.50	6.47
Bosnia & Herzegovina	89.73	10.27
Montenegro	75.76	24.24
Serbia	79.00	21.00
Kosovo	96.54	3.46

Table A.16 - Mobile subscribers - prepaid and postpaid

Notes:

Montenegro:

871,611 prepaid subscribers; 278,848 postpaid subscribers.

Serbia:

Data are based on the number of prepaid subscribers of m:ts and Telenor. VIP data are not available.

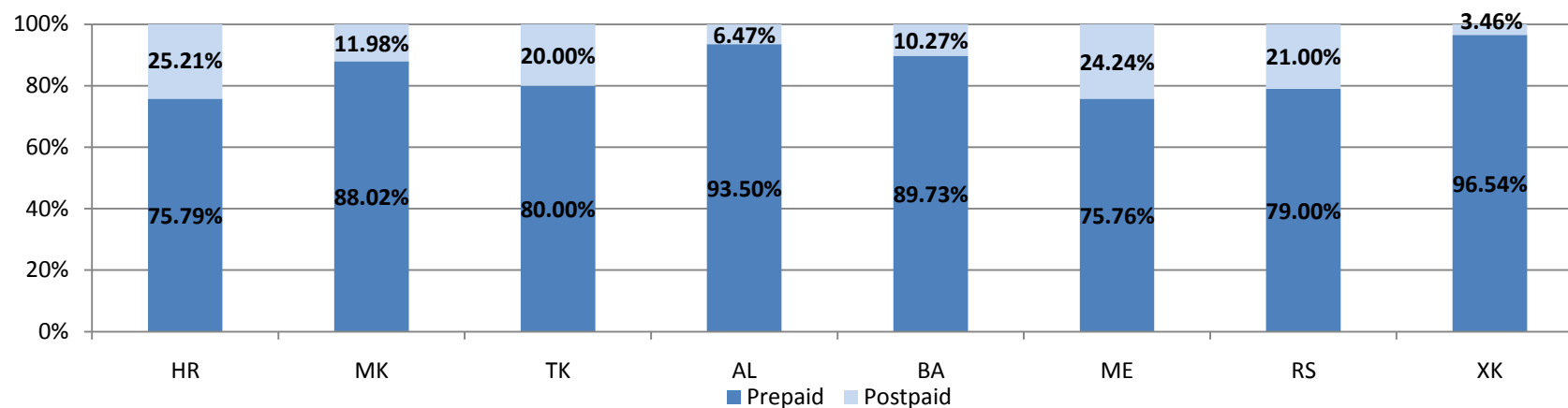


Figure 23 - Mobile subscribers - prepaid and postpaid

### b) Licensed mobile operators

With the exception of Kosovo, there are now three network operators licensed to serve each market (see Table A.17). In Croatia, FYROM, Turkey, Bosnia & Herzegovina, Montenegro and Serbia the operators have also been assigned 1.9 and 2.1 GHz bands for use for 3G services.

Enlargement Countries Monitoring Report II – June 2009

Country	Operators licensed for provision of public mobile communications services				
	Operator	System/Technology	Spectrum (MHz)	Licence (date of issue)	Date of expiry
Croatia	T-Mobile Hrvatska	GSM	900 & 1800	September 16,1999	September 16, 2009
		UMTS	1900 & 2100	October 18, 2004	October 18, 2024
	VIPnet	GSM	900	July 1, 1999	July 1, 2009
		UMTS	1900 & 2100	October 18, 2004	October 18, 2024
	Tele2	GSM	900 & 1800	December 22, 2004	December 22, 2024
		UMTS	1900 & 2100	December 22, 2004	December 22, 2024
FYROM	T-Mobile	GSM	900	June 5, 2001	2018
		UMTS	1900 & 2100	December 2008	2018
	Cosmofon	GSM	900	November 22, 2001	2023
		UMTS	1900 & 2100	February 2008	2018
	VIP	GSM	900 & 1800	March 26, 2007	2017
	Turkey	Turkcell Communications Services	GSM	900	April 27, 1998
UMTS			1900 & 2100	April 30, 2009	2029
Vodafone Communications Services		GSM	900	April 27, 1998	2023
		UMTS	1900 & 2100	April 30, 2009	2029
Avea Communications Services		GSM	1800	January 11, 2001	2026
		UMTS	1900 & 2100	April 30, 2009	2029
Albania	Albanian Mobile Communications	GSM	900 & 1800	August 19,1999	2014
	Vodafone Albania	GSM	900 & 1800	June 9, 2001	2016
	Eagle Mobile	GSM	900 & 1800	March 1, 2004	2019
Bosnia & Herzegovina	BH Telecom (BH Mobile)	GSM	900 & 1800	October 12, 2004	2019
		UMTS	1900 & 2100	March 26, 2009	2024
	Telekom Srpske (M:Tel)	GSM	900 & 1800	October 12, 2004	2019
		UMTS	1900 & 2100	March 26, 2009	2024
	HT Mostar (HT Eronet)	GSM	900 &1800	October 12, 2004	2019
		UMTS	1900 & 2100	March 26, 2009	2024
Montenegro	T-Mobile Montenegro	GSM	900 & 1800	January 1, 2002	2017
		UMTS	1900 & 2100	April 11, 2007	2022
	m:tel	GSM	900 & 1800	April 21, 2007	2022
		UMTS	1900 & 2100	April 21, 2007	2022

## Enlargement Countries Monitoring Report II – June 2009

Country	Operators licensed for provision of public mobile communications services				
	Operator	System/Technology	Spectrum (MHz)	Licence (date of issue)	Date of expiry
	ProMonte	GSM	900 & 1800	January 1, 2002	2017
		UMTS	1900 & 2100	April 13, 2007	2022
Serbia	m:ts – Mobilna Telefonija Srbije	GSM, UMTS	900 & 1800, 1900 & 2100	July 28, 2006	July 28, 2016
	Telenor	GSM, UMTS	900 & 1800, 1900 & 2100	August 31, 2006	August 31, 2016
	VIP mobile	GSM, UMTS	900 & 1800, 1900 & 2100	December 1, 2007	December 1, 2017
Kosovo	Vala	GSM	900	July 30, 2004	2019
	IPKO	GSM	900 & 1800	March 6, 2007	2022

Table A.17 - Licensed mobile operators

**Notes:**

**FYROM:** Frequency authorizations can be extended for another 10 years period upon request. Following a tender procedure for 2 GSM spectrum licences in the 1800 MHz band held by AEC in March 2009, on May 5, 2009 AEC [announced](#) T-Mobile the winner. Following the payment by T-Mobile of the offered amount of €2,000,100, the licence for 1730-1740 MHz/1825-1835 MHz will be issued by June 9, 2009, with 10 years validity period.

**Turkey:** The auction procedure for three 3G/UMTS licences was completed on November 28, 2008, but the concession agreements were signed on April 30, 2009.

**Albania:** In February 2009 the tender for 4th GSM mobile operator was held by AKEP. In this tender participated Kosovo-based PTK consortium and Universal PG. PTK consortium offered €7.2 million for the licence compared to €5 million offered by Universal PG. Albanian parliament through Law No.10118, dated 23/04/2009 gave the right for using GSM frequencies for 15 years to PTK consortium. This new GSM operator will launch its services within 6 months.

**Serbia:** All three operators can automatically extend the period of the validity of the licences for additional 10 years.

c) Market shares of mobile operators, by revenue and by subscribers

Measuring market shares for mobile networks is more difficult than for fixed, given the problems with finding accurate and comparable customer data. Table A.18 shows the various market shares at end of 2008, based on subscriber numbers and on revenues. There are considerable variations between the two columns, reflecting different types of customers, for example, high spending business customers and the rural poor. Operators later in entering the market struggle to get a proportionate share of higher spending customers.

Country	Operator	Mobile operators market shares (%)	
		Based on subscribers	Based on revenues
Croatia	T-Mobile Hrvatska	45.75	51.38
	VIPnet	42.29	39.69
	Tele2	11.96	8.94
FYROM	T-mobile	55.13	68.80
	Cosmofon	28.98	26.66
	VIP	15.89	4.53



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Country	Operator	Mobile operators market shares (%)	
		Based on subscribers	Based on revenues
Turkey	Turkcell	56.00	65.00
	Vodafone	25.00	20.00
	Avea	19.00	15.00
Albania	Albanian Mobile Communications	47.00	47.50
	Vodafone Albania	44.20	51.40
	Eagle Mobile	8.80	1.10
Bosnia & Herzegovina	BH Telecom (BH Mobile)	43.64	45.74
	Telekom Srpske (m:tel)	35.92	33.57
	HT Mostar (HT Eronet)	20.44	20.69
Montenegro	T-Mobile Montenegro	36.13	N/A
	m:tel	25.66	N/A
	ProMonte	38.21	N/A
Serbia	m:ts – Mobilna Telefonija Srbije	60.59	52.15
	Telenor	29.57	41.83
	VIP mobile	9.44	6.02
Kosovo	Vala	71.74	79.90
	IPKO	28.26	20.10

Table A.18 - Market shares of mobile operators

The level of concentration of a market can be measured in a number of different ways. The Herfindahl-Hirschmann Index (HHI), the sum of the squares of the market shares, is commonly used in assessing concentration in competition law. In any mobile market the value of the HHI will depend on the number of players licensed and operational, thereafter the value reflects to the degree of concentration or market power. In a market with three players with equal market shares the HHI would be  $33.33^2 + 33.33^2 + 33.33^2 = 3333$ , which is the lowest value possible for all the entities, except Kosovo where the lowest value possible would be 5000.

Figure 24 shows the HHIs for the South East Europe using the operator revenues, where these are available. Only Bosnia & Herzegovina comes close to an even distribution of market shares, with some of the other values relatively high. If, in the medium term, the HHIs do not decline, it would suggest the need to consider measures to increase competition.

Enlargement Countries Monitoring Report II – June 2009

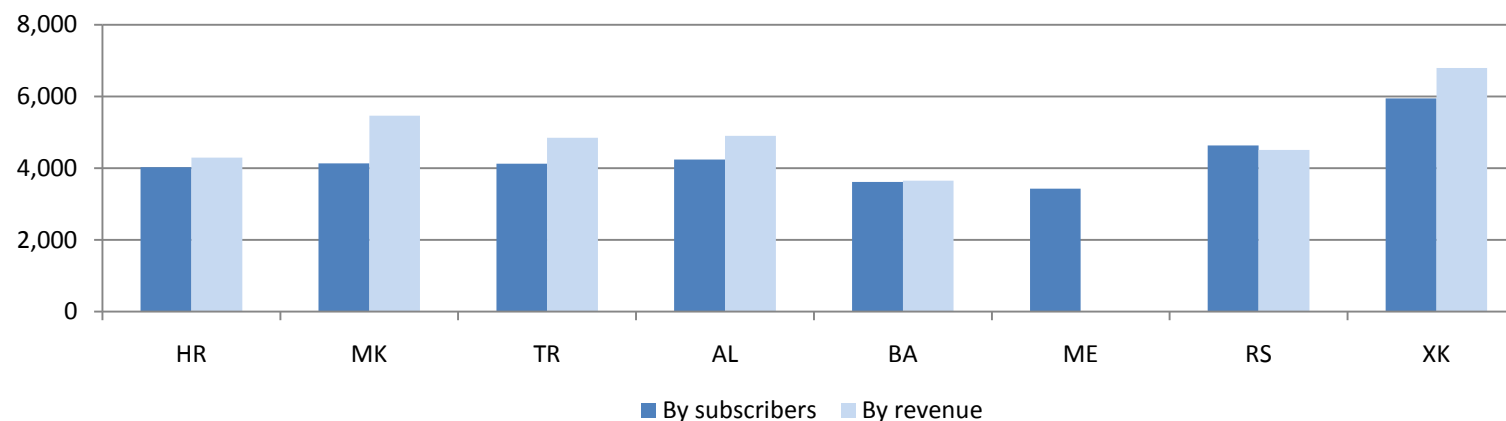


Figure 24 - Mobile market concentration levels, HHI

Table A.19 shows the fees and charges for the 3G/UMTS mobile network licences (that have been granted in all countries, except Albania and Kosovo), including one-off fees, usually decided by auction, and annual fees, typically set as percentages of revenues.

Country	Licensees	One-off fees	Annual fees	Deadline for service launch	Coverage and roll-out obligations																	
Croatia	October 2004: <ul style="list-style-type: none"> <li>T- Mobile Hrvatska</li> <li>VIPnet</li> </ul>	HRK 132m (€17.6m)	Spectrum fee of HRK 5m (€670,000) for 5 MHz frequency block 1% of UMTS service revenue	June 2005	<ul style="list-style-type: none"> <li>25% of population within two years</li> <li>50% of population within five years</li> </ul>																	
	December 2004: Tele2	HRK 172m (€22.9m) for a combined 2G/3G concession	Spectrum fee of HRK 5m (€670,000) for 5 MHz frequency block 1% revenue from UMTS service	August 2005	<table border="1"> <thead> <tr> <th>year</th> <th>population</th> <th>territory</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>14%</td> <td>1%</td> </tr> <tr> <td>2</td> <td>33%</td> <td>7%</td> </tr> <tr> <td>3</td> <td>50%</td> <td>19%</td> </tr> <tr> <td>4</td> <td>65%</td> <td>36%</td> </tr> <tr> <td>5</td> <td>71%</td> <td>51%</td> </tr> </tbody> </table>	year	population	territory	1	14%	1%	2	33%	7%	3	50%	19%	4	65%	36%	5	71%
year	population	territory																				
1	14%	1%																				
2	33%	7%																				
3	50%	19%																				
4	65%	36%																				
5	71%	51%																				
FYROM	<ul style="list-style-type: none"> <li>February 11, 2008: Cosmofon</li> <li>December 2008: T-Mobile</li> </ul>	<ul style="list-style-type: none"> <li>€10,050,000</li> <li>€10,000,100</li> </ul>	€21,000 per 1 MHz	<ul style="list-style-type: none"> <li>August 2008</li> <li>June 2009</li> </ul>	Same for both operators: <ul style="list-style-type: none"> <li>50% of population within one year</li> <li>80% of population within three years</li> </ul>																	

Enlargement Countries Monitoring Report II – June 2009

Country	Licensees	One-off fees	Annual fees	Deadline for service launch	Coverage and roll-out obligations	
					year	coverage
Turkey	April 30, 2009: <ul style="list-style-type: none"> <li>Turkcell (40 MHz)</li> <li>Vodafone (35 MHz)</li> <li>Avea (30 MHz)</li> </ul>	Offered in auction procedure: <ul style="list-style-type: none"> <li>€358 m +VAT</li> <li>€250 m +VAT</li> <li>€214 m +VAT</li> </ul>	0.35% of annual revenue	July 30, 2009	3	metropolitan cities
					6	all cities and counties
					8	all residential areas of over 5000 inhabitants
					10	all residential areas of over 1000 inhabitants
Albania	No UMTS licences	-	-	-	-	-
Bosnia & Herzegovina	March 26, 2009: <ul style="list-style-type: none"> <li>BH Mobile</li> <li>M:tel</li> <li>HT Eronet</li> </ul>	€15m to be paid over 7 years after 2 years of grace period, i.e. €3m per year within 5 years	BAM 10,000 (€5,000) per one 200 kHz channel Each operator granted 35 MHz block (2x15 MHz + 5 MHz)	None	<ul style="list-style-type: none"> <li>25% of population within 3 years (by April 1, 2012)</li> <li>50% of population within 5 years (by April 1, 2014)</li> </ul> Coverage obligations apply to voice and data services, with minimum speed (indoors) 128 kbps downlink and 64 kbps uplink.	
Montenegro	April 13, 2007: Promonte	€4.01m (offered in public tender procedure)	1% of annual revenue	July 1, 2007	By the end of each successive year: 40.0%, 60.0%, 75.0%, 87.0% and 97.0% of the population.	
	April 11, 2007: T-Mobile Montenegro	€2.4m (offered in public tender procedure)	1% of annual revenue	November 1, 2007	By the end of each successive year: 11.0%, 20.0%, 28.0%, 37.0%, 53.0% of the population.	
	April 21, 2007: M:tel	€16m for combined GSM 900/1800 and UMTS licence (offered in public tender procedure)	1% of annual revenue	July 1, 2007	GSM - by the end of each successive year: 95.9%, 98.8%, 99.2%, 99.4% and 99.5% of the population. UMTS - by the end of each successive year: 75.2%, 80.5%, 83.9%, 86.3% and 89.1% of the population.	
Serbia	July 2006: MTS	MTS: €0 (replacement of the previously issued licence)	<ul style="list-style-type: none"> <li>RSD 80m (€1m) for 2007</li> <li>0.9% of annual revenue thereafter</li> </ul>	January 2007	<ul style="list-style-type: none"> <li>25% of population within 24 months</li> <li>60% of population within 36 months</li> </ul>	
	August 2006: Telenor	€1.54bn for a combined 2G/3G licence (with operations of former Mobi 063)	<ul style="list-style-type: none"> <li>RSD 55m (€720,000) for 2007</li> <li>0.9% of annual revenue thereafter</li> </ul>	February 2007	<ul style="list-style-type: none"> <li>25% of population within 24 months</li> <li>60% of population within 36 months</li> </ul>	
	December 2007: VIP mobile	€320m for a combined 2G/3G licence	0.9% of annual revenue, starting from 2008	May 2008	<ul style="list-style-type: none"> <li>25% of population within 24 months</li> <li>60% of population within 36 months</li> </ul>	

## Enlargement Countries Monitoring Report II – June 2009

Country	Licenses	One-off fees	Annual fees	Deadline for service launch	Coverage and roll-out obligations
Kosovo	No UMTS licences	-	-	-	-

Table A.19 - Mobile operators licensed to offer 3G/UMTS services

Notes:

FYROM: T-Mobile was the only bidder in the tender procedure for 3 licences launched by AEC on Sept. 15, 2008. On Dec. 17, 2008 one licence was issued to T-Mobile after it paid the offered one-off fee. On Jan. 22, 2009 AEC re-launched the tender procedure for the two remaining licences. Bids were invited within 40 days from the publication. No official announcement was made by AEC on the tender results.

Turkey: The auction procedure for three 3G/UMTS licences was completed on November 28, 2008, but the licences were awarded on April 30, 2009.

BiH: On March 26, 2009 RAK issued three 3G/UMTS licences to the three existing mobile operators without any tender procedure.

Montenegro: The first year of the coverage commitments started on the date of the licence entry into force. One-off fees were determined by public tender procedure, minimum set by the Ministry of Maritime affairs, Transportation and Telecommunications was €2,000,000 for 3G and €6,000,000 for 2G/3G.

### 8. Internet and broadband

#### a) Fixed broadband access

The division between broadband and narrowband fixed Internet connections is shown in Table A.20. In line with EC practice in recent Implementation Reports and statistics, broadband capacity is defined as equal to, or more than, 144 kbit/s.

Dial-up is still predominant in Croatia and Montenegro. FYROM, Bosnia & Herzegovina and Serbia have a majority of broadband, but also retain significant numbers of dial-up lines. Turkey and has very few dial-up customers, possibly in areas where broadband is not accessible.

Country	Total number of fixed Internet connections	
	Narrowband (dial-up) connections	Broadband connections (all technologies)
Croatia	777,000	524,683
FYROM	107,420	180,836
Turkey	84,310	5,754,621
Albania	28,512	45,903
Bosnia & Herzegovina	147,703	188,460
Montenegro	95,777	34,431
Serbia	397,202	464,535
Kosovo	600	110,897

Table A.20 - Total number of fixed Internet connections

Notes:

Bosnia & Herzegovina: 62 ISPs have delivered information. The reference date is January 1, 2009.

## Enlargement Countries Monitoring Report II – June 2009

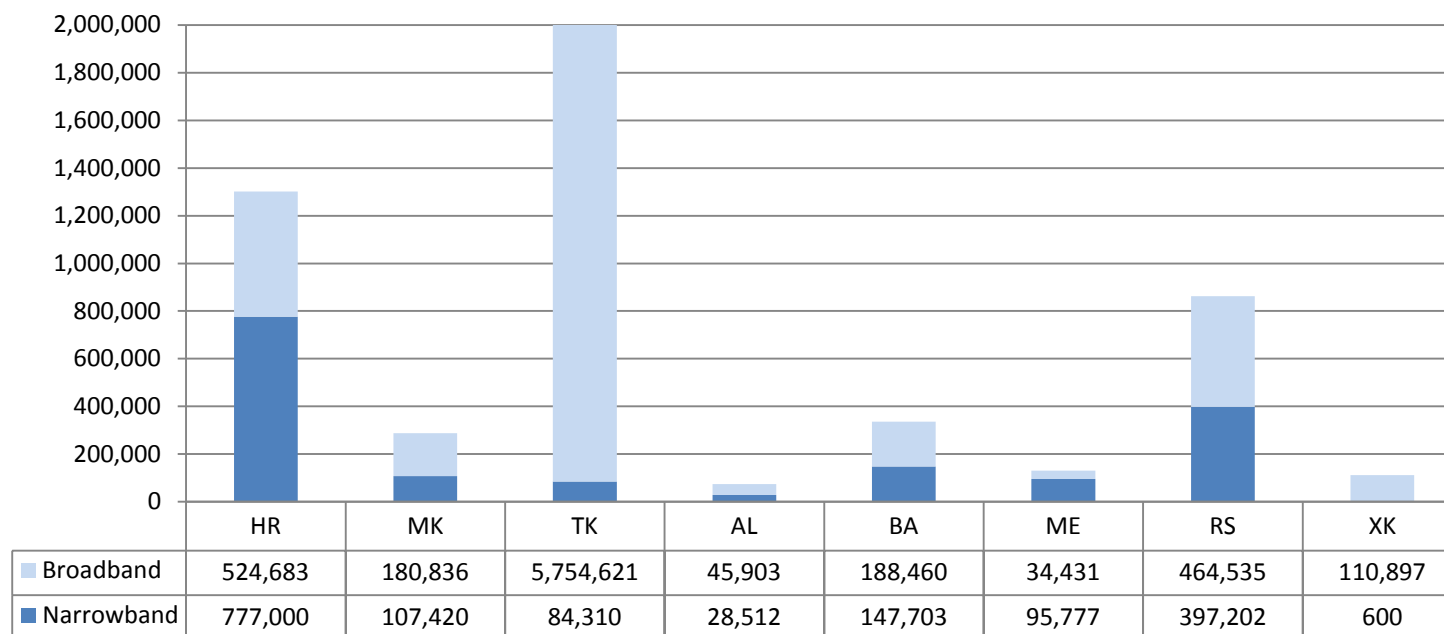


Figure 25 - Number of fixed Internet connections

Table A.21 shows the number of ISPs active on the market. Although some of these numbers appear impressive, the market shares held by the incumbent operator, where available, suggest that these ISPs are not having an easy time. However, in several countries the majority of the market is controlled by the incumbent operators or (in particular in FYROM) the incumbent holds the higher spending customers.

Country	Total number of ISPs	Incumbent ISP's retail market share	
		By revenue	By number of connections
Croatia	43	74.77%	84.34%
FYROM	47	45.22%	11.95%
Turkey	86	85.02%	94.00%
Albania	32	N/A	54.20%
Bosnia & Herzegovina	66	74.17%	63.16%
Montenegro	6	N/A	N/A

## Enlargement Countries Monitoring Report II – June 2009

Country	Total number of ISPs	Incumbent ISP's retail market share	
		By revenue	By number of connections
Serbia	159	N/A	9.8%
Kosovo	9	N/A	18%

Table A.21 - Internet users and connections - ISPs

Notes:

FYROM:

The number of companies which have submitted a notification to the NRA stating that they would provide data communications networks/services.

Montenegro:

Out of 13 licensed ISPs, only six provide Internet services at this moment: T-Com Montenegro, MontSky, Mina Infomont, T-Mobile, ProMonte and M-Tel.

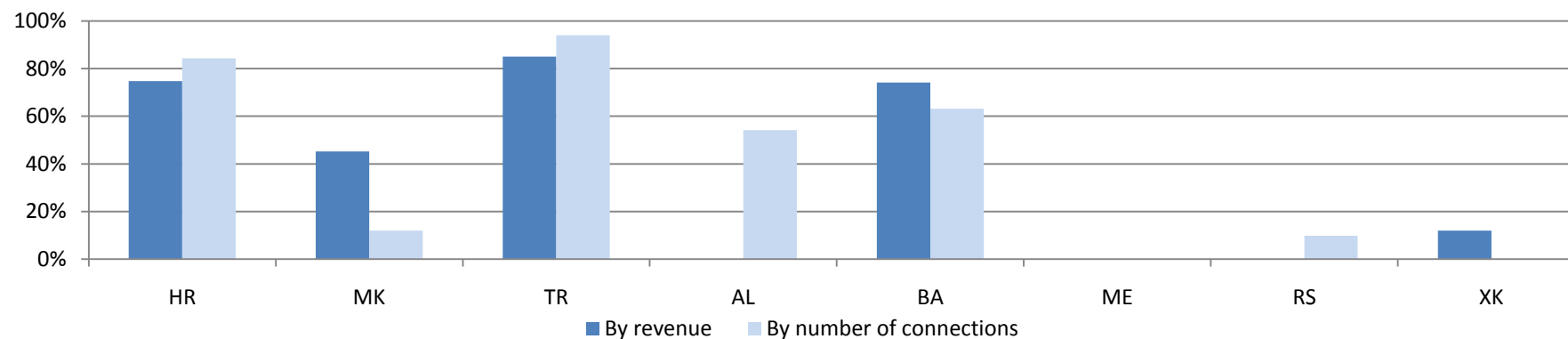


Figure 26 - Incumbent ISP's market share

The following section provides information on the deployment of fixed broadband access lines by incumbent operators and their subsidiaries or partners and by new entrants (alternative telecommunication operators or ISPs) to end-users (see Table A.22). Mobile broadband connections, including UMTS and HSDPA cellular wireless data communications, are covered in a separate section.

Country	Operator	Total number of broadband connections (all technologies)	xDSL connections	Cable modem	Leased lines	FTTx	FWA	Other
Croatia	Incumbent	442,539	442,005	-	534	-	-	-
	Alternative operators	82,144	54,117	20,158	4,563	-	3,306	-
FYROM	Incumbent	99,991	98,862	-	1,129	-	-	-
	Alternative operators	80,845	18,259	47,479	133	-	14,974	-

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Country	Operator	Total number of broadband connections (all technologies)	xDSL connections	Cable modem	Leased lines	FTTx	FWA	Other
Turkey	Incumbent	5,347,913	5,340,702	-	7,211	-	-	-
	Alternative operators	406,708	332,558	67,408		-	-	6,742
Albania	Incumbent	25,759	25,000	-	759	-	-	-
	Alternative operators	20,144	20,000	-	144	-	-	-
Bosnia & Herzegovina	Incumbent	97,825	97,225	-	588	12	-	-
	Alternative operators	90,635	6,998	46,223	502	43	36,869	-
Montenegro	Incumbent	27,839	27,839	-	188	-	45	-
	Alternative operators	6,592	-	-	-	-	6,592	-
Serbia	Incumbent	166,139	164,175	-	407	-	970	587
	Alternative operators	298,396	103,701	138,850	6,266	-	45,507	4,072
Kosovo	Incumbent	20,050	20,000		50	-	-	-
	Alternative operators	90,847	-	90,847	-	-	-	-

Table A.22 - Number of fixed broadband connections with breakdown by operator and technology

Note:

FTTx: This includes Fibre To The Curb (FTTC), Fibre To The Home (FTTH), Fibre To The Premises (FTTP), etc.

Broadband penetration rate, measured as the overall number of broadband lines divided by the national population, is significantly below the EU-27 average rate that in January 2009 was 22.90%. The weighted average broadband penetration rate for eight countries was 7.74%. The highest broadband penetration level was observed in Croatia (11.80%), above the level of Romania and Bulgaria that joined the EU in 2007.

Enlargement Countries Monitoring Report II – June 2009

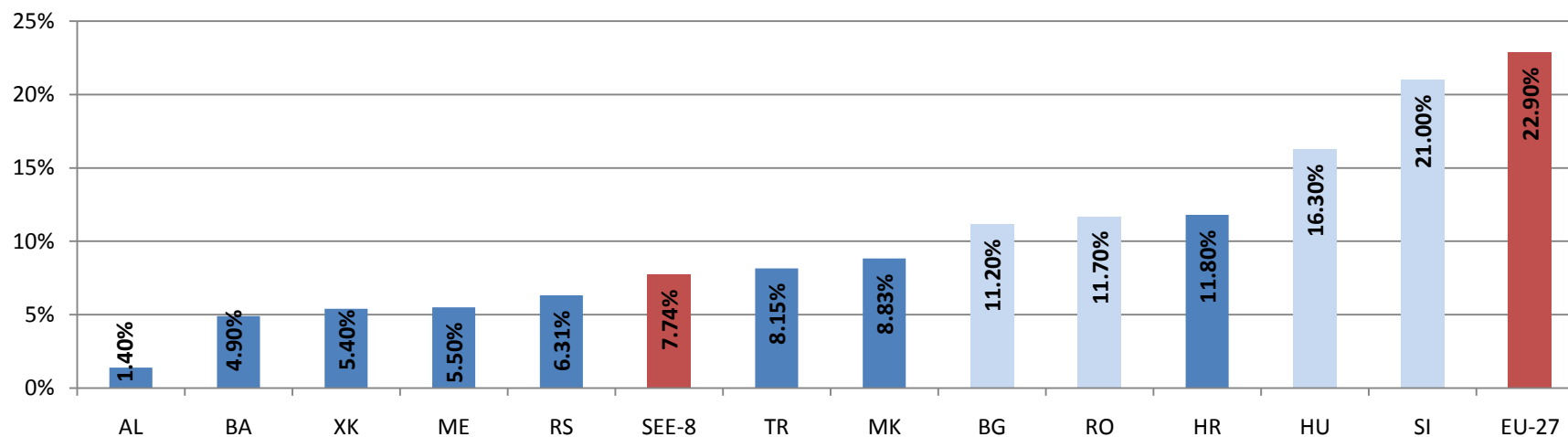


Figure 27 - Broadband penetration rate, January 2009

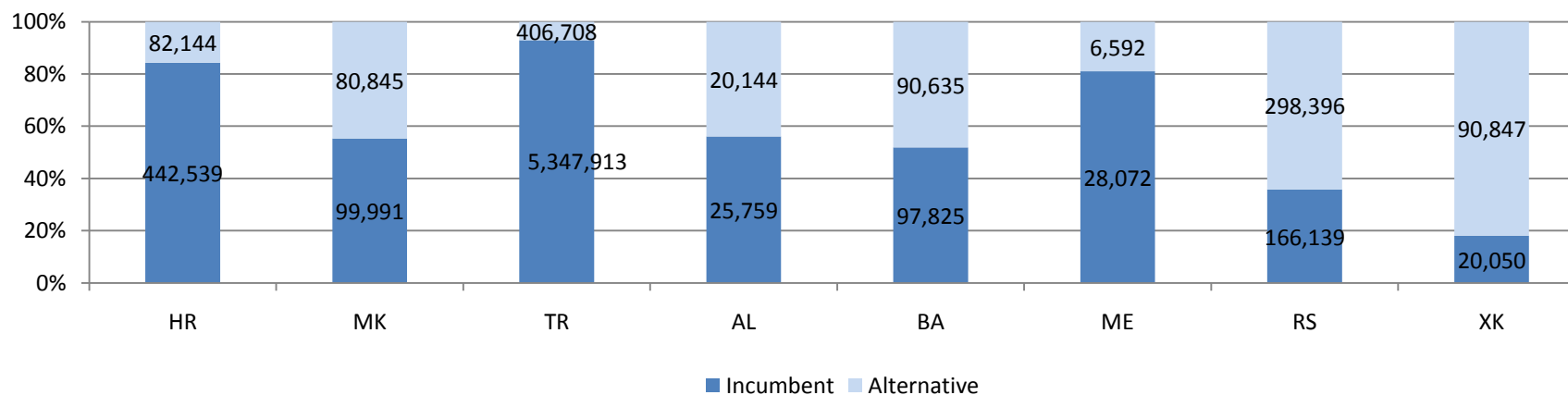


Figure 28 - Fixed retail broadband connections by incumbent and alternative operators

Broadband retail markets are dominated by fixed incumbent operators in most of the countries, where xDSL is the main access technology. Exceptions are Serbia and Kosovo. In Serbia, competitors are mainly using wholesale xDSL broadband access from the incumbent operator and cable infrastructure. In



Kosovo, broadband connections provided over cable infrastructures of alternative operators by far exceed the number of xDSL connections from the incumbent operator. Cable broadband also presents a strong competitive alternative in Bosnia & Herzegovina and in FYROM.

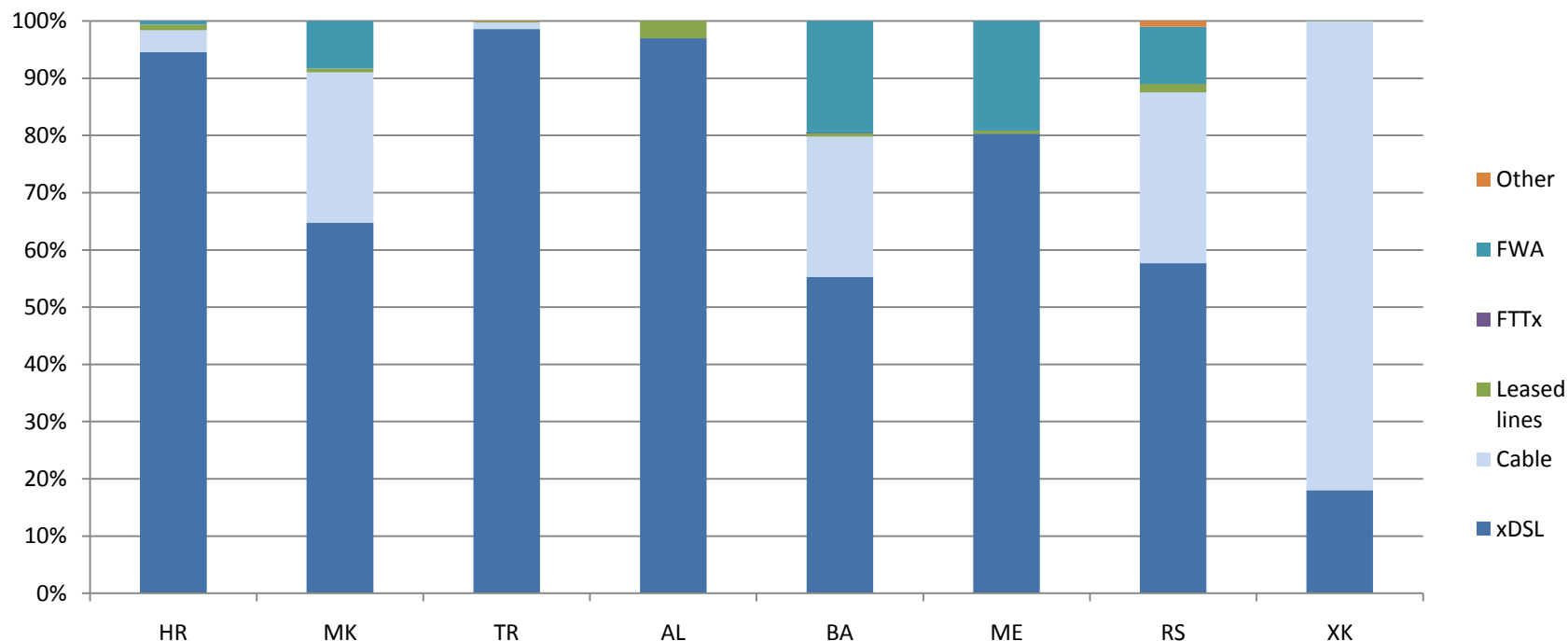


Figure 29 - Fixed retail broadband connections by technology

Table A.23 shows the retail DSL lines supplied by the incumbent operator and by alternative operators. The lines from alternative operators are broken down by those supplied using one of three types of wholesale offer from the incumbent operator and those delivered on their own networks.

In most of the countries, the position of the incumbent operator in the retail xDSL broadband is extremely strong, with alternative operators having less than 20% of the market. The position in Serbia is more equitable, with the incumbent having 61% of the retail market, but even then it supplies 100% of the bitstream access connections to alternative operators in the wholesale market. An exception is Albania, with alternative operators controlling 44% of the retail xDSL broadband connections supplied over their own infrastructures.

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Country	Incumbent operator's retail xDSL lines	Retail xDSL lines by alternative operators	Breakdown of alternative operators' xDSL lines by the type of access				
			Full LLU access	Shared access	Bitstream access	Resale	Own network
Croatia	442,005	54,117	35,559	1,252	16,272		1,034
FYROM	98,862	18,259	2,117			16,045	97
Turkey	5,340,702	332,558	23	7,842	281,288	43,405	
Albania	25,000	20,000					20,000
Bosnia & Herzegovina	97,225	6,998					6,998
Montenegro	27,839						
Serbia	164,175	103,701	-	-	103,701	-	-
Kosovo	20,000						

Table A.23 - Competition in retail xDSL

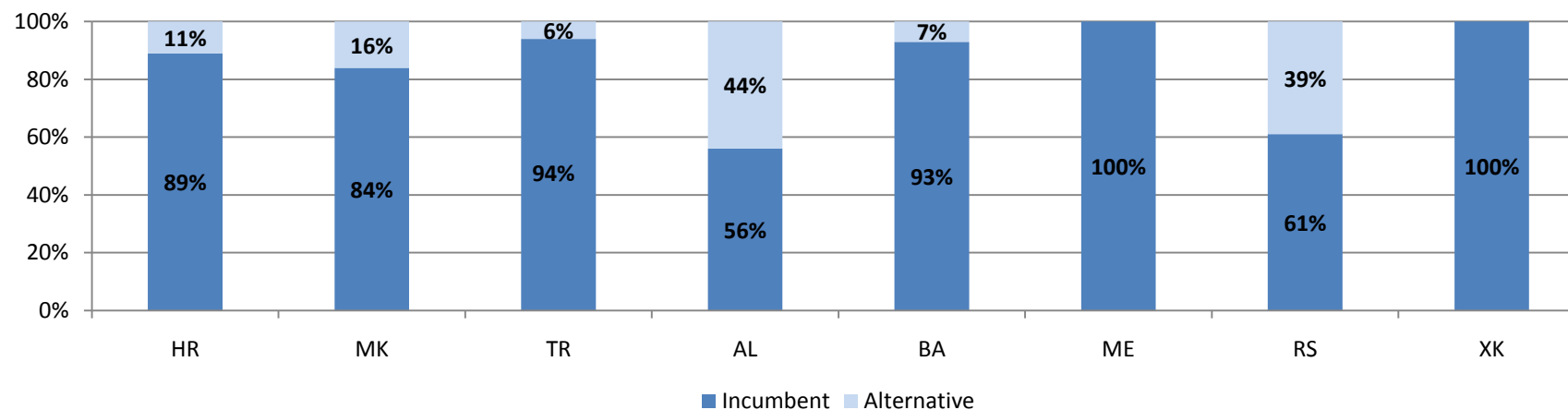
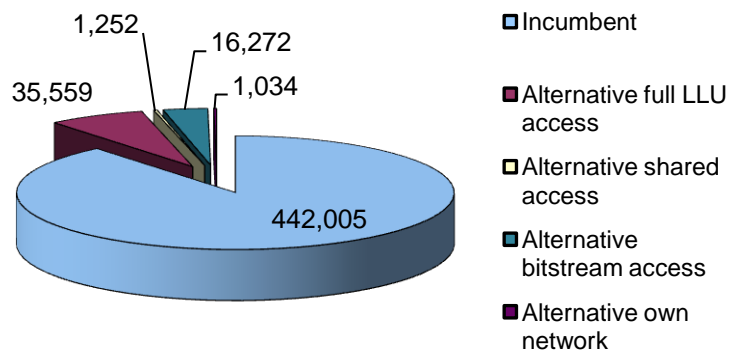


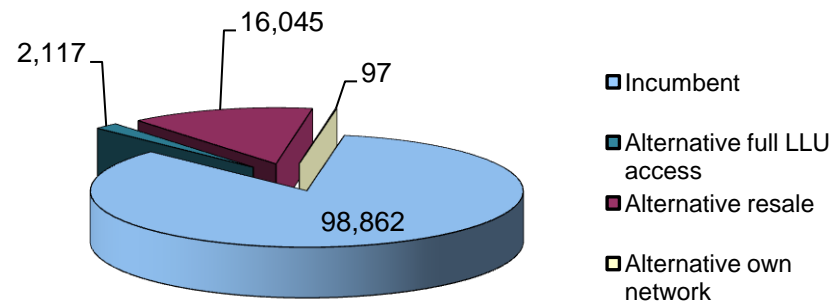
Figure 30 - Competition in retail xDSL

The figure below shows the level of competition in xDSL broadband in Croatia, FYROM, Serbia and Turkey with the type of wholesale access offers used by the alternative operators. These are the four countries where there is an emerging competition in the provision of retail xDSL services on the basis of wholesale offers from the incumbent operators.

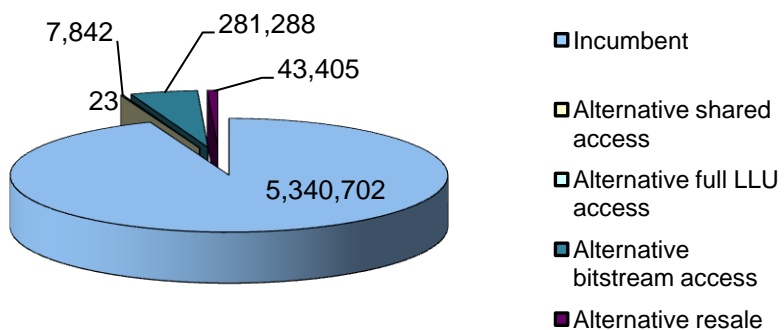
Retail xDSL lines – Croatia



Retail xDSL lines – FYROM



Retail xDSL lines - Turkey



Retail xDSL lines – Serbia

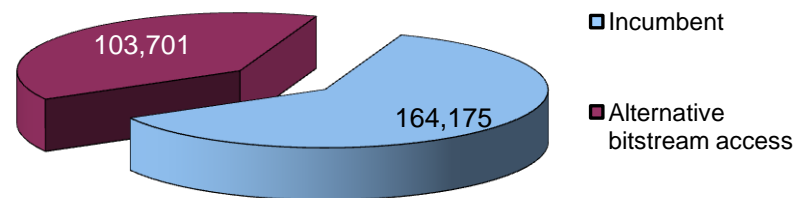


Figure 31 - Competition in retail xDSL in Croatia, FYROM, Serbia and Turkey

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Table A.24 shows the highest speeds available for broadband Internet access. Croatia is much the fastest, with offers of 16 Megabits per second to the customer on both DSL and cable, though with non-incumbent operators lagging significantly behind the incumbent operator.

Country	Incumbent operator over DSL		Largest alternative operator over DSL		Cable operator		FWA operator		FTTH operator	
	downstream	upstream	downstream	upstream	downstream	upstream	downstream	upstream	downstream	upstream
Croatia	20 Mbps	768 kbps	6 Mbps	640 kbps	16 Mbps	1 Mbps	3 Mbps	512 kbps	N/A	N/A
FYROM	10 Mbps	768 kbps	2 Mbps	512 kbps	4 Mbps	512 kbps	1.5 Mbps	384 kbps	N/A	N/A
Turkey	32 Mbps	1 Mbps	4 Mbps	1 Mbps	20 Mbps	1 Mbps	N/A	N/A	N/A	N/A
Albania	2 Mbps	512 kbps	1 Mbps	192 kbps	N/A	N/A	N/A	N/A	N/A	N/A
Bosnia & Herzegovina	4 Mbps	384 kbps	8 Mbps	512 kbps	4 Mbps	384 kbps	4 Mbps	384 kbps	N/A	N/A
Montenegro	6 Mbps	256 kbps	N/A	N/A	N/A	N/A	2 Mbps	256 kbps	N/A	N/A
Serbia	16 Mbps	768 kbps	4 Mbps	384 kbps	4 Mbps	384 kbps	N/A	N/A	N/A	N/A
Kosovo	4 Mbps	512 kbps	N/A	N/A	5 Mbps	512 kbps	N/A	N/A	N/A	N/A

Table A.24 - Fastest advertised retail broadband connection

Notes:

FYROM: The providers are, from left to right: Makedonski Telekom, On.Net, Cabletel and Wi-Fi On.Net.

The OECD published data on speeds available from operators across its thirty members for October 2007 (see Figure 32).<sup>22</sup> In order to make the figure readable, the value of 1 Gigabit per second, the fastest incumbent speed in Japan, has been excluded.

<sup>22</sup> <http://www.oecd.org/sti/ict/broadband>

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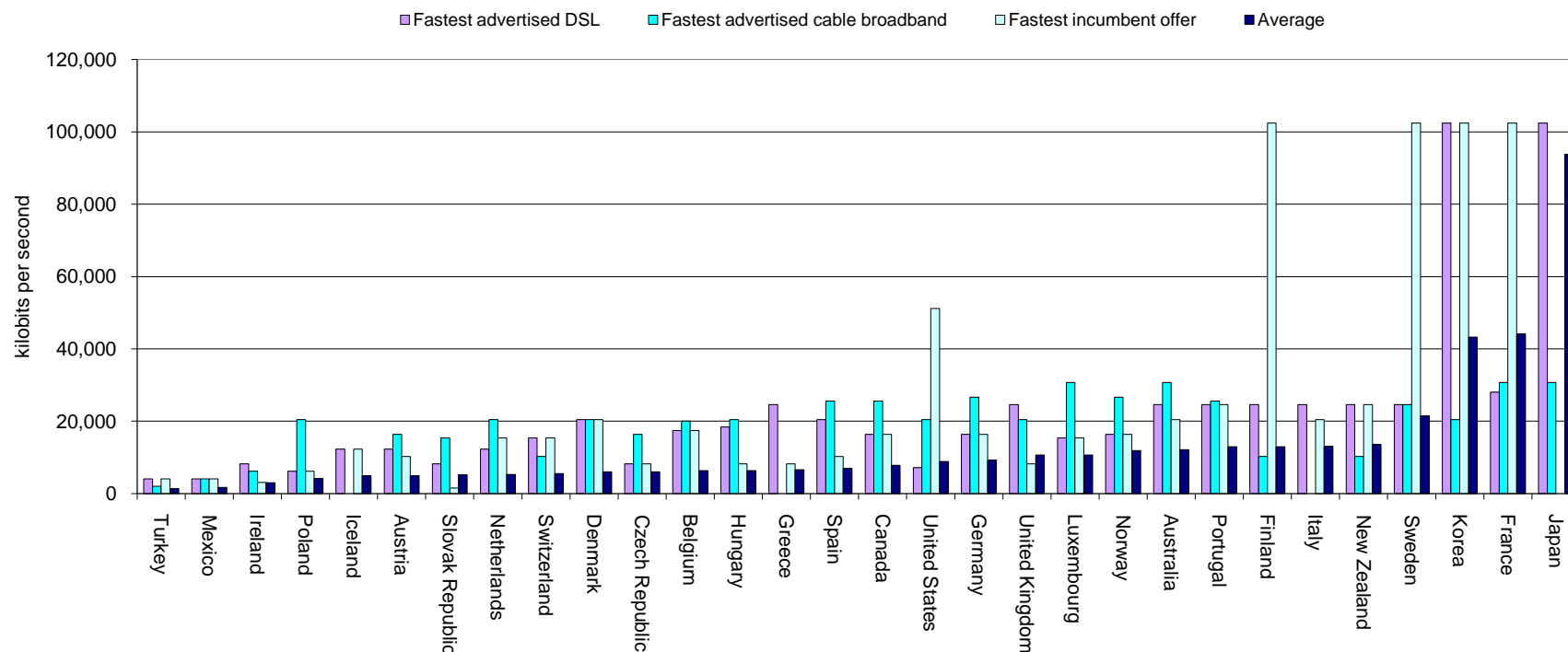


Figure 32 - Average and fastest broadband speeds in the OECD

Turkey has the slowest average speed in the OECD. By comparison, Croatia would be in the middle of the OECD range for DSL, while Serbia would be at the bottom, alongside Slovakia. However, the cable modem speeds are all at the slower end of the range, with 20-30 Megabits per second being typical top speeds.

### b) Mobile broadband

As noted in Table A.17 a significant number of assignments of 3G licences have been made. Spectrum licences for provision of 3G/UMTS services have been issued in Croatia, FYROM, Turkey, Bosnia & Herzegovina, Montenegro and Serbia.

Croatia has already achieved a significant number of 865,000 UMTS subscribers from the three mobile operators, of which 158,500 are active users of dedicated data cards and keys (3.6% penetration). Serbia reported over 763,000 UMTS subscribers using services of the three mobile operators at the end of 2008, of which 25,000 were active 3G mobile broadband users. In FYROM, Cosmofon has launched commercial UMTS services in August 2008. The information about the number of active UMTS subscribers in Montenegro is not available.

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c) Broadband wireless access (BWA) – licences

Table A.25 shows the status of BWA spectrum licensing (also referred to as wireless local loop). The table does not include Wi-Fi networks operated in the 2.4 GHz and 5 GHz frequency bands.

Country	Frequency bands	Status and number of licences National/Regional	Size of the spectrum block	Licence duration period	Restrictions on operators applying for BWA licences
Croatia	3.4-3.6 GHz	58 <a href="#">regional licences</a> issued by March 2009. Four operators, Novi Net, WiMAX Telecom, OT-Optima Telekom, Odašiljači i veze have launched commercial WiMAX services.	2 x 21 MHz or 2 x 14 MHz per licence In each region, 3 blocks of 2 x 21 MHz and 1 block of 2 x 14 MHz.	8 years	No
FYROM	3.4-3.6 GHz	20 frequency authorisations for BWA spectrum: 2 national and 18 regional (3 authorisations per each of 6 regions)	2 x 14 MHz per each frequency authorisation	10 years	Restricted to fixed services (FWA)
Turkey	-	No FWA license issued.	-	-	-
Albania	-	No FWA license issued. Some preparatory work has been carried out by AKEP, but no decision on licensing has been taken.	-	-	-
Bosnia & Herzegovina	-	Spectrum in the 3.5 GHz band is currently occupied by broadcasting services. RAK is considering to issue BWA licences in the 2.6 GHz band.	-	-	-
Montenegro	3.4-3.8 GHz	3 national licences in the 3.4-3.6 GHz issued in April 2007. Two blocks of 2 x 14 MHz are still available. 1 national licence in the 3.6-3.8 GHz issued in October 2007	2 blocks of 2 x 21 MHz and 1 block of 2 x 14 MHz (in the 3.4-3.6 GHz) 2 x 21 MHz (in the 3.6-3.8 GHz)	5 years	No
Serbia	3.4-3.8 GHz	No FWA license issued. Licensing process has been postponed. The available spectrum blocks are defined in Official Gazette No. 17 of Feb. 13, 2008.	Proposed: 3 blocks of 2 x 21 MHz and 1 block of 2 x 24.5 MHz (in the 3.4-3.6 GHz) 4 blocks of 2 x 21 MHz and 1 block of 2 x 14 MHz (in the 3.6-3.8 GHz)	-	-
	450 MHz	On March 31, 2009 RATEL <a href="#">announced</a> an auction procedure for two national FWA licences in the 411.875-418.125/421.875-428.125 MHz band. The minimum one-off fee is set at €500,000. On May 19, 2009 RATEL announced Telekom Srbija and Media Works the winners who offered to pay €540,000 per licence.	2 blocks of 2 x 3.5 MHz <a href="#">Available spectrum</a> covers 411.875-418.125 MHz/421.875-428.125 MHz	10 years	Restricted to fixed services (FWA) including voice and data transmission
Kosovo	3.4-3.6 GHz	No FWA license issued. Between March 5 and April 5, 2008, TRA consulted on a national strategy for implementing FWA.	Proposed: 4 blocks of 2 x 21 MHz	-	-

Table A.25 - Broadband wireless access (BWA) – licences

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d) Public Wireless Local Area Networks (WLAN)

Country	Full frequency bands available		Licensing requirements for provision of access to public network
	2.4 GHz	5 GHz	
Croatia	Yes	Yes	General authorisation with notification to the NRA
FYROM	Yes	Yes	General authorisation with notification to the NRA
Turkey	Yes	Yes	General authorisation for provision of Internet services
Albania	Yes	Yes	General authorisation with notification to the NRA
Bosnia & Herzegovina	Yes	No	General (class) licence for provision of Internet services
Montenegro	Yes	Yes	General authorisation without notification
Serbia	Yes	Yes	General authorisation without notification
Kosovo	Yes	No	Individual licence

Table A.26 - Public Wireless Local Area Networks (WLAN/WiFi)

9. Control of major operators by foreign investors

This table shows which key foreign strategic investors have a controlling interest in fixed and mobile operators, and ISPs.

Country	Investor	Operators		
		Fixed	Mobile	ISP
Croatia	Deutsche Telekom	HT- Hrvatske Telekomunikacije - 51%	T-Mobile Hrvatska – 51% (100% owned by HT)	HT- Hrvatske Telekomunikacije - 51% Iskon – 51% (100% owned by HT)
	Tele2 Sweden	-	Tele2 – 93%	-
	Telekom Austria/Mobilkom	VIPNet – 100%	VIPNet – 100%	VIPNet – 100%
FYROM	Deutsche Telekom	Makedonski Telekom – 33.60% (56.67% owned by Magyar Telekom)	T-Mobile – 33.60% (100% owned by Makedonski Telekom)	Makedonski Telekom – 33.60%
	Cosmote (OTE)			
	Telekom Austria/Mobilkom		VIP – 100%	
	Telekom Slovenije	On.Net – 83.38%	Cosmofon – 100%	On.Net – 83.38%
	Akton Slovenia	Akton – 100%		
	Nexcom Telecommunications LLC USA	Nexcom Macedonia – 100%		

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Country	Investor	Operators		
		Fixed	Mobile	ISP
Turkey	Oger Telecom	Türk Telekomünikasyon - 55%	Avea – 44.55% (81% owned by Türk Telekom)	TT Net - 55% (100% owned by Türk Telekom)
	TeliaSonera		Türkcell – 37%	
	Vodafone Group		Vodafone – 100%	
Albania	Cosmote (OTE)		AMC – 95%	
	Vodafone Group		Vodafone Albania - 100%	
	Calik Enerji Telecommunications (consortium of Calik Enerji and Turk Telecom)	Albtelecom – 76%	Eagle Mobile - 76%	
	Telecom Slovenije	Albania Online (AOL) - 75%		Albania Online (AOL) - 75% Albanian Fibre Backbone (AFB) - 66% (through AOL)
Bosnia & Herzegovina	Telekom Srbije	Telekom Srpske - 65%	m:tel – 65% (100% owned by Telekom Srpske)	Teol – 65% (100% owned by Telekom Srpske)
	HT- Hrvatske Telekomunikacije (Croatia)	HT Mostar - 39.1%	HT Eronet - 44.33% (51% owned by HT Mostar)	HT Net (100% owned by HT Mostar)
	Telecom Slovenije			Aneks – 100%
Montenegro	Deutsche Telekom	T-Com Montenegro – 45.53% (76.53% owned by Magyar Telecom)	T-Mobile Montenegro – 45.53% (76.53% owned by Magyar Telecom)	T-Com Montenegro – 45.53% (76.53% owned by Magyar Telecom)
	Telenor		ProMonte - 100%	
	Telekom Srbije		m:tel - 51%	
Serbia	OTE	Telekom Srbija - 20%	m:ts - 20% (100% owned by Telekom Srbija)	Telekom Srbija - 20%
	Telenor		Telenor - 100%	
	Telekom Austria/Mobilkom		VIPmobile - 100%	
Kosovo	Telekom Slovenije/Mobitel	IPKO - 75%	IPKO - 75%	IPKO - 75%

Table A.27 - Control of major undertakings by foreign investors

Notes:

FYROM:

On October 16, 2008 the Macedonian Commission for Protection of Competition approved the acquisition of the controlling stake in the Greek incumbent operator, OTE, by Deutsche Telekom subject to the condition that OTE would have to sell its Macedonian subsidiary, Cosmofon. The condition was imposed to prevent the distortion of the effective competition on the market, because after the transaction Deutsche Telekom group would control the two largest mobile operators in Macedonia, T-Mobile and Cosmofon. The deadline set by OTE for Cosmofon offers is March 15, 2009. Three companies - Telekom Slovenije, Turk Telekom and Turkcell submitted their offers. On March 30, 2009 OTE agreed to sell Cosmofon to Telekom Slovenije for €190 million. In April 2009 the Commission for Protection of Competition officially approved the sale.



10. Key financial ratios of the fixed incumbent operators

The most commonly used financial ratios in the assessment of the performance of telecommunications operators are:

- Return on Capital Employed (ROCE) - the net profit before interest and taxes divided by the total capital employed;
- Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) margin - EBITDA divided by operating revenues; and
- Earnings Before Interest and Taxes (EBIT) margin – the EBIT divided by operating revenues.

Return on Capital Employed (ROCE) is a measure of the returns that an operator realises from the capital it uses. The ratio can represent the efficiency with which capital is being used to produce revenue. ROCE is used both to compare the performance of different businesses and to assess whether a business generates sufficient returns to pay for its cost of capital.

ROCE compares earnings with capital invested in the company, taking into account sources of financing. Net assets or capital employed are examined rather than total assets. Capital employed can have many definitions, though, in general, it is the capital investment necessary for a business to function. It is commonly represented as the total assets less the current liabilities or fixed assets plus working capital. The main drawback is that it measures return against the book value of assets. As these are depreciated, ROCE will increase even though cash flow has remained the same. Thus, older businesses with depreciated assets will tend to have higher ROCE than newer, possibly better businesses. In addition, while cash flow is affected by inflation, the book value of assets is not. Consequently, revenues increase with inflation while capital employed generally does not (as the book value of assets is not affected by inflation).

The net income of a company is affected by decisions that the company made in previous years. This is because of the differences between accrual accounting and cash-based accounting. Some purchases can be depreciated or amortized over 20 years or more, with a negative impact on the net income long after the actual financial effects of the purchases have ceased.

The use of Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) does not suffer from this distortion, allowing investors a better understanding of the profitability of the company. Depreciation and amortization are non-cash charges, so that EBITDA is seen as a better proxy than earnings from the cash that flows through a company. Essentially, EBITDA measures the core income that a company earns before it covers its debt payments and pays its income taxes. Investors can also use this measure to compare the profit growth of companies that operate in different tax regimes. EBITDA can also assist lenders when estimating the cash flows that a company will have available to service its debt as it measures the amount of cash that a company has available for interest payments. Finally, EBITDA can provide a more accurate cash flow picture in industries where substantial non-cash depreciation and amortisation expenses might otherwise distort earnings.

Earnings before interest and taxes (EBIT), also known as operating income and operating profit, is a term used to describe a company's earnings. To calculate EBIT, basic expenses (e.g., the cost of goods sold, selling and administrative expenses) are subtracted from revenues. Profit is later obtained by subtracting interest and taxes from the result.

Country	Fixed incumbent operator	Key financial ratios and performance indicators for 2007				
		ROCE	EBITDA margin in %	EBIT margin in %	Average number of employees	Number of fixed lines per employee
Croatia	HT- Hrvatske Telekomunikacije	12.4%	42.2%	21.1%	5,485	293
FYROM	Makedonski Telekom	9.8%	32.8%	13.8%	1,466	315

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Country	Fixed incumbent operator	Key financial ratios and performance indicators for 2007				
		ROCE	EBITDA margin in %	EBIT margin in %	Average number of employees	Number of fixed lines per employee
Turkey	Türk Telekomünikasyon	42.0%	45.0%	27.0%	29,769	492
Albania	Albtelecom	- 5.4%	29.8%	-6.9%	2,243	116
Bosnia & Herzegovina	BH Telecom	10.1%	57.6%	42.5%	2,250	250
	Telekom Srpske	13.0%	44.0%	24.0%	2,163	142
	HT Mostar	8.0%	61.0%	11.0%	837	152
Montenegro	T-Com Montenegro	14.0%	41%	29%	706	250
Serbia	Telekom Srbija	0.1%	39.8%	20.4%	9,962	300
Kosovo	PTK	23.0%	19.6%	7.0%	2,480	37

Table A.28 - Key financial ratios of the fixed incumbent operators

The number of fixed lines per employee has long been used as an indicator by the ITU and OECD, as a proxy for the efficiency of a telecommunications operator, on the assumption that the more fixed lines per employee the more efficient the operator. The problem of calculation and interpretation of these numbers has grown in recent years, where it is important to understand how employees are attributed across different parts of the business. Equally, with activities devolved to or purchased from manufacturers, business process outsourcers, call centres and the like, many of those performing roles for the operator may not be employees. Consequently, great care has to be taken in comparing operators or examining historical trends.

## B. National regulatory authorities

This section examines the effectiveness of the institutional framework and environment. The specific issues covered are not only concerned with the NRA, but also address other relevant institutional actors such as the legislative and policy-making bodies, national competition and broadcasting authorities (if different from the NRA) and the national appeal systems. In relation to the NRA, this section seeks to cover the issues associated with the standards of good governance such as independence, accountability, transparency, participation and effectiveness. Additionally, this section also addresses other relevant institutional actors such as the legislative and policy making bodies, national competition and broadcasting authorities.

### 1. NRA independence

The establishment of an independent regulatory authority is a cornerstone of the EU regulatory framework for electronic communications. Independence remains a critical issue in ensuring predictability and stability in the regulatory environment. Independence involves two elements:

- separation of the NRA from the regulated firms and
- isolation of the NRA from political intervention.

The first aspect of independence (from industry) is generally less contentious and more straightforward to assess than the second (independence from political influence). Both issues are addressed in the three following tables.

Article 3 of the Framework Directive requires that regulatory tasks must be carried out by competent bodies that are legally distinct and functionally independent from any organisations providing electronic communications networks and services. Furthermore, where the state retains control of undertakings providing electronic communications networks and services, the activities associated with the state ownership and control must be structurally separate from regulatory functions.

Under the EU regulatory framework, there has been no requirement for privatisation and the rules on institutional separation are set out in recognition of the legitimacy of the state ownership. Nevertheless, in countries where the state is no longer the owner of any electronic communications undertakings, the subject of regulatory independence is usually a lesser concern.

#### a) State ownership of telecommunications operators

Table B.1 provides information about state ownership and the control of fixed and mobile telecommunications operators. This includes any 'golden shares', i.e., special powers granted to the state by law or by the articles of association of a company that allow it to maintain a special influence in privatised companies. Figure 33 shows the state ownership for those operators present in the region, including parent firms such as the Austrian, German and Saudi incumbent operators.

In Croatia, following an IPO of 32% of the stock of T-Hrvatski Telekom (T-HT) in the autumn of 2007 and further sale of shares during 2008, the state's shareholding in the incumbent operator was further reduced to 3.6%. The Croatian War Veteran's Fund owns a further 7%, transferred from government holdings in 2005. Deutsche Telekom remains the majority owner of T-HT with 51% which is acquired in two tranches in 1999 and 2001. The remaining 38.4% is held by private and institutional investors.

In FYROM, the government controls 34.81% in the incumbent Makedonski Telekom plus one "golden share". The majority 51% stake is held by Magyar Telekom, a subsidiary of Deutsche Telekom. The remaining 12.1% is held by private investors.

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In Turkey, following the sale of 55% of the stock of Türk Telekom to Saudi Oger in 2005, the government conducted an IPO of further 15% in April 2008, retaining 30% shareholding plus one golden share. (35% of Saudi Oger is controlled by Saudi Telecom Company (STC) which is 70% owned by the Kingdom of Saudi Arabia.) The Turkish Treasury performs the ownership function of the state's shareholding in Türk Telekom, while the Ministry of Transportation is responsible for its operational activities ('golden share' function). The Turkish government also holds 24.3% in Avea Telecommunications, a mobile operator that is 81% owned by Türk Telekom. Turksat Satellite Communication and Cable TV Operation AS (Turksat) is wholly owned by the government.

In Albania, in June 2007, after a two-year period of negotiations Calik Enerji, a Turkish group, and the Albanian Ministry of Economy, Trade and Energy, signed an agreement for the sale of a 76% state's shareholding in the incumbent operator, Albtelecom. The deal also included Eagle Mobile, the third mobile telephony licensee that was not then operational. The purchaser is a joint venture owned by Calik Enerji (80%) and Türk Telekom (20%). The agreement was ratified by the Albanian Parliament on July 19, 2007. In February 2009, the Albanian government agreed to sell its 12.6% stake in Albanian Mobile Communications (AMC), a major mobile operator, to Cosmote, a mobile subsidiary of the Greek incumbent operator, who following the transaction will control 95% of AMC.

In Bosnia & Herzegovina, there are incumbent operators in each of the three territories. The Federation government of Bosnia & Herzegovina retains 90% of BH Telecom (Sarajevo) and 50.10% of Hrvatske Telekomunikacije (Mostar), with the ownership functions performed by the Federal Ministry of Transport and Communications. The third incumbent operator, Telekom Srpske in the Republika Srpska is fully privatised. In December 2006, the Serbian incumbent operator, Telekom Srbija, won the tender for the privatisation of the 65% holding of Republika Srpska in Telekom Srpske. This was completed in July 2007, following the approval of the Competition Council of Bosnia & Herzegovina. Of the remaining shares, 20% float on the national stock exchange, 10% are held by a pension fund and 5% are held by a restitution fund.

In Montenegro, there is no longer state ownership of any operator. In March 2005, the government sold its 76.53% shareholding in Crnogorski Telekom to Magyar Telekom, a subsidiary of Deutsche Telekom. Private investors now hold 23.47% of the shares which are quoted on the stock exchange. In 2001, the former PTT of Montenegro (a state-owned enterprise) sold its 9% share in ProMonte, a mobile operator, to the majority shareholders.

In Serbia, the government owns 80% of Telekom Srbija through the Public Enterprise of PTT Traffic "Srbija", commonly known as PTT, or the Post Office. The government also retains a 'golden share' that gives the veto power over all strategic decisions of the company. Since 2003, the Greek incumbent operator OTE controls the remaining 20% of the capital in Telekom Srbija, itself partly owned by the Greek state (25%) and by Deutsche Telekom (25%).

In Kosovo, UNMIK was responsible for the 100% state ownership of PTK, the incumbent operator, through the Kosovo Trust Agency (KTA), a provisional body established by UNMIK regulation 2002/12. Following the unilateral declaration of independence by Kosovo in February 2008 and entry into force of the Constitution of Kosovo on June 15, 2008, the Kosovar government took over the UNMIK roles. The government ownership and control functions in PTK are exercised by the Ministry of Transport and Communications.

	Name of operator	State shareholding	Golden share	Government unit responsible for ownership functions
Croatia	HT - Hrvatske Telekomunikacije d.d.	3.60%	-	Not defined
FYROM	Makedonski Telekom A.D.	34.81%	Yes	Ministry of Finance
Turkey	Türk Telekomünikasyon A.Ş. Avea	31.70% 24.30%	Yes	Treasury is responsible for ownership and golden share functions Ministry of Transport is responsible for operational functions

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	Name of operator	State shareholding	Golden share	Government unit responsible for ownership functions
	Turksat	100.00%	-	Treasury is responsible for ownership functions Ministry of Transport is responsible for operational functions
Albania	Albtelecom sh.a. Eagle Mobile	24.00% 24.00%	-	Ministry of Economy, Trade and Energy
Bosnia & Herzegovina	BH Telecom d.d. Sarajevo	90.00%	-	Entity government in Federation of BiH
	Hrvatske Telekomunikacije d.o.o. Mostar	50.10%	-	Entity government in Federation of BiH
Montenegro	-	-	-	-
Serbia	Telekom Srbija a.d.	80.00%	Yes	Not defined
Kosovo	PTK (Post and Telecommunications Enterprise of Kosovo)	100.00%	-	Ministry of Transport and Communications

Table B.1 - State ownership and control of telecommunications operators

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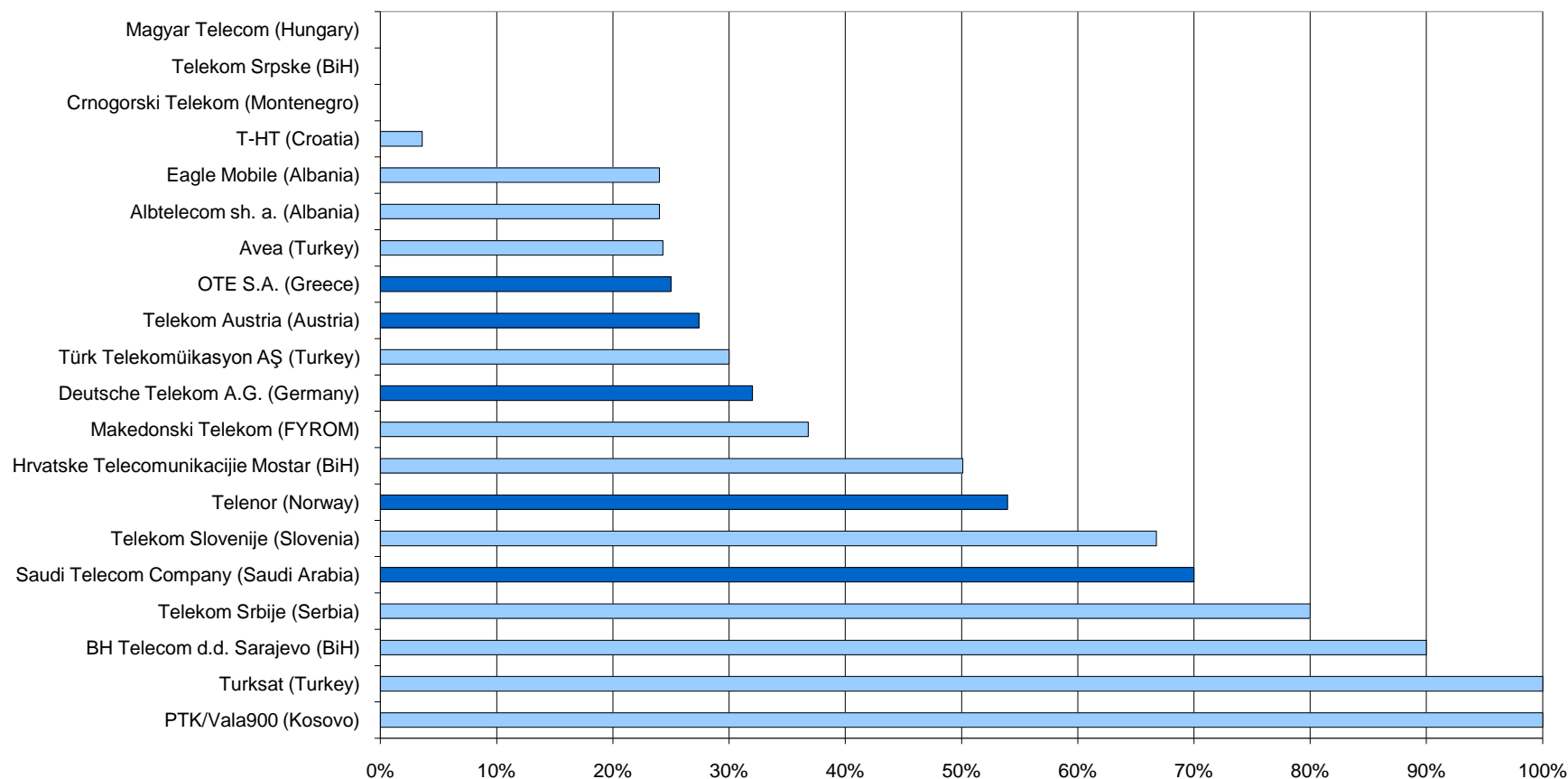


Figure 33 - State ownership of telecommunications operators

### b) Responsibilities of the NRA and policy-making bodies

Political influence is the most direct means of influencing the NRA. The mere possibility of political intervention may put the regulator under pressure. Although there is no explicit requirement to separate regulatory tasks from the activities of the Ministry or other bodies responsible for the electronic communications policy, the common practice across the EU is to create an NRA that is also separate from the policy-making bodies. The issue of political independence can be assessed, *inter alia*, on the basis of: the extent to which the NRA discretion has been limited by law, the potential and actual extent of political intervention, the rules for appointment and dismissal of the NRA management and its duration of office.

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The table below addresses:

- the division of the key responsibilities between the NRA and the ministry (or other government body) responsible for the electronic communications policy;
- powers of the Ministry or the government to give binding directions to the NRA; and
- whether certain NRA decisions are subject to prior or subsequent approval by the ministry or by another governmental institution.

Country	NRA and its responsibilities	Ministry (government) and its responsibilities	Ministry (government) powers to give instructions to NRA? Government intervention required for adopting certain decisions?
Croatia	<p>Article 12, Electronic Communications Act of June 19, 2008</p> <p>The Croatian Post and Electronic Communications Agency responsibilities include:</p> <ul style="list-style-type: none"> <li>• Adoption of implementing legislation</li> <li>• Monitoring and regulation of prices and general business terms and conditions of operators</li> <li>• Market analysis, designation of undertakings with SMP an imposition of regulatory obligations</li> <li>• Designation of universal service providers</li> <li>• Adoption of the Numbering Plan, Addressing Plan and drafting the Frequency Allocation Table</li> <li>• Issuing individual spectrum licences</li> <li>• Dispute resolution involving operators, service providers, end users</li> <li>• <i>Expert</i> supervision over application of the Act and regulations adopted under the Act (<i>performed</i> by the NRA's supervisors)</li> </ul>	<p>Article 4, Electronic Communications Act of June 19, 2008</p> <p>Government:</p> <ul style="list-style-type: none"> <li>• Adopts strategies, studies, guidelines and programmes establishing general principles and policy objectives for the development of electronic communications</li> </ul> <p>The Ministry of the Sea, Transport and Infrastructure:</p> <ul style="list-style-type: none"> <li>• Drafts proposals for strategies, studies, guidelines and policy objectives</li> <li>• Coordinates and supervises the work of all authorities responsible for implementation of the policy objectives</li> <li>• Prepares and adopts implementing legislation, including the ordinance on the allocation of spectrum and the Frequency Allocation Table</li> <li>• Carries out <i>inspection</i> supervision in electronic communications (performed by the Ministry inspectors)</li> </ul>	<p>Article 4, Electronic Communications Act of June 19, 2008</p> <p>The Ministry</p> <ul style="list-style-type: none"> <li>• may give guidelines and instructions to the NRA concerning the implementation of the established principles and policy objectives for the development of electronic communications;</li> <li>• may not influence the adoption of the NRA decisions in individual cases</li> </ul> <p>The administrative supervision of the NRA by the Ministry established under Article 3(6) of the previous Telecommunications Act of 2003 was removed from the new Electronic Communications Act of 2008.</p> <p>Article 18(4) of the new Act states that final decisions and other administrative acts of the NRA may not be annulled or repealed on the basis of supervision rights, or repealed under emergency procedures, or be made null and void by a competent body.</p>

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Country	NRA and its responsibilities	Ministry (government) and its responsibilities	Ministry (government) powers to give instructions to NRA? Government intervention required for adopting certain decisions?
FYROM	<p>Article 9, Law on Electronic Communications of 2005 Agency for Electronic Communications (AEC) is responsible for:</p> <ul style="list-style-type: none"> <li>• adoption and implementation of the secondary legislation</li> <li>• spectrum management, including allocation and assignment of frequencies</li> <li>• number management</li> <li>• market analysis; designation of undertakings with SMP and imposition of regulatory obligations</li> <li>• approval of reference interconnection and unbundling offers</li> <li>• regulation of wholesale and retail prices</li> <li>• universal service: designation of providers and management of the US fund</li> <li>• dispute resolution in commercial disputes</li> <li>• consumer complaints</li> </ul>	<p>Article 6, Law on Electronic Communications of 2005 The Ministry of Transport and Communications:</p> <ul style="list-style-type: none"> <li>• prepares the National Strategy for development of electronic communications and information technology</li> <li>• prepares legislation for electronic communications</li> </ul>	<p>Article 7, Law on Electronic Communications of 2005 The NRA, <i>“in its work and in taking the decisions within the scope of its competencies is independent and not subordinated to any state body or other public legal person or trade company engaged in operating in the field of electronic communications and is impartial towards them.”</i> Under Article 63, Law on Electronic Communications of 2005, the government approves the minimum one-off fee for frequency authorisations issued subject to tender procedures Under Article 35, the Ministry approves the universal service provider selected by the NRA in a public tender procedure.</p>
Turkey	<p>Electronic Communications Law No. 5809 of November 5, 2008 Information Technologies and Communications Authority (ICTA) is responsible for:</p> <ul style="list-style-type: none"> <li>• ensuring competition through regulations aiming at the elimination of anti-competitive practices</li> <li>• adopting regulations and performing supervisory activities to protect the rights of the end users</li> <li>• conducting market analyses</li> <li>• adopting regulations and performing supervisory activities in the field of authorisations, tariffs, access, rights of way, numbering, spectrum management and market surveillance by taking into consideration the strategies and policies of the Ministry</li> <li>• ensuring the implementation of the harmonized standards prepared by the national standards bodies</li> <li>• market surveillance and supervision</li> </ul>	<p>Ministry of Transport is responsible for:</p> <ul style="list-style-type: none"> <li>• strategies and policies for electronic communications sector, promoting development of competitive environment and transition to information society</li> <li>• policies for the construction and development of electronic communications networks and services in accordance with the technical, economical and social needs, national security objectives and public interest.</li> <li>• contributing to the policies for the development of the electronic communications equipment industry</li> <li>• encouraging domestic design and production of electronic communications systems, promoting research and development activities by technical and financial means</li> <li>• taking measures to ensure the continuity of communication in the case of natural</li> </ul>	<p>ICTA has been established as a financially and administratively independent regulatory body which acts as public legal entity with a view to exercise the authority and to perform tasks assigned by the laws. According to Article 5 of Law on Establishment of Information Technologies and Communications Authority No. 2813 (as amended by Electronic Communications Law No. 5809), <i>‘ICTA is independent in performing its tasks. Not any body, office, authority or person could direct or instruct the Authority.’</i> However, minimum values of authorization fees are currently determined by the Council of Ministers. From May 2009, when general authorization regime enters into force, minimum values for individual rights of use will be determined by the Council of Ministers.</p>



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Country	NRA and its responsibilities	Ministry (government) and its responsibilities	Ministry (government) powers to give instructions to NRA? Government intervention required for adopting certain decisions?
		disasters and emergencies	
Albania	<p>Article 8, Law on Electronic Communications (Law No. 9918 of May 19, 2008)</p> <p>Authority of Electronic and Postal Communications (AKEP) is responsible for:</p> <ul style="list-style-type: none"> <li>• Regulation of access and interconnection</li> <li>• Approval of reference offers for access and interconnection</li> <li>• Market analysis, designation of undertakings with SMP and imposition of regulatory obligations</li> <li>• Registration of notified undertakings</li> <li>• Assignment of frequencies for electronic communications services</li> <li>• Preparing the National Numbering Plan and assignment of numbers</li> <li>• Price control of wholesale and retail tariffs</li> <li>• Management of the universal service fund and carrying out of the designation procedures of the universal service providers</li> <li>• Management of national top level domain names</li> </ul>	<p>Article 5, Law No. 9918 of May 19, 2008</p> <p>The Minister of Public Affairs, Transport and Telecommunications is primarily responsible for:</p> <ul style="list-style-type: none"> <li>• preparing and presenting for the approval by the Council of Ministers the proposal for the policy in the electronic communications field and following its implementation</li> <li>• issues orders and instructions for completing the regulatory framework defined by the Law and government's policies</li> <li>• drafting relevant primary and secondary legislation</li> <li>• preparing the National Radio Frequency Plan</li> <li>• approval of tender procedures for frequency assignment and the designation of universal service providers, based on proposals by AKEP</li> </ul>	<p>Article 6, Law No. 9918 of May 19, 2008</p> <p><i>'AKEP is a public, independent, non-budgetary, legal entity, which exercises its activity in compliance with legislation in force. AKEP in its work and decision-making within its competencies is independent'</i>.</p> <p>However, according to Article 5, the Minister approves tender procedures for frequency assignment and the designation of universal service providers, based on proposals by AKEP.</p>
Bosnia & Herzegovina	<p>Article 3, Law on Communications of 2002</p> <p>Regulatory Authority for Communications (RAK) is responsible for:</p> <ul style="list-style-type: none"> <li>• regulating radio and TV broadcasting and public telecommunications networks and services</li> <li>• licensing</li> <li>• tariffs regulations</li> <li>• interconnection</li> <li>• defining the basic conditions for the provision of common national and international communications facilities</li> <li>• planning, co-coordinating, allocating and assigning the use of the radio frequency spectrum</li> <li>• management of the numbering plan and assignment of numbering resources to telecommunications operators.</li> </ul>	<p>The Council of Ministers is responsible for:</p> <ul style="list-style-type: none"> <li>• developing and adopting policy in line with the existing legislation</li> <li>• defining the scope of the universal service, designating the providers and establishing the funding mechanism, based on proposals of the NRA</li> <li>• determining the representation of BiH in international forums concerned with communications</li> </ul> <p>RAK cooperates with the Ministry which practically performs the coordination of functions which are the Council of Ministers responsibility.</p>	<p>In order to carry out the constitutional provisions in respect of communications the Council of Ministers is responsible for policy-making, and RAK is responsible for the regulation.</p> <p>As policy maker, the Council of Ministers issues obligatory political guidelines, but without influence in RAK decision making process.</p> <p>The Council of Ministers, however, decides on the scope of the universal service, designation of the providers and establishing the funding mechanism, based on proposals of the NRA.</p> <p>The Council of Ministers also approves, based on proposals of the NRA applicable fees and terms and conditions for spectrum licences.</p>

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Country	NRA and its responsibilities	Ministry (government) and its responsibilities	Ministry (government) powers to give instructions to NRA? Government intervention required for adopting certain decisions?
Montenegro	<p>Article 8, Law on Electronic Communications of July 29, 2008</p> <p>Agency for Electronic Communications and Postal services:</p> <ul style="list-style-type: none"> <li>• prepares draft bylaws and regulations that are adopted by the Ministry</li> <li>• adopts rules and procedures for the implementation of the Law and bylaws</li> <li>• prepares draft national radio frequency bands allocation plan that is adopted by the Government</li> <li>• adopts the national addressing and numbering plans</li> <li>• organises tender procedures and issues authorisations to use frequencies, numbers and addresses</li> <li>• presents for the government approval the amount of fees to be paid by authorised operators and service providers, calculated based on the methodology developed by the Ministry</li> <li>• performs market analyses, designation of providers with SMP and imposition of regulatory obligations</li> <li>• dispute settlement</li> <li>• designation of the universal service provider and management of the universal service fund</li> <li>• <i>expert supervision</i> of activities of registered operators</li> </ul>	<p>Article 4, Law on Electronic Communications of July 29, 2008</p> <p>Government:</p> <ul style="list-style-type: none"> <li>• adopts development strategy on decade bases</li> <li>• adopts the national radio frequency bands allocation plan</li> <li>• adopts the NRA statute, approves its annual action plan and financial plan</li> <li>• adopts yearly activity report by the NRA, including the financial report</li> <li>• periodically determines the scope of universal service</li> <li>• determines conditions for utilizing networks for electronic communications in state of emergency.</li> </ul> <p>Article 5, Law on Electronic Communications of July 29, 2008</p> <p>Ministry of Maritime affairs, Transport and Telecommunications:</p> <ul style="list-style-type: none"> <li>• develops legislation and adopts bylaws and regulations under the Law on Electronic Communications</li> <li>• drafts sector development strategy</li> <li>• approves QoS requirements for the universal service on the NRA proposal</li> <li>• determines methodology to be applied by the NRA when setting authorization fees and fees for use of limited resources</li> <li>• authorizes institutions responsible for certification of R&amp;TTE equipment</li> <li>• performs <i>inspection</i> of the implementation of the Law and secondary legislation adopted under the Law</li> </ul>	<p>Article 130, Law on Electronic Communications of July 29, 2008 authorises the Ministry to perform “supervision of legality and purposefulness” of the NRA activities. This supervisory function should not be applied to the regulatory decisions and regulatory rules adopted by the NRA, where the NRA must be independent.</p> <p>The new Law on Electronic Communications provides for the separation of legislative functions of the Ministry from strictly regulatory activities performed by the NRA. Under the previous Telecommunications Law (Official Gazette No. 59/2000), the NRA had more powers to adopt secondary legislation, independently from the Ministry.</p>

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Country	NRA and its responsibilities	Ministry (government) and its responsibilities	Ministry (government) powers to give instructions to NRA? Government intervention required for adopting certain decisions?
Serbia	<p>Article 9, Telecommunication Law</p> <p>RATEL's responsibilities include:</p> <ul style="list-style-type: none"> <li>• adoption of technical regulations</li> <li>• market analysis and designation of operators with SMP</li> <li>• licensing and authorisation of telecommunications network operators and service providers, including the conducting of public tenders for individual licenses in accordance with the Ministry's resolution on the number, timing and minimum conditions for granting such licenses</li> <li>• settlement of disputes between telecommunications operators and between operators and end users</li> <li>• drafting proposals for the Radio Frequency Allocation Plan and the Radio Frequency Assignment Plan</li> <li>• price control of undertakings with SMP</li> <li>• assignment of radio frequencies</li> <li>• adopting the Numbering Plan and assigning numbers</li> <li>• managing the universal service fund.</li> </ul>	<p>Article 5, Telecommunication Law</p> <p>Government:</p> <ul style="list-style-type: none"> <li>• Defines the policy and strategy of telecommunications development on proposal of the Ministry</li> <li>• adopts the Radio Frequency Bands Allocation Plan.</li> </ul> <p>Article 6, Telecommunication Law</p> <p>Ministry of telecommunications and information society is authorized to:</p> <ul style="list-style-type: none"> <li>• supervise the implementation of the Law and regulations adopted on the basis of this Law</li> <li>• prepare a proposal of the strategy for telecommunications development</li> <li>• prepare a proposal of the Radio Frequency Bands Allocation Plan and adopt the Radio Frequency Assignment Plan based on the NRA's proposal</li> <li>• decide on the number and timing of individual licenses to be granted for public telecommunications networks or services through a public tender procedure, including the minimum amount of a one-off licence fee</li> <li>• define the scope of universal services based on the proposal made by RATEL</li> </ul>	<p>Under Article 7, Telecommunication Law, the NRA is defined as <i>"an autonomous legal entity, functionally independent of and not subordinated to any government authority, as well as of any organization and person engaged in operating telecommunications networks and equipment or providing services."</i></p> <p>The Ministry, however, performs a supervisory function over the activities of the NRA.</p> <p>Article 56, par 2 of the Law on State Administration provides that if the NRA fails, despite multiple warnings, to start performing business or start performing it properly or timely, the Ministry as a supervisory body of the state administration may take over its competencies but for a period no longer than 120 days.</p> <p>Under Article 57, par 1 of the Law on State Administration, the NRA is obliged, before publication of its proposed regulation, to get the opinion from the Ministry of constitutionality and legality of the regulation. According to a clarification provided by the government in June 2008, the NRA is, however, <i>"under no obligation to act along the proposal of the Ministry."</i></p> <p>The Ministry approval is required in the tender procedures for issuing individual licences and defining the scope of universal service.</p>

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Country	NRA and its responsibilities	Ministry (government) and its responsibilities	Ministry (government) powers to give instructions to NRA? Government intervention required for adopting certain decisions?
Kosovo	<p>Under Telecommunications Law No. 2003/16, TRA is authorised to:</p> <ul style="list-style-type: none"> <li>• issue licenses and authorizations for provision of telecommunications services</li> <li>• implement the policies of the Ministry pursuant to the Law on Telecommunications, and other implementing legislation</li> <li>• issue regulations and instruction for the implementation of the present Law</li> <li>• assign rights to use spectrum resources and numbers</li> <li>• issue price regulations</li> <li>• adopt a numbering plan and assign numbers</li> <li>• prepare a spectrum resource plan subject to Assembly review and approval</li> <li>• perform market analysis and designate operators with SMP</li> <li>• define the scope, requirements and funding mechanisms of the universal service on recommendation by the Ministry.</li> </ul>	<p>Ministry of Transport and Communications</p> <ul style="list-style-type: none"> <li>• develops policies for the Telecommunication sector, including the development of legislation</li> <li>• supervises the work of PTK</li> </ul> <p>Assembly is responsible for:</p> <ul style="list-style-type: none"> <li>• review and approval of the spectrum resource plan</li> <li>• approval of the NRA budget.</li> </ul>	<p>The Law No. 03/L-085 of June 13, 2008 amending the Law on Telecommunications No 2003/16 establishes TRA as the sole authority to allocate radio frequency spectrum, subject to “Assembly review and approval in written” of the TRA spectrum resource plan.</p> <p>The Law also deletes references to UNMIK, its Frequency Management Office (FMO) and SRSG (Special Representative of the Secretary General).</p> <p>The new law further ensures the NRA administrative independence by removing the provisions in the Telecommunications Law that enabled the Ministry to issue instructions to the NRA to amend a licence.</p>

Table B.2 - The division of responsibilities between the Ministry and the NRA

2. Appointment and dismissal of the directors of the NRA

The rules and procedures for appointment and dismissal of the NRA management are covered in the table below, addressing:

- eligibility criteria for the NRA management (e.g. professional background, restrictions on interest in any of the market participants);
- government bodies involved in the appointment of the NRA management and specific procedures;
- duration in office of the NRA directors; and
- grounds and procedures for removal of the NRA management.

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Country	Rules and procedures for appointment and dismissal	Eligibility criteria for appointment
Croatia	<ul style="list-style-type: none"> <li>• The NRA is governed by the Council consisting of seven members, including a Chairman and a Deputy Chairman, who are full-time employees of the NRA during their term of office.</li> <li>• The Council members are appointed and dismissed by Parliament upon proposal of the Government.</li> <li>• The appointment is for a period of five years with the possibility of reappointment.</li> <li>• The NRA's administrative service performing expert, administrative and technical tasks is managed by the Director appointed by the NRA Council for a period of four years with the possibility of reappointment.</li> <li>• Dismissal in the cases of: resignation, provision of false information at the time of the appointment, serious professional misconduct, inability to perform professional duties for more than 6 months in a row, permanent loss of ability to perform professional duties, conviction of criminal offence, failure to fulfil objectives and tasks defined in the NRA annual work programme, conflict of interest.</li> </ul>	<p>The members of the NRA Council must fulfil the following criteria:</p> <ul style="list-style-type: none"> <li>• to be Croatian citizen domiciled in the Republic of Croatia</li> <li>• with university education or specialised university education in electronic communications, postal services, law or economics</li> <li>• adequate work experience</li> <li>• active knowledge of at least one foreign language (English, French or German)</li> <li>• at least two members must have a completed an undergraduate course or a specialised undergraduate course in law, and two in economics</li> <li>• five members must have at least five years of work experience in the electronic communications sector, and two members of must have at least five years of work experience in the postal services sector</li> <li>• may not be state officials, persons on positions in bodies of political parties, units of local and regional self-government or unions or persons employed, having influence or performing other tasks in electronic communications and postal undertakings</li> <li>• may not be owners, stockholders or shareholders in regulated entities or perform other tasks that may result in conflict of interest.</li> </ul>
FYROM	<ul style="list-style-type: none"> <li>• The NRA is governed by a Commission that consists of five members, including the President and Vice President. The President and the members of the Commission are appointed and dismissed by Parliament.</li> <li>• Dismissal of the Commission members prior to the expiration of the term of office in the cases of: own request, sentence of longer than six months for a criminal act, absence from three consecutive meetings or five meetings during any 12 months period during the term of office, failure to submit annual reports of the NRA to the Assembly.</li> <li>• The NRA's day-to-day activities are managed by the Director, engaged as a professional full-time employee. The Director is appointed by the Commission following a public competition procedure.</li> <li>• The Director can be dismissed by the Commission in the cases of: own request, inability to perform professional duties due to illness for more than 6 months, acceptance of an incompatible position or practice, sentence of longer than six months for a criminal act, violation of the law and abuse of the position.</li> <li>• The term of office of the Commission members and its Director is five years, with a possible reappointment for an additional consecutive term of office.</li> </ul>	<ul style="list-style-type: none"> <li>• The President and members of the NRA Commission may not be: deputies of the Assembly, members of the Government, perform duties in bodies of the political parties, members of managing and supervisory bodies in public companies, or members of any other form of association of legal and natural persons that might lead to a conflict of interests and may not hold equity directly or indirectly in any undertaking performing activities in electronic communications sector.</li> <li>• The Director appointed through a public competition procedure must be: a citizen of the Republic of Macedonia and a holder of university degree in the field of science, law or economics with professional experience of more than 5 years and have organizational and managing abilities.</li> </ul>
Turkey	<ul style="list-style-type: none"> <li>• The decision making body of the NRA is the Telecommunications Board that consists of seven members, including a Chairman and a Vice Chairman. The Chairman is also responsible for the general management and representation of the NRA.</li> </ul>	<ul style="list-style-type: none"> <li>• University degree in relevant fields</li> <li>• Ten years of experience in public or private sector</li> <li>• Eligibility for public service</li> <li>• No connections to political parties</li> </ul>

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Country	Rules and procedures for appointment and dismissal	Eligibility criteria for appointment
	<ul style="list-style-type: none"> <li>• Board members are appointed for a period of five years by the Council of Ministers. Two of them are nominated by operators having at least 10% market share, one member – by the Ministry of Industry, one – by Trade and the Union of Chambers and Industry, and three members – by the Ministry of Transport.</li> <li>• Appointments require approval by the President of the Republic.</li> <li>• The Board members can only be dismissed before expiration of a term by the Council of Ministers for inability to work due to serious illness, professional misconduct or criminal offences.</li> </ul>	<ul style="list-style-type: none"> <li>• No conflict of interest</li> </ul>
Albania	<ul style="list-style-type: none"> <li>• The NRA is governed by the Governing Council composed of five members appointed for a 5 year office term, by the Assembly of the Republic of Albania, on the proposal of the Council of Ministers, and having the right for no more than one office term.</li> <li>• The Assembly appoints one of the members of the Governing Council as the Chairman, who also acts as the Executive Director of the NRA.</li> <li>• Dismissal in the case of physical or mental incapability, conviction for a criminal act, appointment as a Member of Parliament or a local government body, inability to exercise professional duties for more than 6 months.</li> <li>• A dismissed Board member shall not have the right to be re-appointed in the Governing Council.</li> </ul>	<ul style="list-style-type: none"> <li>• Member of the Governing Council shall be graduates and qualified experts, with a minimum of 7 years experience and shall represent the sector of the electronic communications, postal, economic, and juridical.</li> <li>• Upon appointment shall resign from any official positions or functions, give up any for-profit activity, as well as to sell and liquidate any financial interest in undertakings active in electronic communications or postal sectors.</li> <li>• May not have family ties to the Council of Ministers, have been convicted for a criminal act or excluded by law from holding public positions.</li> </ul>
Bosnia & Herzegovina	<ul style="list-style-type: none"> <li>• Strategic and policy issues at the NRA are decided by the Council of seven (7) members nominated by the Council of Ministers and appointed by Parliament. Parliament shall accept or reject these nominations within thirty (30) days after submission of the nominations.</li> <li>• The NRA is headed by the Director General, who is elected by the Council of the Agency and approved by the Council of Ministers. He is responsible for all regulatory and administrative functions and manages day to day operations.</li> <li>• The Parliament has the sole authority to dismiss the members of the Council before completion of their mandate.</li> <li>• The Council of Ministers has the sole authority to dismiss the Director General before completion of the mandate.</li> <li>• Both, members of the RAK Council and the Director General have a term of 4 years and can be re-appointed only once.</li> <li>• Dismissal before the end of the mandate due to serious illness, conviction of a serious crime, a conflict of interest, resignation, failure to participate in three or more consecutive meetings.</li> </ul>	<ul style="list-style-type: none"> <li>• Members of the Council of the NRA must demonstrate exceptional legal, economic, technical or other relevant expertise and experience for the fields of telecommunications and/or broadcasting .</li> <li>• The Director General must have relevant experience in the fields of telecommunications and/or broadcasting and proven management skills.</li> <li>• No conflict of interest.</li> </ul>
Montenegro	<ul style="list-style-type: none"> <li>• Under the Law on Electronic Communications of July 29, 2008 the NRA management structure consists of the Council and the Executive Director.</li> <li>• The Council of the NRA shall have the President, engaged as professional employee of the NRA, and 4 members of the Council who could be part time</li> </ul>	<ul style="list-style-type: none"> <li>• President of the Council, its members and the Executive Director shall hold Montenegrin citizenship and have permanent residence in Montenegro, and have higher education in telecommunications, electronics, economy or law, at least 5 years of experience, covering positions in the field of electronic communications.</li> </ul>

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Country	Rules and procedures for appointment and dismissal	Eligibility criteria for appointment
	<p>or professionally engaged employees of the NRA.</p> <ul style="list-style-type: none"> <li>• The Executive Director shall be engaged as professional full-time employee.</li> <li>• President of the Council and members of the Council shall be appointed by the Government upon the Ministry proposal to a term of office of 5 years. The Executive Director shall be appointed by the Council, for a term of office of 4 years. They shall not hold office for more than two consecutive terms.</li> <li>• Dismissal before the expiration of the term of office due to resignation, conviction of a crime, permanent loss of ability to perform duties, conduct damaging to the reputation of the independence of the NRA.</li> </ul>	<ul style="list-style-type: none"> <li>• They may not hold equity nor have other interests in any organisation active in the field of electronic communications.</li> <li>• They may not be Members of Parliament or Deputies, officials or members of political parties' bodies.</li> </ul>
Serbia	<ul style="list-style-type: none"> <li>• The NRA is managed by the Managing Board that consists of a Chairman and four Members who are appointed and relieved from office by the National Assembly, at the proposal of the Government.</li> <li>• Their term of office is five years with a possibility of a reappointment for one more consecutive term. For the first term, the Chairman is appointed for five years, two members of the Board for four years and two members for three years.</li> <li>• The Managing Board appoints the Executive Director of the Agency who is responsible for the administration and operational issues.</li> <li>• Dismissal before the expiration of the term of office due to resignation, illness causing the loss of the ability to perform professional duties for longer than 6 months, conviction of a crime or corruption, provision of incorrect data at the time of appointment, conflict of interest.</li> </ul>	<ul style="list-style-type: none"> <li>• Managing Board members must demonstrate professional knowledge and experience relevant to the activities falling within the responsibility of the NRA, in particular in the field of engineering, economics and law, and the proposal must include at least two candidates from the field of engineering and at least one candidate from the field of economics and one from the field of law.</li> </ul>
Kosovo	<ul style="list-style-type: none"> <li>• The NRA is managed by the Board that consists of five Members who are appointed and relieved from office by the National Assembly, at the proposal of the Government with the recommendation from the Minister of Transport and Communications.</li> <li>• Their term of office is five years with a possibility of a reappointment for one more consecutive term. The Minister of Transport and Communications, acting in consultation with the Prime Minister designates one member of the Board to be the Chairman, who is also responsible for the administration and operational issues.</li> <li>• Upon a two-third vote of the members, the Board shall remove a Member on the ground of professional incompetence, misconduct or a conflict of interest. Dismissal is subject to approval by the Assembly.</li> </ul>	<ul style="list-style-type: none"> <li>• Members of the Board shall be university graduates with specialized knowledge in the area of politics, frequencies, interconnections, tariffs, law, economics, standardizations, or have at least ten (10) years experience in the telecommunications sector.</li> <li>• A member shall, if applicable, resign from public or elected office or other employment and shall not engage in any other commercial activity regardless of whether the Member receives compensation for such activity. In addition, a Member shall be required to terminate any business activities and financial interests in enterprises that are under the jurisdiction of the Board, and otherwise comply with the provisions of the NRA's standards of conduct.</li> </ul>

Table B.3 - Appointment and dismissal of the directors of the NRA

Notes:  
Croatia:

The new Electronic Communications Act of June 19, 2008 establishes the Croatian Post and Electronic Communications Agency (HAKOM) as a new regulatory authority that takes over the tasks and responsibilities of the previous regulators for telecommunications (the Croatian Telecommunications Agency, HAT) and for postal services (the Postal Services Council). Members of the Council of the HAT and the Chairman of the Postal Services Council will continue

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as Members of the Council of HAKOM until the expiry of their term of office. The former HAT Council Chairman will be the HAKOM Council Chairman and the former Postal Services Council Chairman will be HAKOM Council Deputy Chairman.

Albania:

Article 138 of the new Law on Electronic Communications No. 9918 of May 19, 2008 states that the present NRA, TRE, will continue its activities as the Authority of Electronic and Postal Communications (AKEP), and TRE Governing Council Members continue as AKEP Governing Council Members until the expiry of their term of office.

Montenegro:

Article 142 of the new Law on Electronic Communications adopted on July 29, 2008 states that the present NRA, the Agency for telecommunications and postal services will continue its activities as the Agency for electronic communications and postal services. The Government was required to appoint the president of the Agency Council and its Members within 60 days from the entry into force of the new Law. Within 30 days from the appointment of the Council, its Members were required to appoint the Executive Director.

### 3. NRA budget and sources of financing

The NRA financial and operational means play an important role in ensuring a stable and predictable regulatory environment. Therefore, the financial resources available to the NRA, the number of employees and its ability to attract and retain suitably qualified staff are particularly important aspects in assessing the capacity of the NRA to operate effectively.

The EU regulatory framework requires that the NRAs are self-financing and that their fees only cover their administrative costs, except when allocating limited resources. Furthermore, under the EU 2002 framework, the general authorisation regime applies to all activities in the electronic communications sector with the exception of those requiring the use of limited resources. Therefore, the NRA fees associated with authorisations, such as registration fees, are set a modest level.

Table B.4 presents information on the operational budgets of the NRAs in 2007 and 2008, as well as the sources of their financing. In this table, the term “authorisation fees” is used to describe one-off fees related to the issue of all types of authorisations, including individual licences.

Country	Operational budget € (000s)		Sources of financing				
	2007	2008	Annual revenue-based fees	One-off authorisation/notification fees	Spectrum	Numbers	Other
Croatia	9,376	11,141	34.00%	-	23.00%	40.00%	3.00%
FYROM	7,420	7,213	11.54%	-	71.06%	9.94%	7.46%
Turkey	48,911	42,665	6.00%	21.81%	69.19%	-	3.00%
Albania	1,572	1,928	-	30.80%	68.80%	0.20%	0.20%
Bosnia & Herzegovina	3,706	4,218	63.21%	-	6.18%	30.14%	0.47%
Montenegro	2,800	3,500	68.80%	17.00%	2.00%	-	12.20%
Serbia	9,117	13,916	59.00%	22.00%	9.00%	-	9.00%
Kosovo	519	2,242	71.22%	28.33%	0.41%	-	0.22%

Table B.4 - Operational budget of the NRA and its sources of financing

Notes:

FYROM:

At the beginning of 2008, the Commission of the NRA adopted a decision to decrease the fees for frequencies, numbers and market supervision by 30%.



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- Albania: The Law on Electronic Communications No. 9918 of May 19, 2008 changed the sources of the NRA funding from licence and frequency levies and fees to an annual administrative fee ('annual income contribution to AKEP'). Any amount exceeding the expenses of AKEP shall go to the State Budget. Frequency and numbering fees are approved by the Council of Ministers on the NRA proposal, collected by the NRA and transferred to the state budget.
- Montenegro: Operational budget for 2009 is projected in total amount of €5.182 million, according to [the NRA financial plan for 2009](#).

### 4. NRA staffing

Table B.5 below shows:

- the total NRA staff in 2008
- sub-divided into the number of qualified employees dealing with
  - general regulatory issues;
  - frequency monitoring tasks; and
- legal or financial restrictions on the NRA's ability to set the level of remuneration of its staff (e.g., salaries tied to civil service rates).

Country	Total	Handling electronic communications regulatory tasks	Handling frequency monitoring tasks	Restrictions on the NRA's ability to set salary levels
Croatia	143	48	20	The annual financial plan and the annual financial statement of the Agency must be approved by the government.
FYROM	99	14	22	No legal restriction
Turkey	640	340	20	The salary of the President of the ICTA Board may not exceed that of the Undersecretary of the Prime Minister cabinet. Salaries of the other Board members may not exceed that of the President. Total amount of the payments made to the ICTA personnel shall not exceed the total amount of payments made to Board members. Salary levels of the personnel are set according to an internal system of grades.
Albania	60	32	8	The structure and the level of salaries is approved by the Parliament based on a proposal from the Council of Ministers.
Bosnia & Herzegovina	100	27	24	The Law on Salaries and Allowances for Civil Servants of June 23, 2008 brings the salary level of the NRA staff within the pay scales for civil servants. The NRA has to follow the established scales for the basic salary levels and is only be able to increase salaries of its staff through an additional "regulatory" bonus scheme.
Montenegro	42	15	13	No legal restriction
Serbia	98	28	22	No legal restriction
Kosovo	33	13	2	Salary levels are regulated subject to pay scales and a system of grades that applies to all civil servants in Kosovo and are set based on the TRA budget approved by Parliament.

Table B.5 - Staffing and salary levels of NRAs

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Notes:

- FYROM** In the second half of 2008, the NRA made plans to improve its capacities on expert level and recruit new employees in market analysis, telecommunication and legal departments performing regulatory tasks. But due to the forthcoming presidential and local elections on March 22, 2009, these activities have been postponed until the end of election procedure.
- Albania:** Electronic communications tasks include the following: market regulation, licensing, technical (excl. frequencies), legal department, inspection and decision-making, the board of the NRA.  
Approval of the new statute for the NRA took almost two years, taking effect only when the previous board was dismissed. Since April 2008 the organizational structure and the position of experts in the new structure has been under consideration by the Board of the NRA.
- Bosnia & Herzegovina:** There are 12 regulatory experts in the telecommunications sectors and 15 in the broadcasting sector, frequency monitoring tasks are handled by 13 experts in the frequency department and 11 in the monitoring department.
- Montenegro:** The number of employees handling telecommunications regulatory tasks does not include employees engaged in inspection, secretaries, drivers, administration, archives, accounting, translators, household and security. It also excludes personnel on a one-year work trial.

### 5. NRA enforcement powers

The NRA bears the primary responsibility of ensuring compliance with the obligations imposed on operators either directly by the law, or by the NRA after carrying out a market analysis procedure. To that effect, the NRA should have specific investigatory and sanctioning powers.

In order to ensure effective compliance with SMP-obligations, the NRA sanctioning powers should, in particular, allow it to impose fines with a sufficient deterrent effect and to order the suspension of non-compliant commercial offers. Sanctions should be sufficiently stringent, taking into account the substantial commercial benefits from the illegal practice. Moreover, the threat of sanctions should also be sufficiently real to ensure SMP operators conform to their regulatory obligations.

Table B.6 itemises the:

- powers of the NRA to impose fines, specific instances when a fine can be imposed and the level;
- powers of the NRA to suspend non-compliant commercial offers (in particular, this refers to the regulated offers of operators with SMP); and
- examples of fines imposed by NRAs.

Country	NRA powers to impose fines	NRA powers to suspend commercial offers	Applied in practice
Croatia	No power to impose fines directly. The NRA has a power to start misdemeanour procedures before the Misdemeanour Court. The range of fines is 1% to 5% of the total annual gross income generated by the provision of electronic communications services and activities, in the fiscal year preceding the year in which the violation was committed.	Yes Article 118, Electronic Communications Act of June 19, 2008	The NRA has initiated two misdemeanour procedures before the Misdemeanour Court against the operators that have breached the provisions of the Telecommunications Act and Electronic Communications Act, both cases are pending. Suspension of commercial offers has been regularly applied by the NRA: <ul style="list-style-type: none"> <li>• On November 27, 2006 the NRA requested the mobile operator VIPnet to modify the tariffs of its 'Option Fixed' prepaid package that according to the NRA constituted predatory pricing,</li> </ul>

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Country	NRA powers to impose fines	NRA powers to suspend commercial offers	Applied in practice
			effectively suspending the launch of the offer. <ul style="list-style-type: none"> <li>On February 12, 2007 the NRA requested T-Com, the incumbent operator, to modify its fixed tariff plan called 'Non stop'. According to the NRA, the incumbent operator had practiced a price squeeze by offering fixed voice services at retail tariffs set below its wholesale charges.</li> </ul>
FYROM	No power to impose fines directly. The NRA may initiate a procedure under the Law on Misdemeanours or the Law on Criminal Procedures. According to the Law on Electronic Communications, the maximum fine may be up to 7 to 10% of the total annual revenues in the year prior the year when the misdemeanour was committed performed or of the total revenue for a shorter period of the year preceding the misdemeanour, provided that the legal entity commenced its operations during that year. In 2009, a harmonization of the Law on Electronic Communications with the Law for misdemeanour is planned, after which the NRA will get powers to impose fines.	Yes Under Article 49 of the Law on Electronic Communications, the NRA may suspend commercial offers of the operator that has been designated as having SMP in a specific retail market and imposed obligations relating to regulation of retail services.	In April 2007, the NRA submitted an application for a misdemeanour procedure to the court against Makedonski Telekom for failure to implement an amended RUO.
Turkey	According to article 60 of the Law on Electronic Communications, ICTA may impose fines of up to 3% of the total annual revenue	Yes According to Bylaw on Tariffs and Bylaw on Access and Interconnection, if the proposed tariff of the SMP operator is not approved by the NRA, the offer is suspended and the SMP operator must propose a new tariff in accordance with the NRA requirements. This is also valid for reference broadband and LLU offer.	During the approval process of TT's ADSL wholesale resale tariffs in spring 2008 the NRA had suspended the proposed TNet's retail ADSL prices.
Albania	According to article 137 of the Law on Electronic Communications, maximum fine is 10% of annual turnover of the operator during the previous calendar year. The fine is imposed mostly in cases of non-compliance with SMP obligations. Chapter XVI of the law stipulates the inspection procedures and frequency monitoring. Article 135 elaborates on the cases where the NRA may impose fines and administrative measures if and electronic communications network service providers do not abide by the rules and regulations.	Under articles 55-57 of the Law on Electronic Communications, AKEP has powers to regulate retail tariffs of the SMP operators and universal service providers. Based on article 52 of the Law, AKEP has powers to impose changes in the reference offers proposed by the operators with SMP. Reference offers must be approved by AKEP.	No financial penalty has been imposed in practice. Suspension of retail offers has not been applied in practice. On February 10, 2009 AKEP imposed changes in the RIOs of three SMP operators in Albania.
Bosnia & Herzegovina	The maximum fine is BAM 150,000 (ca. €75,000) for the first violation, with a maximum of BAM 300,000 (ca. €150,000) for a repeated violation.	Yes Article 20 of the Law on Communications.	The NRA regularly uses its right to impose fines.

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Country	NRA powers to impose fines	NRA powers to suspend commercial offers	Applied in practice
Montenegro	Amounts of fines are defined in articles 137, 138, 139 and 140 of the Law on Electronic Communications. Maximum fine is three hundred times the minimum salary in Montenegro (about €16,500).	Yes Under Article 134 of the Law on Electronic Communications, expert supervisors of the NRA have the powers to monitor the compliance with tariff regulations and to suspend non-compliant offers.	No
Serbia	No power to impose fines directly. According to the Telecommunications Law, the Board of the NRA can initiate a court proceeding containing a proposal for fining the operators, but final decision is made by the Court. According to Article 96 of the Telecommunication Law: a fine in the range of RSD 300,000 (€3,674) to RSD 3,000,000 (€36,740) can be imposed on a public telecommunications operator if it sets tariffs contrary to those defined the NRA for the services subject to a price control.	Yes The NRA has a power to suspend the commercial offer only for the SMP operator and a cost-based analysis of the proposed tariffs.	No financial penalty has been imposed in practice. The NRA refused to accept the proposal of Telekom Srbija to raise the fixed telephone tariffs by its decision from April 17, 2006. The offer was suspended by the NRA.
Kosovo	The Ministry's Administrative Instruction No. 2004/3 on telecommunications fees and fines authorised the NRA to impose fines to a maximum of €250,000. It may also issue written orders requiring operators to correct defective actions within a specified time period (Law on Telecommunications, section 15 (5) a).	Yes PTK's fixed telephony licence contains provision stating that <i>'the Licensee may not increase the tariffs of any existing licensed Regulated Service or set a price for any new licensed Regulated Service in Kosovo without the prior written approval of the NRA'</i> .	No

Table B.6 - Enforcement powers of the NRA

### 6. Dispute resolution

Article 20 of the Framework Directive establishes a requirement for the NRAs to be able to issue binding decisions to resolve commercial disputes between undertakings arising from obligations under the regulatory framework. The maximum timeframe for resolving a dispute may not exceed four months. Table B.7 shows whether the NRAs are authorised to resolve commercial disputes. It also describes the applicable procedures and the timeframe.

Country	Type of commercial disputes that can be resolved by NRAs	Dispute resolution procedures and deadlines	Publication of disputes by NRAs
Croatia	<ul style="list-style-type: none"> <li>Disputes between operators and between operators and providers of services.</li> <li>Disputes between providers and end-users, except those concerning payment of debts</li> </ul>	<ul style="list-style-type: none"> <li>HAKOM intervention after 45 days of unsuccessful negotiations on request of the involved operators</li> <li>HAKOM issues binding decision within 120 days from receiving the request</li> <li>HAKOM decision must be implemented within 15 days from the day of its issue to the parties unless a different term is determined by decision.</li> </ul>	The NRA decisions must be published in the Official Gazette and on its website, taking into account the confidentiality of business information.
FYROM	According to Article 122 of the Law on Electronic Communications, the NRA shall	<ul style="list-style-type: none"> <li>AEC shall apply the provisions of the Law on General Administrative Procedure to its dispute resolution procedures.</li> </ul>	Article 122 of the Law on Electronic Communications

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Country	Type of commercial disputes that can be resolved by NRAs	Dispute resolution procedures and deadlines	Publication of disputes by NRAs
	<p>resolve disputes involving operators of communications networks and providers of communications services.</p>	<ul style="list-style-type: none"> <li>• AEC is obliged to resolve the dispute within 42 days from the date of receiving the proposal for initiation of a dispute resolution procedure. The deadline for resolution of the dispute may be extended if it is necessary due to the complexity of the procedure, by in no case shall exceed four months.</li> <li>• Disputes can be settled applying mediation or arbitration procedure.</li> <li>• Mediator chosen by the parties or by NRA within 7 days.</li> <li>• Arbitrators appointed by NRA Commission, the Minister and other interested parties for 5 years.</li> <li>• Result of arbitration is binding, final and enforceable.</li> <li>• AEC, during resolution of disputes, is obliged to take into consideration the objectives of ensuring effective competition and protection of users' interests in the market.</li> </ul>	<p>requires the NRA to publish decisions, taking into account the confidentiality of the business secrets of the parties.</p>
Turkey	<p>Under Article 18 of Law on Electronic Communications No. 5809, ICTA may resolve on a request from the one of the parties, disputes involving providers of telecommunications services and network operators regarding network access and interconnection.</p>	<p>Article 18, Law on Electronic Communications No. 5809:</p> <ul style="list-style-type: none"> <li>• The parties can apply to ICTA after two months of failed negotiations (in the case of denial of access and negotiation request, the application can be submitted to ICTA earlier).</li> <li>• ICTA can issue a binding decision in order to resolve the interconnection/access disputes within two months, except for special circumstances.</li> <li>• ICTA can determine the fees and conditions that will apply to access/interconnection agreements, including temporary fees.</li> </ul>	<p>Published on the NRA website only if deemed necessary by the NRA. As a rule, only the relevant parties to the dispute are informed about the decision.</p>
Albania	<p>According to Articles 22, 50 and 120 of the Law on Electronic Communications:</p> <ul style="list-style-type: none"> <li>• AKEP shall resolve disputes between undertakings providing electronic communications networks and services.</li> <li>• Dispute resolution procedures can be initiated by AKEP, at requests of either party if the undertakings fail to reach an agreement on access and interconnection within 45 days from receipt of the request; or</li> <li>• If the undertakings providing public communications networks fail to reach an agreement on joint use of facilities and assets.</li> </ul>	<p>Procedures and deadlines are based on Code of Administrative Procedures that allows a maximum of 3 months for dispute resolution. For access and interconnection disputes, AKEP issues a binding order that has to be implemented by parties within 1 month of the date of the Order. In cases where the undertakings cannot reach an agreement related to the payment/fee for the joint use of the infrastructure and equipments, AKEP, within 30 days from the date of request submission by any either concerned party, shall decide the amount of payment/fee in compliance with the respective regulation approved for this purpose.</p>	<p>All decisions of AKEP shall be published on its website.</p>
Bosnia & Herzegovina	<ul style="list-style-type: none"> <li>• Disputes between electronic communications network operators and/or providers of services.</li> </ul>	<p>Law on Communications, Article 16:</p> <ul style="list-style-type: none"> <li>• NRA intervention after 6 weeks of failed negotiations on request of one of the parties</li> </ul>	<p>No There is no obligation in Law on communications for publication of</p>

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Country	Type of commercial disputes that can be resolved by NRAs	Dispute resolution procedures and deadlines	Publication of disputes by NRAs
	<ul style="list-style-type: none"> <li>Notwithstanding the jurisdiction of civil courts, users or interested parties may refer to the NRA complaints that have not been satisfactorily resolved with the telecommunications operator, in particular complaints about the quality of service. The NRA may further specify the types of complaints it will handle and the method used.</li> </ul>	<ul style="list-style-type: none"> <li>NRA issues binding decision within 6 (in exceptional cases 10) weeks from receiving the request</li> </ul> <p>However, in practice the NRA tries to use mediation in order to avoid the direct imposition of contractual terms and conditions.</p>	disputes by the NRA.
Montenegro	<p>Under Article 8 (paragraph 15) of the Law on Electronic Communications, the NRA resolves, in cooperation with institutions in charge of protection of competition and users, disputes arising among the participants in the electronic communications market, i.e.:</p> <ul style="list-style-type: none"> <li>electronic communications network operators and/or service providers;</li> <li>service providers and end users.</li> </ul>	<p>Articles 20, 33 and 34 of the Law on Electronic Communications:</p> <ul style="list-style-type: none"> <li>NRA may resolve disputes between electronic communications network operators and service providers applying either mediation or arbitration rules.</li> <li>NRA shall resolve the disputes on access and interconnection and on joint use of infrastructure and facilities, upon the request from one of the parties.</li> <li>NRA must decide on a dispute within 30 days from the day of receiving the request.</li> </ul>	Article 19 (paragraph 5) of the Law on Electronic Communications requires the NRA to publish decisions, taking into account the confidentiality of the business secrets of the parties. Parties in the procedure shall be supplied with the full report on the reasons on which the decision is based.
Serbia	<p>Telecommunications Law, article 9:</p> <ul style="list-style-type: none"> <li>Disputes between telecommunications operators about interconnection, special access and provision of leased lines</li> <li>Disputes between operators and end users</li> </ul>	<p>Telecommunications Law, article 47:</p> <ul style="list-style-type: none"> <li>NRA intervention after 3 months of unsuccessful negotiations on request of the parties</li> <li>NRA issues binding decision within 60 days from receiving the request.</li> </ul>	Under Article 47 of the Telecommunications Law, the NRA is required to maintain a database of all its decisions, including complaints relating to those decisions, as well as any other information of importance for the telecommunications sector. This database is available on the NRA website, including dispute resolutions, except confidential parts.
Kosovo	<p>Law on Telecommunications 2003/16, section 11(2):</p> <ul style="list-style-type: none"> <li>Disputes involving service providers, end users, owners of land and facilities.</li> <li>Failure to reach an interconnection agreement (Law on Telecommunications, section 56, paragraph 7).</li> </ul>	<p>Law on Telecommunications 2003/16, section 11(2):</p> <ul style="list-style-type: none"> <li>NRA may undertake dispute resolution procedure either on request of one of the parties or on its own motion.</li> <li>NRA issues binding decision within 6 weeks from receiving the request.</li> <li>Service providers must comply with the NRA decision within 30 days.</li> </ul> <p>NRA issued <a href="#">Regulation on Dispute Resolution</a> in June 2007 (TRA Regulation No183/07 of June 11, 2007).</p>	No

Table B.7 - Dispute resolution powers of the NRA

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Notes:

Turkey: The new Law on Electronic Communications brings amendments to the dispute resolution procedure (e.g. the reduction of the duration from 4+2 months to 2 months). The Access and Interconnection Ordinance which includes the details is to be updated accordingly in the first half of 2009.

### 7. NRA accountability

Independence needs to be reconciled with measures to ensure that the regulator is accountable for its actions. Such measures may include establishing procedures whereby the NRA performance is reviewed against specific objectives, ensuring that the regulator provides a report of its activities and its use of financial resources.

Table B.8 shows the requirements for:

- publication by the NRA of an action plan setting specific targets and deliverables;
- reporting by the NRA of its activities and the use of financial resources (e.g., annual report); and
- review of the NRA performance by an independent body.

Country	Publication of an action plan	Financial and regulatory reporting requirements	Review of the NRA performance
Croatia	Yes According to Article 14 of the Electronic Communications Act, the NRA's annual work programme along with its annual activity report, annual financial plan and financial statement must be published on the NRA's website.	According to Article 7 of the Electronic Communications Act, the NRA is accountable to the Parliament for its work. According to Article 13 of the Electronic Communications Act, the NRA is obliged to submit its annual activity report not later than April 30 in the current year on its work during the previous year to the Parliament and to the government. The annual report shall in particular contain: <ul style="list-style-type: none"> <li>• information about fulfilment of objectives and tasks established in the NRA's annual work programme</li> <li>• information about the development of the electronic communications and postal services markets</li> <li>• financial reports</li> </ul>	According to Article 16 of the Electronic Communications Act, the NRA's financial reports shall be subject to annual audit performed by an independent authorized auditor. The NRA shall decide on the selection of the auditor in accordance with special audit regulations.
FYROM	Yes The annual report of the NRA, after its approval by Parliament, shall be available to the public. The report also contains the annual work program for the coming period.	According to Article 10 of the Law on Electronic Communications, the NRA is responsible for its work before Parliament. The annual report shall in particular contain: <ul style="list-style-type: none"> <li>• Report on the NRA's work during the previous period;</li> <li>• Annual work program for the coming period;</li> <li>• Report on the status of assets in the universal service fund; and</li> <li>• Report on executing the annual financial plan of the NRA.</li> </ul>	The NRA Commission adopts an Annual Financial Plan and submits it to the Parliament for approval. The Annual Financial Plan contains information on the revenues and costs, as well as audits and financial reports for the previous year and the anticipated capital and operational costs for the coming year. The audit is performed by an independent external auditor.
Turkey	Yes According to 'Bylaw on Organizational Structure, Duties and Working Rules and Procedures' and	Yes According to Article 7 of Public Financial Management And Control Law No. 5018, in order to ensure supervision in the acquisition and utilization of all types of public resources, the public shall be informed timely. Accordingly, the	There are three types of review imposed over the NRA: <ul style="list-style-type: none"> <li>• Judicial Review by Council of State and reporting to the Commission of Planning</li> </ul>

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Country	Publication of an action plan	Financial and regulatory reporting requirements	Review of the NRA performance
	<p>'Rules and Procedures on Preparation of Work Plans' adopted by the NRA Board, annual work plan for 2009 has been prepared and published as of January 2009 by the NRA (ICTA). The NRA's annual report also sets out activities completed and plans for future activities.</p>	<p>following are compulsory:</p> <ul style="list-style-type: none"> <li>• to clearly define the duties, authorities and responsibilities;</li> <li>• to prepare government policies, development plans, annual programs, strategic plans and budgets; to negotiate them with the authorized bodies; to carry out their implementation and to make the implementation results and the relevant reports available and accessible to the public;</li> <li>• to publicize the incentives and subsidies provided by the public administrations within the scope of general government, in periods not exceeding one year;</li> <li>• to establish public accounts in line with a standard accounting system and an accounting order in accordance with generally accepted accounting principles.</li> </ul> <p>In compliance with these rules, ICTA has published definition of its responsibilities, its annual work plan for 2009, including the information about its budget. In addition, a strategic plan of ICTA has been made available for public consultation and now is being reviewed.</p>	<p>and Budget under the National Assembly of Turkey.</p> <ul style="list-style-type: none"> <li>• Public (including public, consultations, annual work plans and annual reports)</li> <li>• Auditing: Court of Accounts, Inspection Council of Prime Ministry and the State Inspection Council of Presidency of Turkish Republic</li> </ul>
Albania	<p>Yes</p> <p>The NRA, AKEP, annual report that must be made available to the general public should contain a detailed work programme for the coming year.</p>	<p>Under Article 9 of the Law on Electronic Communications (Law No. 9918 of May 19, 2008) AKEP is accountable for its work before the Assembly. At the end of each year the NRA must submit to the Assembly a report on its activities during the year, its financial performance, a work programme for the coming year and implementation status of the universal service.</p> <p>According to article 117, of the Law, not later than six months before a financial year starts, AKEP must prepare a forecast of its operational cost fund and submit it to the Council of Ministers for approval. AKEP must keep full and accurate accounts of actual expenses, in compliance with the Albanian legislation on accounting.</p>	<p>The use of funds by the NRA is subject to review by the State Audit (High State Control).</p>
Bosnia & Herzegovina	<p>The NRA, RAK, publishes the Telecommunications Sector Policy adopted by the Council of Ministers that contains a detailed action plan on its web site.</p> <p>There are no requirements for publication of an action plan setting specific targets and deliverables for the NRA.</p>	<p>Law on Communications, Article 44 (4), (5):</p> <p>The NRA shall prepare an annual report of its finances and activities, and shall submit it to the Council of Ministers. The Council of Ministers shall consider the Agency's annual report and publish it not later than four months after the end of each financial year.</p>	<p>The use of funds by the NRA shall be subject to review by the Supreme Audit Institution and in addition audited by an independent auditor every year.</p>
Montenegro	<p>Yes</p> <p>Article 13 of the Law on Electronic Communications requires the NRA to submit for the government approval before November 1 of each year its financial plan and a work programme for the next calendar year. The financial plan must be also</p>	<p>Article 16 of the new Law on Electronic Communications requires the NRA to prepare an annual report on its activities together with its financial report. The reports must be approved by the government and published on the NRA's website.</p>	<p>Annual audit procedure of the NRA financial statements by an independent authorised auditor, appointed by the government, is defined in Article 14 of the Law on Electronic Communications.</p>



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Country	Publication of an action plan	Financial and regulatory reporting requirements	Review of the NRA performance
	<p>submitted for the Assembly approval before December 1. The financial plan and the work programme must be made public.</p>		
Serbia	<p>Yes The NRA publishes an action plan on its web site at the beginning of each year. On January 15, 2009 the government <b>adopted</b> the Action Plan for implementation of the National Strategy for Development of Telecommunications. The Action plan defines priorities for liberalisation of Serbian telecommunications until 2010 and the responsibilities of mainly the Ministry of Telecommunications and Information Society and RATEL, the NRA.</p>	<p>Article 20 of the Telecommunication Law requires the NRA to prepare and to submit to the Government and to the National Assembly an annual report (including financial statements) on its activities, and in particular:</p> <ul style="list-style-type: none"> <li>• the development of telecommunications</li> <li>• the implementation of tariff policy principles pertaining to regulated services</li> <li>• the progress in realization of universal service, including an assessment of the degree to which users' needs have been satisfied; and</li> <li>• the allocation and assignment of radio frequencies for civilian use.</li> </ul> <p>The NRA must also make public, in the manner stipulated in the statutes, the following:</p> <ul style="list-style-type: none"> <li>• annual report (including financial statements) for each year;</li> <li>• financial plan for each year</li> <li>• information on the allocation and assignment of radio frequencies</li> <li>• information on public tenders for licenses, including the main terms and conditions</li> <li>• information about licences granted</li> <li>• decisions taken on licenses and concluded interconnection contracts</li> <li>• information and/or decisions pertaining to special tariff regimes and/or tariff policy, including changes in tariffs for regulated services; and</li> <li>• decisions on the numbering plan.</li> </ul>	<p>According to the Article 18 of the Telecommunication Law the financial plan of the NRA shall be approved by the Government. The financial plan shall be published in the manner stipulated by the Statutes of the Agency. The Agency shall have all of its revenue and expenditure accounts audited annually by an authorized independent auditor. The audited accounts shall be published not later than three months after the end of the relevant fiscal year. The NRA (RATEL) is established under the Telecommunications Law. The Ministry for Telecommunications and Information Society supervises the implementation of the Law and regulations adopted on the basis of this Law (Article 6 of Telecommunications Law).</p>

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Country	Publication of an action plan	Financial and regulatory reporting requirements	Review of the NRA performance
Kosovo	<p>In June 2007, Telecommunications Sector Policy, proposed by the Ministry of Transport and Communications was approved by the government. This document provides a provisional timetable for the implementation of the various telecommunications tasks, mostly for 2007-2008.</p> <p>In the government of Kosovo's Telecommunications Sector Policy, Section 3.5.d1, "... <i>the TRA is directed to develop a realistic Action Plan to address the instances where previously mandated timelines and milestones have not been met and to revise associated timelines and milestones.</i>"</p>	<p>Article 5 of the Law on Telecommunications requires the NRA, TRA, to submit its budget proposal for review and approval by the Assembly not less than two months prior to the commencement of each fiscal year.</p> <p>Not later than six months after the close of each fiscal year, TRA shall prepare and deliver to the Assembly an annual report containing financial details pertaining to the activities of TRA for the preceding year. An electronic version of such report shall be posted on TRA's official website.</p> <p>Under articles 16 and 17 of the Law on Telecommunications, TRA is required to submit on annual basis to the Assembly a report, covering the market entry barriers and competition conditions in the telecommunications sector and technical barriers to full conformity with the EU standards (mainly addressing spectrum and numbering aspects).</p>	<p>Review of the NRA accounts by the Supreme Audit Institution and in addition by an independent auditor, every year.</p>

Table B.8 - NRA regulatory and financial reporting requirements and review procedures

Notes:

Serbia

The financial plan for 2009 has not been approved by the government. It was the same situation with the financial plan for 2008 and RATEL was operating without formal approval of the financial plan by the government.

### 8. Appeal procedures

Article 4 of the Framework Directive sets out a requirement for effective mechanisms enabling any party affected by an NRA decision to submit an appeal against the decision to a body that is independent of the parties involved. It sets out a similar requirement of independence for the appellate body as exists for the NRA itself. The Article also establishes requirements for the appeal mechanism:

- The appellate body may be a court or a non-judicial body. In the latter case, the second appeal instance must be a court or a tribunal.
- An appeal of the NRA decision shall not automatically suspend the application of the appealed decision.
- The appeal body must be able to consider the merits of the case and not only procedural matters.

The timeframe for an appeal is important given the uncertainty and potentially retroactive effects.

Table B.9 provides an overview of the national appeal mechanisms against NRA decisions.

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Country	Appellate body	Automatic suspension of the NRA decision on appeal?	Can the appellate body rule on merits of a case?	Third party rights of appeal?	Average duration of an appeal procedure
Croatia	Administrative Court	No	Yes	Yes, if it can prove that it has a legal interest in the case	5 years A party can appeal the NRA's decision within 30 days from the date of receipt of the decision. There is no time limit for appeal procedure set by law.
FYROM	Administrative Court Following <a href="#">amendments</a> to the Law on Electronic Communications of August 19, 2008, the Commission of the AEC is no longer the first instance appeal body for decisions of the Director of the AEC. The decisions of the Director are now final in the administrative procedure and can only be appealed to the Administrative Court.	No Upon complainant's request, AEC may suspend the appealed decision pending a court final decision, in particular, if irreparable harm could be caused to the complainant by its enforcement. Before issuing suspension, AEC must consider public interest and possible harm to the opposing party. Suspension must be issued not later than within 3 days from the receipt of the request. If no suspension is issued by AEC, the complainant may appeal for suspension to the court.	No, the appeal body can only judge the correct application of the laws and applicable bylaws and the procedure.	Yes, if it can prove that it may be directly harmed by an annulment of the disputed decision.	According to article 20 of the <a href="#">Law on Administrative Disputes of May 19, 2006</a> , a party can appeal the NRA decision within 30 days from the date of receipt of the decision. There is no time limit for appeal procedure set by law.
Turkey	Council of State According to Article 62 of the Electronic Communications Law, appeals against ICTA decisions on the sector can be brought to the Council of State within 60 days from the announcement of the decisions. Disputes on concession and authorisation agreements could be brought before the Licence Coordination Board, which is established separately for each agreement and composed of the representatives of the NRA and the operator concerned. The decisions of	No Only upon complainant's request, the court may suspend the appealed ICTA decision	Yes	Yes	According to article 7 of the <a href="#">Law on Administrative Justice Procedure</a> , a party can appeal the NRA's decision within 60 days from the date of receipt of the decision. There is no time limit for appeal procedure set by law.

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Country	Appellate body	Automatic suspension of the NRA decision on appeal?	Can the appellate body rule on merits of a case?	Third party rights of appeal?	Average duration of an appeal procedure
	the Licence Coordination Board are not binding but advisory.				
Albania	<p>Article 136 of the Law on Electronic Communications (Law No. 9918 of May 19, 2008):</p> <ul style="list-style-type: none"> <li>An administrative appeal, e.g. against the fine imposed by the NRA inspectors, may be filed to AKEP Board within 10 days from the date of its imposition</li> <li>AKEP Board decisions may be appealed to Albanian Court of First Instance (Tirana District Court)</li> </ul>	<ul style="list-style-type: none"> <li>Yes – when an administrative appeal is made to AKEP Board, the decision is suspended for 30 days within which AKEP must take a definitive decision</li> <li>No – when the appeal is submitted to the Court</li> </ul>	Yes	Yes	<ul style="list-style-type: none"> <li>AKEP Board must decide on an appeal within 30 days from the appeal date.</li> <li>AKEP Board decisions must be appealed to the Court within 30 days from the decision date. There is no deadline defined for the appeals to the First instance Albanian Courts. In practice, the procedures in the Court can take several years.</li> </ul>
Bosnia & Herzegovina	<p>Article 47 of the Law on Communications:</p> <ul style="list-style-type: none"> <li>An administrative appeal against decisions of the Director General may be filed to the Council of RAK</li> <li>Decisions of the Council of RAK may be appealed to the State Court of Bosnia &amp; Herzegovina</li> </ul>	<p>No</p> <ul style="list-style-type: none"> <li>Appeals against decisions of the Director General shall not suspend their effect.</li> <li>RAK decision stands pending the Court's final decision unless suspension is granted by RAK upon complainant's request. If no suspension is issued by RAK, the complainant may appeal for suspension to the court.</li> </ul>	Yes	Yes, if it can prove that it may be directly harmed by an annulment of the disputed decision.	<ul style="list-style-type: none"> <li>Council of RAK decides on an appeal within 30-60 days, depending on its scheduled sessions.</li> <li>According to article 19 of the <a href="#">Law on Administrative Disputes</a>, RAK decisions must be appealed to the Court within 60 days from the decision date. There is no deadline defined for the appeals to the Court. In practice, the procedures in the Court can take several years.</li> </ul>
Montenegro	<p>Article 19 of the Law on Electronic Communications of July 29, 2008:</p> <ul style="list-style-type: none"> <li>An administrative appeal against decisions of the NRA may be filed to the Ministry of maritime affairs, transportation and telecommunications</li> <li>Decisions of the Ministry can be appealed</li> </ul>	<p>No</p> <p>Appeals against decisions of the NRA shall not suspend their effect.</p>	Yes	Yes, if it can prove that it has a legal interest in the case.	<ul style="list-style-type: none"> <li>According to the <a href="#">Law on General Administrative</a> procedure, an appeal against the f the NRA decision may be filed with the Ministry not later than within 15 days from the date of receipt of the decision. The Ministry must decide on</li> </ul>

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Country	Appellate body	Automatic suspension of the NRA decision on appeal?	Can the appellate body rule on merits of a case?	Third party rights of appeal?	Average duration of an appeal procedure
	to the Supreme Administrative Court				an appeal within 2 months from the appeal date. <ul style="list-style-type: none"> <li>There is no deadline defined for the appeals to the Court. In practice, the procedures in the Court can take several years.</li> </ul>
Serbia	Article 7 of the Law on Telecommunications: <ul style="list-style-type: none"> <li>An administrative appeal against the NRA decisions may be filed to the Managing Board of RATEL</li> <li>Decision of the Managing Board of RATEL may be appealed to the Supreme Court</li> </ul>	No Upon complainant's request, a suspension can be granted either by RATEL or by the Court.	Yes	Yes, if it can prove that it has a legal interest in the case.	More than one year
Kosovo	Article 11 of the Law on Telecommunications: <ul style="list-style-type: none"> <li>An administrative appeal against the NRA decisions may be submitted to the Managing Board of TRA for reconsideration</li> <li>Decision of the Managing Board of TRA may be appealed to the Administrative Court</li> </ul>	Yes	Yes The appeals body can rule both on the merits of the case and on the correct application of the law.	Yes, if it can prove that it has a legal interest in the case.	More than one year

Table B.9 - Appeal procedures against NRA decisions

## 9. NRA transparency and participation

Article 3 of the Framework Directive requires NRAs to exercise their powers impartially and transparently. Lack of transparency undermines legal certainty and increases the potential for political interference. Furthermore, according to the commitment to participation, regulatory processes should allow formal consultation of the stakeholders before decisions are made.

Table B.10 examines the transparency of the NRA decision-making process and the ability of all stakeholders to contribute to decision-making. The criteria for assessing the NRA transparency include:

- the existence of a consultation process and the scope of the covered decisions or issues of general interest;
- the time given for comments;
- the existence of a period for reply comments; and

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- the obligation to publish adopted decisions with a reasoned opinion.

Country	NRA policies for public consultations on specific decisions	Time period for comments	Publication of the NRA decisions
Croatia	Article 22, Electronic Communications Act of June 19, 2008 (Official Gazette 73/2008) Public consultation procedure is foreseen before adopting implementing legislation, NRA decisions and other administrative acts with significant influence on the relevant market, as well as the NRA Statute, the annual financial plan and work programme.	Not less than 30 days	Yes, on the NRA website
FYROM	Article 105 of the Law for Electronic Communications requires the NRA prior to recommending regulations or adopting regulations to publish the proposed instrument and seek the submission in writing of opinions from all interested parties. These must be published prior to adoption of the measure. AEC may also hold public hearings on proposed regulations, at which representatives of interested parties may be invited to present their views and opinions.	Not less than 30 days	Yes, on the NRA website
Turkey	Draft legislation prepared by the NRA usually involves the participation of operators through joint committees. A consultation mechanism is established and documents on issues that have an effect on the sector are published on the NRA's web site and also sent to the relevant operators, industry NGOs, etc. The responses are published and taken into consideration by the NRA. Draft legislation is also published on the web site.	Usually 30 days	Currently there is no legal obligation for NRA to publish all its decisions. It is decided on case by case basis.
Albania	Article 35, Law on Electronic Communications (Law No. 9918 of May 19, 2008 requires AKEP to conduct the public consultation with the interested parties regarding the conclusions reached on market designation and market analysis. Article 110 contains a general requirement for AEPC to consult on regulatory documents and decisions that will significantly influence electronic communications market. If necessary, AKEP may also hold a public hearing inviting representatives of the interested parties to present their opinions on the proposed regulatory documents. After the expiry of the consultation period, AKEP shall make publicly available the obtained opinions, keeping the confidentiality of information.	60 days for market analysis, not shorter than 30 days otherwise	All decisions taken by the NRA after public consultation with answers to the comments by interested parties must be published its web site
Bosnia & Herzegovina	Article 38 of the Law on Communications requires RAK to publish its draft regulations (rules) for consultation.	At least 14 days	Official Gazette and the NRA's website
Montenegro	Article 8 of the Law on Electronic Communications requires the NRA to carry out open consultative procedures allowing all interested parties to comment on the initiatives, measures, decisions and the acts prepared, proposed or adopted.	Usually 3 months	Yes, on the NRA website
Serbia	On August 28, 2007 the Managing Board of RATEL adopted guidelines for public consultation procedures for adoption of its regulations.	15 to 30 days	All regulations are published in the Official Gazette, and all other decisions are published on the NRA's web site.
Kosovo	The NRA may initiate public consultation on all substantive telecommunications matters, either on its own initiative or upon the written request from the Ministry (Law on Telecommunications, section 10(1)).	30 days	Yes, on the NRA website

Table B.10 - Transparency and participation in the NRA decision-making

10. Frequency management

Table B.11 provides information on the bodies which are responsible for:

- frequency allocation, including the decision on the national frequency plan; and
- frequency assignments, covering individual authorisations to use frequencies in the national frequency plan. Frequencies for the military sector are normally decided outside this framework.

Country	Frequency allocation	Frequency assignment	Legal basis
Croatia	Ministry of the Sea, Transport and Infrastructure (on the basis of a proposal by the NRA)	Croatian Post and Electronic Communications Agency (HAKOM, the NRA)	Articles 81-82, Electronic Communications Act of June 19, 2008 (Official Gazette 73/2008)
FYROM	Agency for Electronic Communications (AEC, the NRA)	Agency for Electronic Communications (AEC, the NRA)	Law on Electronic Communications, Chapter 6 Plan of radio frequency band allocations (No.13/70, December 28, 2005) Plan of radio frequency assignments and utilisation (No. 11-123/1, 09.10.2007)
Turkey	Information Technologies and Communications Authority (ICTA, the NRA)	<ul style="list-style-type: none"> <li>• Information Technologies and Communications Authority (ICTA) assigns spectrum for telecommunications.</li> <li>• ICTA allocates frequency blocks for broadcasting to the Radio and Television Supreme Council (RTUK).</li> <li>• RTUK assigns spectrum to individual broadcasters</li> </ul>	Law on Electronic Communications No. 5809 of November 5, 2008
Albania	National frequency plan is adopted by the Council of Ministers, upon the proposal of the Minister of Public Works, Transport and Telecommunications. The proposal is developed in cooperation with the NRA, the National Radio Television Council, the Ministry of Defence, the Ministry of Interior and State Informative Service.	<ul style="list-style-type: none"> <li>• Albanian Authority of Electronic and Postal Communications (AKEP, the NRA) – for frequencies allocated to civil purposes, with the exception of broadcasting.</li> <li>• AKEP develops the frequencies utilization plan, for the frequencies under its administration, prepared in compliance with the National frequency plan.</li> <li>• National Radio and Television Council (KKRT) – for frequencies allocated to broadcasting.</li> </ul>	Article 62-64 of Law on Electronic Communications (Law No. 9918 of May 19, 2008)
Bosnia & Herzegovina	Communications Regulatory Agency (the NRA)	Communications Regulatory Agency (the NRA)	Articles 30-32 of Law on Communications, Official Gazette of Bosnia & Herzegovina No 31/03 of October 21, 2003,
Montenegro	Government of Montenegro (on the basis of a proposal of the NRA to the Ministry)	Agency for electronic communications and postal services (the NRA) Under the new Law on Electronic Communications of July 29, 2008, the Agency for electronic communications and postal services, the NRA was made the sole authority responsible for spectrum assignment, including electronic communications and broadcasting.	New regime: Articles 4 and 8 of Law on Electronic Communications of July 29, 2008 (Official Gazette No. 50/2008)

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Country	Frequency allocation	Frequency assignment	Legal basis
Serbia	The Ministry of Telecommunications and Information Society decides on the frequency allocation plan and adopts frequency assignment plan (on the proposal of the Republic Telecommunication Agency, the NRA)	Republic Telecommunications Agency (RATEL, the NRA)	Telecommunication Law (Official Gazette of Republic of Serbia, No 44/03 and 36/06) and Frequency Allocation Plan (Official Gazette of Republic of Serbia, No 112/04)
Kosovo	TRA, subject to review and approval by Kosovo Assembly	<ul style="list-style-type: none"> <li>• TRA for telecommunications</li> <li>• TRA in coordination with Independent Media Commission (IMC) for broadcasting</li> </ul>	Articles 22 and 36 of Law on Telecommunications Law No. 03/L-085 of June 13, 2008 amending UNMIK Regulation No 2003/16 on the promulgation of the Law on Telecommunications deletes references to UNMIK and its Frequency Management Office (FMO) and SRSG (Special Representative of the Secretary General).

Table B.11 - Frequency allocation and assignment

Notes:

FYROM: The Plan of radio frequency bands allocation establishes the radio frequency bands allocation to certain radio services and enables technically and economically optimal planning and utilization of radio frequencies, taking into account that the radio frequency spectrum and the geostationary orbit are naturally restricted resources. The Plan of radio frequency assignments and utilisation determines the conditions and manner of radio frequency use to certain radio frequency bands. The Plan establishes the channel arrangement of the frequency bands for certain radio services.

### 11. Regulatory framework for broadcasting networks

The EU 2002 *acquis communautaire* brought all forms of electronic communications networks under the same regulatory framework. This was driven by the convergence of new digital technologies so that all forms of networks, including broadcasting networks, can compete for the delivery of voice, data, and Internet services, as well as radio, and television broadcasting content. While the EU framework does not rule out that regulatory tasks can be shared among two or more authorities in a well-defined manner, the thrust of this legislation is to bring all forms of electronic communications networks, including broadcasting networks, under a common regulatory framework.

Table B.12 shows whether the spectrum assignments for broadcasting networks are covered by the same regulatory framework as electronic communications, listing:

- the authorities involved in regulating broadcasting content;
- the legal basis for broadcasting regulations; and
- whether frequency assignments for broadcasting are carried out by the same authority as for electronic communications.



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Country	Broadcasting authority responsible for content issues	Legal basis	Authority responsible for frequency assignments to broadcasting	Cooperation agreement between NRA and broadcasting authority? (e.g. on spectrum issues, licensing, etc.)
Croatia	Council for Electronic Media	Law on Electronic Media, Official Gazette No. 122, July 30, 2003	HAKOM, the NRA	No
FYROM	National Broadcasting Council	Law on broadcasting activity of November 29, 2005 Law amending and supplementing the Law on broadcasting activity of February 12, 2007	AEC, the NRA	Yes Memorandum for cooperation signed in October 2007
Turkey	Radio and Television Supreme Council (RTUK)	Law on the Establishment of Radio and Television Enterprises and Their Broadcasts No.3984 of April 20, 1994 (with amendments)	ICTA, the NRA, allocates frequency blocks for broadcasting to RTUK. RTUK assigns spectrum to individual broadcasters	Yes Protocol on determination of the areas of competencies, responsibilities and co-operation signed on March 24, 2006
Albania	National Radio and Television Council (KKRT)	Law on Radio and Television No. 8410 of September 30, 1998 (with amendments)	AKEP, the NRA allocates the block of broadcasting frequencies to National Radio and Television Council (KKRT). KKRT assigns broadcasting spectrum to individual broadcasters, although they must apply to AKEP for spectrum for transmission links between sites.	No
Bosnia & Herzegovina	Communications Regulatory Agency (RAK)	Law on Communications (Official Gazette No. 33/02, November 12, 2002)	RAK, the NRA	RAK is a converged regulator, responsible for telecommunications and broadcasting
Montenegro	Broadcasting Agency (ARD)	Broadcasting Law of April 2004	Under the Law on Electronic Communications of July 29, 2008, the Agency for electronic communications and postal services, the NRA is the sole authority responsible for spectrum assignment.	Yes
Serbia	Republic Broadcasting Agency (RRA)	Broadcasting Law of July 2002 (with amendments)	RATEL, the NRA	There is a protocol between the two agencies which defines the process of issuing the permits for broadcasters, and the process for their subsequent control.
Kosovo	Independent Media Commission (IMC)	Law on Independent Media Commission and Broadcasting of July 8, 2005	The Law on Independent Media Commission and Broadcasting foresees that the IMC shall coordinate the assignment of broadcasting spectrum with TRA. The practical aspects of this coordination have not been defined yet.	No

Table B.12 - Regulatory treatment of broadcasting networks

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Notes:

FYROM: The Broadcasting Council grants a licence to broadcast on the basis of a public competition. The licence is an authorization providing the right to transmit and to distribute a radio or television programme service intended for public reception, regardless of the technical means of transmission. The NRA, on the basis of the decision to grant a broadcasting licence issues a licence for the use of the radio frequency.

### 12. Digital switchover plans

After the switching off of terrestrial analogue television services, the frequencies will be released and allocated to other applications. Table B.13 shows:

- the planned date for the analogue switch-off;
- whether the review/consultation on the digital dividend (DD) has been launched;
- what, if any, are the applications “officially” intended to be allocated DD frequencies; and
- comments on national debate and on spectrum refarming costs and complexity.

Country	Date for analogue switch-off	Review underway	Applications to benefit from DD	Comments
Croatia	2011	Yes	<ul style="list-style-type: none"> <li>• UHF band: DVB-T (more SDTV content, introduction of HDTV content), DVB-H, and IMT2000 in upper UHF band</li> <li>• VHF band: DVB-T, DVB-H, T-DAB or DMB</li> </ul>	On July 31, 2008 the Government <a href="#">adopted</a> the Strategy for switchover from analogue to digital TV broadcasting.
FYROM	2012	No	Frequencies above 790 MHz will be allocated to other applications. Most likely to DVB-T, mobile DVB-H and interactive services	The Broadcasting Council on November 27, 2007 adopted the Strategy for the Development of the Broadcasting in the Republic of Macedonia for the period 2007-2012. Accordingly, the switchover from analogue to digital TV broadcasting was to begin in 2008 and to be completed by 2012. The Broadcasting Council and the NRA created a joint body to develop the procedure to award the first multiplexes for digital TV broadcasting transmission.
Turkey	2014	No	In the beginning, most likely DVB-T; in the future, mobile services, mobile DVB-H and interactive services.	On March 2005, the Radio and Television Supreme Council adopted the Strategy and Application Schedule for switchover from analogue to digital TV broadcasting. Final decision will be taken after ITU WRC-2011. Currently, trials for DVB-T broadcasting have been launched in the big cities.
Albania	No decision 2012 (proposed)	No	-	The draft strategy for digital switchover prepared by National Council of Radio Television is under public consultation.
Bosnia & Herzegovina	December 2011	No	-	DTT Forum was established in May 2006 for drafting the strategy. Following a public consultation completed in February 2009, the <a href="#">draft</a> Strategy for analogue to digital switchover was submitted to the Council of Ministers for approval on March 17, 2009.

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Country	Date for analogue switch-off	Review underway	Applications to benefit from DD	Comments
Montenegro	December 31, 2012	No	DVB-T, interactive services	On April 10, 2008 the Council of the Broadcasting Agency adopted a strategy for switchover from analogue to digital broadcasting systems.
Serbia	No decision April 4, 2012 (proposed)	No	Most likely, DVB-T, interactive services	In October 2008, the Ministry of Telecommunications and Information Society established a working group to develop the strategy with action plan for switchover from analogue to digital broadcasting of radio and TV Programmes. On January 22, 2009 the government <a href="#">adopted</a> the first document finalised by the working group on basic principles of the strategy for switchover from analogue to digital broadcasting of radio and television programmes. On May 22, 2009 the Ministry <a href="#">published</a> for consultation the draft Strategy and the Action Plan for analogue to digital switchover. The consultation runs until June 12, 2009.
Kosovo	2012	No	Most likely DVB-T, mobile DVB-H and interactive services	No information has been released. It is under discussion at the Parliamentary Commission on Media in association with the new draft law on Digital Transmission.

Table B.13 - Digital switchover plans

### 13. Cooperation between NRA and the national competition authority

The EU 2002 *acquis communautaire* for electronic communications applies during the transition from a regulated monopoly to normal competition, governed only by general competition law. Sector specific ex ante regulation and competition law serve as complementary instruments to achieve their respective policy objectives in the electronic communications sector and to address the lack of effective competition. At the same time, a principle underlying the regulatory framework is that ex ante regulation should only be imposed where competition law remedies would be insufficient and rolled back when they are no longer required.

Furthermore, the use of sector specific regulation, when it is found to be justified, relies extensively on the competition law principles in defining relevant markets that are susceptible to ex ante regulation, in assessing market dominance and in formulating remedies to address anticipated competition law breaches.

NRAs are advised to consult with their national competition authorities (NCAs) when deciding whether the use of both complementary regulatory tools is suitable to deal with a specific topic, or whether competition law instruments are sufficient. NRAs are also required to carry out analysis of the relevant markets in close collaboration with NCAs. In a practical application, it is considered advisable for both authorities to conclude an agreement covering the scope of their cooperation in the electronic communications sector and the division of specific responsibilities.

Table B.14 examines the degree of cooperation established between NRAs and NCAs.

Country	Competition authority	Formal agreement between NRA and Competition Authority
Croatia	Croatian Competition Agency (CCA)	On July 14, 2006 CCA and the NRA concluded an agreement on co-operation in the area of competition law in telecommunications markets. Under the 2003 Telecommunications Law, certain activities were excluded from the jurisdiction of the CCA. Determining the existence of a dominant position and any abuse of dominance in telecommunications markets is the exclusive responsibility of the NRA. However, CCA remains responsible for anti-competitive agreements between undertakings and merger control in telecommunications markets. In order to eliminate any possible conflict of jurisdiction, the agreement specifies the methods of

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Country	Competition authority	Formal agreement between NRA and Competition Authority
		communication and coordination between the two authorities. According to the Electronic Communications Act of 2008, HAKOM and CCA cooperate in the assessment of mergers and anti-competitive agreements between operators under article 68 and in the market analysis procedure under article 52.
FYROM	Commission for Protection of Competition	The NRA and the Commission for Protection of Competition signed a Memorandum of Cooperation in February 2007. The Commission for Protection of Competition is responsible for enforcing the Law on Protection of Competition (Official Gazette No. 04/05) in general, including the electronic communications sector. Makedonski Telekom, however, expressed concerns over the lack of coordination between ex ante measures imposed by the NRA and ex post regulation of the same wholesale products by the NCA, in particular regarding its reference wholesale offer for leased lines.
Turkey	Competition Authority	There is no formal agreement, but article 6 of the Electronic Communications Law of November 5, 2008 contains provisions clarifying the cooperation between the two authorities. In particular, ICTA, the NRA is required to take the opinion of the Competition Authority on the issues regarding the breach of competition in electronic communications sector. Besides, the law also states that the Board of the Competition Authority while performing examinations and studies and making any decisions on electronic communications sector, including decisions about mergers and takeovers, must take into consideration the ICTA's view and the regulatory procedures of the ICTA.
Albania	Competition Authority	Memorandum of Understanding was signed between the NRA and the Competition Authority under the previous Telecommunications Law. Cooperation is also foreseen under the provisions of Articles 12 and 38 of the new Electronic Communications Law. A new memorandum is now being prepared.
Bosnia & Herzegovina	Competition Council of Bosnia & Herzegovina	No
Montenegro	Department for the Protection of Competition (established in November 2007)	No Cooperation between the NRA and the Competition Authority is foreseen under article 8 (15) of the Law on Electronic Communications.
Serbia	Competition Commission	No The Competition Commission was created by the Law on the Protection of Competition (Official Gazette, No. 79/05). Article 10 of the Telecommunications Law states that the NRA is authorized to prevent anti-competitive or monopolistic activities and behaviour of public telecommunications operators, unless they are subject to procedures conducted by the Competition Commission.
Kosovo	Kosovo Competition Commission (established on November 7, 2008)	The NRA is responsible for competition in the electronic communications sector.

Table B.14 - Cooperation between the NRA and the competition authority

### C. Market access conditions in electronic communications

The information in this section reflects the situation as at May 1, 2008, except where otherwise stated.

This section provides information on the status of liberalisation and on the frameworks for authorisations for:

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- public fixed telecommunications networks;
- voice telephony services;
- data services.

It also provides an overview of competition in the fixed and mobile markets.

### 1. Liberalisation of public fixed telecommunications networks and services

Table C.1 summarises the legal framework for the liberalisation of public fixed telecommunications networks and services in three markets:

- local;
- domestic long distance; and
- international services.

Practical implementation can be assessed, for example, by the number of licensed operators and by the distribution of numbering resources shown in Table A.10, Figure 19 and Table A.11.

Country	Liberalisation of public fixed voice telephony networks and services			Legal basis/comment
	Local	Domestic long distance	International	
Croatia	Liberalised from January 1, 2003	Liberalised from January 1, 2003	Liberalised from January 1, 2003	<a href="#">Telecommunications Act</a> of 2003 <a href="#">Electronic Communications Act</a> of June 19, 2008 introduced a general authorisation regime for all types of service.
FYROM	Liberalised from March 2005	Liberalised from March 2005	Liberalised from March 2005	<a href="#">Law for Electronic Communications of March 2005</a> (with amendments) introduced full liberalisation and general authorisation regime for all types of service.
Turkey	Formally liberalised from July 2005	Liberalised from January 2004	Liberalised from January 2004	Law No. 4502 of January 29, 2000, abolished and replaced by the new <a href="#">Electronic Communications Law No. 5809</a> of November 10, 2008. Provisions on the new authorisation regime will enter into force on May 10, 2009. Licensing framework for local public fixed voice telephony networks and services under old Law No. 4502 was adopted in November 2008, but no licences have been issued so far.
Albania	Rural areas: liberalised from February 1998. Urban areas: liberalised from April 2007, through regional licences	Liberalised from July 2003	Liberalised from January 2005	Law No. 8287 of February 18, 1998 liberalised rural local network provision. This was replaced by <a href="#">Law No. 8618</a> of June 14, 2000. Council of Ministers Decision No. 464 of July 3, 2003 liberalised domestic long-distance and international services. Law No. 9637 of November 6, 2006 introduced the concept of regional licensing for rural and urban areas, for both local and domestic long-distance services, in effect completing liberalisation. The NRA adopted the implementing rules on April 2, 2007. In practice, no alternative operators were licensed to provide either international or local urban services.

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Country	Liberalisation of public fixed voice telephony networks and services			Legal basis/comment
	Local	Domestic long distance	International	
				<a href="#">Law No. 9918</a> of May 19, 2008 on Electronic Communications in the Republic of Albania introduced a general authorisation regime for all types of service.
Bosnia & Herzegovina	Liberalised from July 1, 2002	Liberalised from July 1, 2002	Liberalised from January 1, 2006	Telecommunications Sector Policy approved by Council of Ministers in March 2002.
Montenegro	Liberalised from January 1, 2004	Liberalised from January 1, 2004	Liberalised from January 1, 2004	Telecommunications Law of 2000 (Official Gazette No. 59/2000).
Serbia	Formally liberalised from June 9, 2005	Formally liberalised from June 9, 2005	Formally liberalised from June 9, 2005	Articles 32 and 109 of Telecommunication Law of April 2003 granted Telekom Srbija exclusive rights for all fixed services until June 9, 2005. No licences for provision of public fixed voice telephony networks and services have been issued so far.
Kosovo	Liberalised from May 2003	Liberalised from May 2003	Liberalised from January 2008	Liberalisation formally introduced by Law on Telecommunications ( <a href="#">UNMIK Regulation 2003/16</a> ) of May 2003. The licensing framework was implemented in 2006, following the approval of <a href="#">Regulation on Licensing and Authorisations</a> by TRA Board decision of September 7, 2005.

Table C.1 - Liberalisation of public fixed telecommunications networks and services

## 2. Liberalisation of data networks and services

Table C.2 shows the status of liberalisation of data networks and services.

Country	Liberalisation status for data networks and services		Legal basis
	National	International	
Croatia	Liberalised from 1999	Liberalised from 1999	<a href="#">Law on Telecommunications of 1999</a> (Official Gazette No. 76/99)
FYROM	Liberalised from February 1998	Services – Liberalised from February 1998 Networks – Liberalised from April 2000	Articles 23, 24 and 25 of the Telecommunications Law of 1996 (Official Gazette Nos. 33/96, 17/98, 28/2000, 4/2002 and 37/2004). Until April 2000 there was a requirement to use international leased lines from the incumbent operator.
Turkey	Services – Liberalised from June 1994 Networks – Liberalised from January 2004	Services – Liberalised from June 1994 Networks – Liberalised from January 2004	Article 2/c, Telegram and Telephone Law No. 406 of February 4, 1924, abolished and replaced by the new <a href="#">Electronic Communications Law no 5809</a> of November 10, 2008
Albania	Liberalised from 1998	Liberalised from 1998	Article 4, Law No. 8287 of February 18, 1998
Bosnia & Herzegovina	Liberalised from July 1, 2002	Liberalised from July 1, 2002	Telecommunications Sector Policy approved by Council of Ministers in March 2002
Montenegro	Liberalised from January 1, 2004	Liberalised from January 1, 2004	Article 27 of the Telecommunications Law of 2000 (Official Gazette No. 59/2000)

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Country	Liberalisation status for data networks and services		Legal basis
	National	International	
Serbia	Services – April 2003 Networks – June 2005	June 2005	Articles 32 and 109 of Telecommunication Law of April 2003 granted Telekom Srbija exclusive rights for all fixed services until June 9, 2005, except for Internet and Cable TV services. Until June 9, 2005 there was a requirement to use international leased lines from the incumbent operator.
Kosovo	Liberalised from May 2003	Services - May 2003 Networks – January 2008	First ISP authorisations issued to Dardanet (PTK subsidiary), IPKOnet and Kujtesa on May 18, 2005 at one-off fees of €150,000. The present authorisation framework (with a €5,000 one-off licence fee) implemented in 2006 following the approval of <a href="#">Regulation on Licensing and Authorisations</a> by a TRA Board decision of September 7, 2005.

Table C.2 - Liberalisation of data networks and services

### 3. Authorisation regime for electronic communications services

Article 3 of the Authorisation Directive establishes a general authorisation regime for the provision of electronic communications networks and services. Undertakings may only be required to notify the intention to commence the provision of electronic communication networks or services and to submit information required to allow the NRA to keep a register or list of providers. There is no requirement to obtain an explicit decision by the NRA before starting activities. Individual rights of use may be required, however, for the use of radio frequencies and numbers. Article 5 of the Authorisation Directive establishes that EC member states should grant such rights upon request, also ensuring an efficient use of those resources.

The provision of electronic communications networks and services, under either a general authorisation or an individual licence, may be subject to authorisation fees. In many countries, such fees were often quite high in the period immediately after the ending of monopoly rights. This level of fees may have been triggered by the perception that the telecommunications sector represented an easy source of revenues for the state, as much as protection of the state-owned incumbent operator. Regardless of the purpose, high authorisation fees are a barrier to market entry and send a signal that the market is not yet fully liberalised.

The EU regulatory framework requires authorisation fees to be limited to a level necessary to cover the administrative costs of the regulatory authority. Only those fees that are paid for access to limited resources may deviate from this criterion. In practice, the exceptions are for:

- radio frequencies, where demand exceeds supply.
- numbers. Normally, the national numbering plan must be managed so that there are enough numbers for all operators. Since the potential numbering space available is unlimited, the only limited resource in the longer term is special short numbers represented by a limited number of digits. The other constraint is the disruption caused by the need to change existing numbers.
- rights of way. In theory, these can be a limited resource under certain circumstances but normally, the availability of land and rights of way does not represent a limited resource.

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Table C.3 describes the authorisation regimes, including:

- authorisation types defined in the national legislation: individual authorisation/licence; class licence, general authorisation with/without notification to the NRA;
- networks and services covered by the specific authorisation type;
- authorisation charges or other administrative fees paid by authorised undertakings (one-off and annual fees);
- authorisations to use limited resources such as spectrum and numbers are not covered in this table. However, where mobile networks are subject to specific authorisation requirements (e.g., spectrum licence plus individual authorisation to offer public services), they are listed as a separate authorisation type.

Four countries, including Croatia, FYROM, Montenegro, and Albania, have adopted a general authorisation regime for provision of electronic communications networks and services with a notification to the NRA, and only issue individual rights of use for limited resources, such as frequencies and numbers.

In Montenegro, the implementing legislation on the authorisation framework under the new [Law on Electronic Communications \(Official Gazette of Montenegro, No.50/2008\)](#) had to be adopted within six months from the entry into force of the law on August 27, 2008. This process, however, has been delayed. In particular, the specific registration charges and administrative fees still have to be approved by the regulator in coordination with the ministry. In the meantime, the existing operators continue performing their activities on the basis of the individual licences issued under the previous Telecommunications Law (Official Gazette of the Republic of Montenegro, No.59/2000).

The remaining countries still require the granting of individual or class licences for the provision of most types of electronic communications services and networks.

In Turkey, the recent adoption of the new Electronic Communications Law formally introduced a new framework, based on a general authorisation regime. However, a transition period until the full implementation of the new framework is envisaged, since the new framework will not enter into force until May 10, 2009 and the concession and authorisation agreements awarded before the adoption of the new Law will be valid until their expiration or termination.

Country	Authorisation type:	Networks/services	Authorisation charges and administrative fees	
			One-off fees	Annual fees
Croatia	General authorisation with notification to the NRA	All electronic communications services and networks, including public telecommunications services in fixed and mobile networks, leased lines, cable TV services and PMR services, Internet access, VoIP, value added services and wireless access.	None	0.32% of annual revenue
FYROM	General authorisation with notification to the NRA	Public electronic communications services without use of spectrum	None	Annual market supervision fees are up to 0.5% of annual gross revenues earned from the provision of public electronic communications networks and services. However, the fee may not exceed €250,000.



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Country	Authorisation type:	Networks/services	Authorisation charges and administrative fees	
			One-off fees	Annual fees
				Based on the total annual revenue, providers are divided into 5 categories: <ul style="list-style-type: none"> <li>• Up to MKD 1m (€16,000) - 0.07%</li> <li>• MKD 1m - MKD 10m (€16,000 - €160,000) - 0.14%</li> <li>• MKD 10m - MKD 100m (€160,000 - €1.60m) - 0.21%</li> <li>• MKD 100m - MKD 500m (€1.60m - €8.1m) - 0.28%</li> <li>• Above MKD 500m (€8.1m) - 0.35%</li> </ul>
Turkey	Concession agreements	Public telecommunications services and infrastructure using spectrum and numbers and which are national in scope	Determined through a public tender procedure	Administrative fee is 0.35% of annual net sales
	Authorisation agreements	Operators with more than 50% state ownership: Turksat (satellite operator)	No authorisation fee	Turksat pays 0.35% of annual net sales while the Directorate-General of Coastal Safety does not pay a fee
	Individual licences	1 <sup>st</sup> Type Telecommunication Licence: Public telecommunications services using fixed networks, leased lines, cable TV services and PMR with regional or local coverage, based on the allocation of scarce resources to a <i>limited</i> number of operators	Determined by the Council of Ministers	Administrative fee is 0.35% of annual net sales
		2 <sup>nd</sup> Type Telecommunication Licence: Public telecommunications services using fixed network (including long distance telephony services (A, B and C-type)), leased lines, cable TV, satellite services and PMR with national or regional coverage, based on the allocation of scarce resources to an <i>unlimited</i> number of operators.	<ul style="list-style-type: none"> <li>• A-type (CPS services) - TRY 571,446 (€286,000)</li> <li>• B-type (CS services) - TRY 253,976 (€127,000)</li> <li>• C-type (calling cards services provided through a 10-digit access code) - TRY 126,988 (€64,000)</li> </ul> For other services, the one-off fee depends on the service category and the geographical coverage, with a maximum of TRY 571,446.65 (€294,560) for cable TV services in Marmara Region	Annual fee is 0.5% of net sales, plus an administrative fee of 0.35% of net sales.
	General authorisation with notification to the NRA	All other services including Internet access, value added services and public WLAN (Wi-Fi) services.	TRY 2,730.00 (€1,407)	Annual authorization fee is TRY 2,730 (€1,407) No administrative fee.
On May 10, 2009 the provisions of the Electronic Communications Law No. 5809 introducing general authorisation regime with a notification to the NRA will enter into force. Implementing legislation for the new authorisation regime is drafted by the NRA.				

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Country	Authorisation type:	Networks/services	Authorisation charges and administrative fees	
			One-off fees	Annual fees
	Operators who were authorised under the previous regime through an individual licence or a general authorisation will be regarded as having been notified to ICTA and assigned the rights of use when required. On the other hand, authorisation and concession agreements, which were signed before the entry into force of the new law, will remain in force until their termination due to expiry (i.e. until 2029), annulment, cancellation or a termination for any other reason.			
Albania	General authorisation with notification to the NRA	All electronic communications networks and services, including internet access, VoIP and value added services.	None	Annual fees may not exceed 0.5% of annual gross revenue of the previous year
Bosnia & Herzegovina	Individual licence	Fixed and mobile public telephony networks and services (licences issued to the three incumbent operators)	BAM 1,000 (€511)	Public fixed telephony network and services: BAM 500,000 (€255,600) Public mobile GSM networks and services: BAM 600,107 (€306,775)
	General (class) licence	Public fixed telephony services	BAM 1,000 (€511)	BAM 70,000 (€35,800)
		Public fixed telecommunication networks	BAM 1,000 (€511)	<ul style="list-style-type: none"> <li>• local: BAM 5,000 (€2,600)</li> <li>• regional: BAM 10,000 (€5,200)</li> <li>• national: BAM 50,000 (€26,000)</li> </ul>
		Provision of Internet services	BAM 500 (€255)	BAM 4,000 (€2,100)
Montenegro	General authorisation, with notification to the NRA	All publicly available electronic communications and services	€1,000	<p>Around 1% of annual revenue for 2009. To be approved after EKIP receives financial statements from the registered operators for 2008.</p> <p>Under Article 32 of the <a href="#">Law on Electronic Communications (Official Gazette of Montenegro, No.50/2008)</a> annual fees may not exceed 1.5% of annual gross revenue of the previous year</p>
Serbia	Individual licence (issued for services that require use of numbers or frequency resources)	Public mobile telecommunications network services using spectrum	RSD 25,000 (€320) licence application processing fee One-off fee determined through a public tender procedure Minimum is set by the Ministry	<ul style="list-style-type: none"> <li>• RSD 70,000,000 (€900,000) in the first year of operations</li> <li>• 0.9% of annual revenues thereafter</li> </ul>
		Public voice services offered on a commercial basis as real time voice transfer between network termination points	RSD 25,000 (€320) licence application processing fee One-off fee determined through a public tender procedure Minimum is set by the Ministry	<ul style="list-style-type: none"> <li>• RSD 20,000 (€256) for every 1000 subscribers in the first year</li> <li>• 0.1% of annual revenues thereafter</li> </ul>
		Public data transmission services provided through a public data transmission network	RSD 25,000 (€320) licence application processing fee	<ul style="list-style-type: none"> <li>• RSD 25,000 (€320) for every 100 subscribers in the first year</li> <li>• 0.5% of annual revenues thereafter</li> </ul>

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Country	Authorisation type:	Networks/services	Authorisation charges and administrative fees	
			One-off fees	Annual fees
			One-off fee determined through a public tender procedure Minimum is set by the Ministry	
		Cable distribution network services for distribution of radio and television programs, or any other telecommunications services, based on wireless access	RSD 25,000 (€320) licence application processing fee One-off fee determined through a public tender procedure Minimum is set by the Ministry	<ul style="list-style-type: none"> <li>RSD 30,000 (€384) for every 500 subscribers in the first year</li> <li>0.2% of annual revenues thereafter</li> </ul>
		Paging services	RSD 25,000 (€320) licence application processing fee One-off fee determined through a public tender procedure Minimum is set by the Ministry	<ul style="list-style-type: none"> <li>RSD 10,000 (€128) for every 1000 subscribers in the first year</li> <li>0.1% of annual revenues thereafter</li> </ul>
		Internet services based on own fixed wireless access infrastructure	RSD 25,000 (€320) licence application processing fee One-off fee determined through a public tender procedure Minimum is set by the Ministry	<ul style="list-style-type: none"> <li>RSD 50,000 (€640) for every 1000 subscribers in the first year</li> <li>0.1% of annual revenues thereafter</li> </ul>
		Other services using numbers from the National Numbering Plan	RSD 25,000 (€320) licence application processing fee One-off fee determined through a public tender procedure Minimum is set by the Ministry	<ul style="list-style-type: none"> <li>RSD 50,000 (€640) in the first year</li> <li>0.1% of annual revenues thereafter</li> </ul>
	Authorisation (class licence) issued on the application to the NRA	Access and transport networks for which an individual licence is not required, provision of Internet services; value added services; closed user group services, call back services, cable TV network services, VoIP services without use of numbers	RSD 10,000 (€128) notification processing fee	0.1% of annual revenues and not less than RSD 50,000 (€640)
Kosovo	Individual licence	Public telecommunications services using fixed network, VoIP	National fixed telephone services licence: €87,500 International telecommunications facilities licence: €50,000 International telecommunications services licence: €35,000 Internet services: €5,000	0.3% of gross annual turnover attributable to the licensed activity

Table C.3 - Authorisation regimes for electronic communications networks and services

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Notes:

Turkey:	Mobile communications are subject to a further set of taxes, which include the Special Communication Tax, a Handset License Fee and a Handset Usage Fee (paid by the end user) and the Treasury Share Premium (paid by the operator) – a total of over 60% of end user annual revenue. Provisions on the general authorisation regime under the new Electronic Communications Law will enter into force on May 10, 2009.
Albania:	Under the provisions of the Electronic Communications Act (Law No. 9918 of May 19, 2008), Article 14 defines a notification process, while Article 13 stipulates the right to offer electronic communications networks and services for profit making purposes to any undertaking. The NRA has yet to publish the forms and the requirements for notification as required by Articles 14 and 15.
BiH	On March 27, 2009 RAK published for consultation draft proposals to reduce annual fees from BAM 500,000 to BAM 450,000 for public fixed telephone services with own network infrastructure; from BAM 70,000 to BAM 55,000 for public fixed telephone services without own networks; and from BAM 600,000 to BAM 550,000 for 2G mobile network operators.
Serbia	For more details, see <a href="#">Rules on fees and costs for licence and authorisation issuance</a> of May 2006

The status of VoIP in the EU was set out in the Commission Communication on the Status of voice on the Internet under Community Law, in particular under Directive 90/388/EC.<sup>23</sup> The intention was not to regulate VoIP services in the same way as voice telephony if they were not substitutable. The regulatory framework reinforced the principle of technology neutrality, so that there is no specific regime for VoIP or for voice telephony. Under the EU 2003 directives, VoIP providers operate under the same general authorisation regime as any other communications providers.

The European Regulators Group adopted a common position on the regulation of VoIP at the end of 2007.<sup>24</sup> In March 2008, the European Commission received the final report of a study on VoIP regulation it commissioned from WiK.<sup>25</sup>

Different rights and obligations may apply to VoIP services depending on which category they belong to, whether electronic communications services (ECS) or publicly available telecommunications services (PATS). ECS are defined in the Framework Directive as services normally provided for remuneration and consist wholly or mainly in the conveyance of signals on electronic communications networks. PATS are a subset of ECS defined in the Universal Service Directive (2002/22/EC) as services:

- available to the public
- enabling originating and receiving of national and international calls and access to emergency services
- using a number or numbers in a national or international telephone numbering plan.

PATS providers have additional rights and obligations compared to publicly available ECS providers: number portability, calls to emergency services, carrier selection and pre-selection and the right of customers to have an entry in the publicly available directory.

Table C.4 summarises authorisation requirements for public VoIP services, covering:

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<sup>23</sup> <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:c:1998:006:0004:0008:en:PDF>

<sup>24</sup> [http://www.erg.eu.int/doc/publications/erg\\_07\\_56rev2\\_cp\\_voip\\_final.pdf](http://www.erg.eu.int/doc/publications/erg_07_56rev2_cp_voip_final.pdf)

<sup>25</sup> [http://ec.europa.eu/information\\_society/policy/ecomm/doc/library/ext\\_studies/voip\\_f\\_f\\_master\\_19mar08\\_fin\\_vers.pdf](http://ec.europa.eu/information_society/policy/ecomm/doc/library/ext_studies/voip_f_f_master_19mar08_fin_vers.pdf)

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- authorisation requirements specific for VoIP services (e.g., VoIP is defined as separate licensing category or there are specific notification requirements for VoIP under general authorisation regime);
- classification of VoIP based on PATS/ECS or any other definitions (e.g., public voice telephony services);
- any restriction to rights and obligations specific to VoIP providers.

NB. Table C.4 below shows where VoIP providers are allowed to use geographic and non-geographic numbers from the national numbering plan.

In Croatia, under the Telecommunication Law of 1999, VoIP was considered to be an Internet service, so that no further authorisation was needed. Under the Law of 2003, VoIP has been defined as separate service requiring a general authorisation with notification. Moreover, the authorisation fees for VoIP were initially kept unusually high: a €33,000 one-off fee plus an annual fee of 1% of revenue. The bylaw on payments of fees for provision of telecommunication services amended on February 17, 2005, lowered the one-off fee by a factor of 50 to €670, and the annual fee was lowered tenfold, to 0.1%. The new Electronic Communications Law that entered into force on July 1, 2008 introduced an authorisation framework aligned with the Authorisation Directive.

FYROM has an authorisation framework that is aligned with the Authorisation Directive.

In Turkey the provision of VoIP requires a long distance telephony service licence and is subject to the same conditions as the fixed voice telephony service. The new authorisations regime under the new Electronic Communications Law that enters into force on May 10, 2009 will include VoIP under general authorization requirements with notification to the NRA, with rights of use of numbers if these are allocated.

In Albania, the law adopted in November 2006 clarified the status of VoIP services, introducing a technology neutral definition of publicly available telephony services, subject to the same licensing regime, regardless of the underlying technology. The new Law on Electronic Communications that entered into force on June 26, 2008 introduced an authorisation framework aligned with the Authorisation Directive.

In Bosnia & Herzegovina and in Kosovo, the provision of VoIP is subject to the same individual licence as for other fixed voice telephony services.

In Montenegro, under the previous Telecommunications Law (Official Gazette of the Republic of Montenegro, No.59/2000), the provision of VoIP was a separate service category that required an individual (special) licence. Under that framework, the Montenegrin regulator issued 8 licences for VoIP following two tender procedures launched in July 2007 and in December 2007. According to the provisions of the new [Law on Electronic Communications \(Official Gazette of Montenegro, No.50/2008\)](#), the authorisation framework has been aligned with the Authorisation Directive.

In Serbia, the authorisation rules (individual licence or general authorisation) depend on whether the service involves the use of numbering resources and real-time transmission of voice between termination points in a public telecommunications network.

Country	Authorisation requirements	Classification of VoIP	Any restrictions to rights and obligations of VoIP providers
Croatia	General authorisation with notification to the NRA	Technology neutral definition of Publicly Available Telephone Services (PATS)	No
FYROM	General authorisation with notification to the NRA	Technology neutral definition of Publicly Available Telephone Services (PATS)	VoIP providers are obliged in their advertising, marketing and subscriber agreements to provide information about any limitations to the quality of the

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Country	Authorisation requirements	Classification of VoIP	Any restrictions to rights and obligations of VoIP providers
			offered services and access to emergency services, calling line identification and number assignment.
Turkey	Type 2 telecommunications licence	Long distance telephony services (LDTS), authorised through Annex A.9 of the Ordinance on the authorisation of telecommunications services and infrastructure sets out licensing and authorisation requirements (Official Gazette No. 25565 of August 26, 2004, amended on April 17, 2007 and on August 17, 2007).	No subscriber number allocation. The scope of services under the Type 2 licence is limited to the right to "connect the traffic originating from PSTN, Internet and other networks except GSM to national and/ or international networks using any infrastructure and technology."
	On May 10, 2009 the provisions of the Electronic Communications Law No. 5809 introducing general authorisation regime will enter into force. Implementing legislation for the new authorisation regime is drafted by the NRA. Under the new law, provision of VoIP services will be subject to general authorisation with notification to the NRA and individual rights of use for numbering resources, if numbers are allocated.		
Albania	General authorisation with notification to the NRA	Technology neutral definition of Publicly Available Telephone Services (PATS)	No
Bosnia & Herzegovina	Individual licence for public fixed voice telephony services	Technology neutral definition of publicly available telephone services (PATS)	No
Montenegro	General authorisation, with notification to the NRA	Technology neutral definition of publicly available telephone services (PATS)	No
Serbia	Individual licence for public fixed voice telephony services (if numbering resources are used) Authorisation (class licence) issued on application to the NRA (if numbering resources are not used)	Public fixed telephony services	Not defined
Kosovo	Individual licence for public fixed voice telephony services	Public fixed telephony services	No

Table C.4 - Authorisation requirements and classification for VoIP services

Notes:

- FYROM: VoIP providers wanting to serve customers through a local exchange can conclude an access agreement with the network operator. In such cases, call origination can *only* be provided using a freephone or "green" number (0800-9abcd). If the traffic volume on a voice channel is higher than 0.12 Erlangs, then the VoIP provider must conclude an interconnection agreement under which it has the right to provide both call origination and termination.
- Albania: There was some work by the NRA in mid-2006 and again in early 2008 concerning VoIP rules and regulations. With the enactment of the new Electronic Communications Law (No. 9918) the NRA is expected to introduce rules for nomadic numbering and addressing, with the draft of the forms for numbering series as stipulated in Articles 81 and 82.
- Serbia: In May 2008, the NRA (RATEL) adopted an ordinance regulating VoIP services without numbers from numbering plan. Rules on terms and conditions for provision of voice transmission services over the Internet and the contents of authorization (Official Gazette of the Republic of Serbia no. 94/08)

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Authorisation for cable television networks and services are sometimes more complex than for other electronic communications services as they can involve two regulatory authorities: the NRA and the broadcasting regulator. Table C.5 summarises the authorisation requirements for cable television networks in South-East Europe.

In Albania and Serbia an authorisation from both national authorities is required: one each from the national broadcasting authority for the provision of content over the cable TV network, and one from the NRA for the construction of cable infrastructure (which in Albania is now subject to a general authorisation regime with a notification to the NRA).

In Kosovo, cable TV networks are outside the scope of the telecommunications legislation. They are subject to an individual licence issued by the broadcasting authority. In Montenegro, under the new Law on Electronic Communications, the previous regime with the broadcasting authority solely responsible for licensing of cable operators will be replaced with the general authorisation framework with notification to the NRA, similar to any other electronic communications networks.

In Turkey, the Council of State cancelled the authorisation of cable platform services set out in Annex 10 to the Ordinance on Authorisations approved by the NRA in February 2005. Services authorised through a Type 2 telecommunications licence under this annex were defined as “one-way and two-way provision of all type of sound, data, image, and radio/TV signals over the cable platform network”, hence it included telephone services as well as radio, TV, Internet and data. The Council of State argued that the authorisation in its current form gives the cable TV operators the possibility to offer more than one service, while according to the existing authorisation regime separate authorisations must be issued for the provision of each individual type of service. The NRA has appealed the Council of State’s decision and a final decision is pending. On May 25, 2007 the NRA issued a statement that according to the Council of State’s decision the existing authorisations for cable platform services only covered radio and TV broadcasting, and that the cable operators could apply for authorisations for additional services. With the enforcement of the new authorisations regime under the new Electronic Communications Law, expected in May 2009, authorisation requirements will consist of a general authorisation with notification to the NRA.

Country	Authorisation requirements	Additional authorisation required to offer other electronic communications services (e.g. Internet access)
Croatia	General authorisation with notification to the NRA	General authorisation with notification to NRA for additional services
FYROM	General authorization with notification to the NRA <i>plus</i> programming permission from the Broadcasting Council, according to the <a href="#">Broadcasting Law</a> (Official Gazette No. 100/2005)	General authorisation with notification to NRA for additional services such as data communications and telephony
Turkey	Type 2 Telecommunication Licence	General authorisation with notification to the NRA for provision of Internet services
Albania	<p>According to Law On Private and Public Radio and Television No. 8410 of August 30, 1998, Articles 123 and 127:</p> <ul style="list-style-type: none"> <li>• License for broadcasting cable radio-television programs is issued by the National Council of Radio-Television</li> <li>• A permission to operate a cable network for radio-television broadcasting is issued by the NRA.</li> </ul> <p>According to article 13 of the new law on Electronic Communications that entered into force on June 26, 2008, a permission from the NRA (AKEP) is now replaced by general authorisation with notification.</p>	General authorisation with notification to the NRA for provision of Internet services

Country	Authorisation requirements	Additional authorisation required to offer other electronic communications services (e.g. Internet access)
Bosnia & Herzegovina	Individual licences: <ul style="list-style-type: none"> <li>• General licence for public network operator (<i>network licence</i>);</li> <li>• Licence for provision of services of cable distribution of radio and TV programmes (<i>service licence</i>).</li> </ul>	Additional service licences: <ul style="list-style-type: none"> <li>• General licence for provision of fixed public telephone services; or</li> <li>• General licence for provision of Internet services.</li> </ul>
Montenegro	General authorisation with notification to the NRA	General authorization with notification to the NRA for additional services
Serbia	General authorisation from the NRA for services and networks <i>plus</i> an individual licence from the Republic Broadcasting Agency (RRA) for content.	General authorisation from the NRA
Kosovo	Individual licence from the Independent Media Commission (IMC) under the Regulation on Cable Distribution of Radio and TV in Kosovo (CIMC 2007/04) of July 6, 2007.	If the cable TV operator wants to provide other electronic communications services then the NRA has the authority to issue the required licences.

Table C.5 - Authorisation requirements for Cable TV networks and services

Notes:

Montenegro: All Cable TV operators in Montenegro are performing their activities according to existing licences, issued by Broadcasting Agency of Montenegro according to the old Broadcasting Law (Official Gazette of the Republic of Montenegro, No.51/2002). According to the provisions of the new Law on Electronic Communications (Official Gazette of Montenegro, No.50/2008), existing operators, performing activities on the basis of licences issued by the Agency for Telecommunications and Postal Services and Broadcasting Agency, shall continue to perform activities in compliance with those Acts until issuance of approvals and other Acts in accordance with the new Law (article 141).

Kosovo: The IMC Council on May 8, 2008 awarded cable television licences to all ten applicants under Regulation 2007/04. Cable operators have the right to broadcast only those channels for which they have valid contracts.

#### 4. Rights of way

Rights of way are necessary to establish electronic communications infrastructure, in particular, for new fixed network infrastructure access to install cables and ducts, across public and private land. Construction permits for mobile network infrastructure can also present a problem. Article 11 of the Framework Directive requires that applications for the development of infrastructure shall be handled by the relevant authorities in a transparent, non-discriminatory manner and without delay. The Framework Directive also requires that the authorities issuing building permits must be structurally separated from the network operators that apply for them. Expropriation procedures must be available – justified as a safeguard mechanism for access to private as well as to public land.

There are steps that can be taken to streamline application procedures, for example, in defining the maximum time periods for dealing with applications and making rules for the free use of or easy access to public domains.

Table C.6 below sets out the regime for rights of way. It shows:

- the legal basis for granting rights of way and construction permits;
- procedures for access to public land, including responsible authorities dealing with applications; and
- timescales for granting permits.



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Country	Legal basis for granting rights of way and construction permits	Relevant authorities and their role	Timescales for granting permits
Croatia	<p>Articles 26 to 29 of the Electronic Communications Act of 2008 state that all infrastructure operators have a right to acquire right of use of public and private land.</p>	<p>Depending on the administration of property for which right of way is requested: HAKOM (the NRA), Municipality, Ministry of environmental protection, physical planning and construction, Institution for protection of historical monuments, Institution for protection of natural resources.</p> <p>As regards private property, the operator must have permission from the land owner.</p> <p>A request for approval can be made under article 27 of the Electronic Communications Law, or an expropriation procedure under the General Expropriation Law, according to article 21(2).</p> <p>In accordance with the provisions of the General Expropriation Law, operators can acquire ownership or <i>usufruct</i> (right of use), when it is of interest of the Republic of Croatia.</p>	<p>Article 27(4) of the Electronic Communications Act of 2008 prescribes 30 days time limit for issuing building permits by the manager of the public property or the private property owner, and 30 days time limit for issuing location permits by planning authorities.</p>
FYROM	<p><a href="#">Electronic Communications Law</a>, articles 29, 88-93</p> <p>Electronic communication networks and associated infrastructure are considered as works of public interest and must be constructed and operated in accordance with the Law on Electronic Communications and relevant regulations, as well as:</p> <ul style="list-style-type: none"> <li>• the regulations on spatial planning and construction,</li> <li>• the regulations on protection of the environment and in accordance with the valid technical regulations and standards.</li> </ul> <p>Other relevant legislation:</p> <ul style="list-style-type: none"> <li>• Law on Expropriation (Official Gazette No.33/95, 20/98, 40/99, 31/03, 46/05and 10/08)</li> <li>• Law on Ownership and other Rail Rights (Official Gazette No.18/2001)</li> </ul>	<ul style="list-style-type: none"> <li>• Prior to executing works on the real estate in private property, operators of the public communication networks shall, submit a proposal to the Property And Legal Affairs Department within the Ministry of Finance for the purpose of implementing the expropriation or for establishing the right of use or servitude</li> <li>• The Ministry of Transport and Communications issues an approval for construction of an object on a land which is owned by a third party</li> <li>• All legal and natural persons may use the urban land in ownership of the Republic of Macedonia intended for common use and on behalf of the Republic of Macedonia it shall be governed by the Government of the Republic of Macedonia.</li> <li>• The prepared urban project and competent revision shall be submitted to the Ministry of Transport and Communications and it shall send it for an opinion to the Agency for Electronic Communications if the urban project refers to construction of electronic communication networks and facilities.</li> </ul>	<p>The following deadlines are explicitly defined in the law:</p> <ul style="list-style-type: none"> <li>• The approval for construction of an object on a land which is owned by a third party shall be issued by Ministry of Transport and Communications within seven days of the date of collection of the complete documentation</li> <li>• The opinion on the urban project for construction of electronic communications networks and facilities has to be issued within ten days of receipt and if there is no response in determined period, the Ministry of Transport and Communications shall continue the procedure as a positive opinion has been given</li> </ul>

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Country	Legal basis for granting rights of way and construction permits	Relevant authorities and their role	Timescales for granting permits
	<ul style="list-style-type: none"> <li>• Law on Construction (Official Gazette No .51/05 and 82/08)</li> <li>• Law on urban land (Official Gazette No.82/08 и 143/08)</li> <li>• Law on Spatial and Urban Planning (Official Gazette No.24/88)</li> </ul>		
Turkey	<a href="#">Electronic Communications Law</a> , part four, articles 22-30	There are different competent administrations responsible for releasing right-of-way permits, depending on type of property, management and administration: municipalities, general directorate of Railways, general directorate of Highways, Turkish Electricity Transmission Corporation, Undersecretariat for Maritime Affairs, etc.	Parties are free to make commercial agreements concerning rights of way, always provided they abide by the relevant legislation, authorisation and concession agreements, telecommunication licences, general authorisation and institutional arrangements and provided that Civil Law No. 4721 of November 22, 2001 is observed. Operators are obliged, on demand from the NRA, to submit copy of rights of way agreements with third parties.  When right of way permits are awarded by public institutions and organisations, article 23 (2) of the Electronic Communications Act provides that evaluations of applications and/or their transfer should be done transparently and without delay, and in any case within 60 days from application.
Albania	Article 93 of Law No. 9918 of 2008 on Electronic Communications (right of using public and private properties)	Depending on the areas under the public property, notifications have to be submitted to the respective Council of Territorial Regulation (KRRT) regional/local authorities: <ul style="list-style-type: none"> <li>• for cities: municipal KRRT</li> <li>• for communes: district KRRT</li> </ul>	According to the Law No. 8405 of September 17, 1998 on Urban Planning, as amended, article 50, the deadline for approval or refusal of construction permit is 45 days from the request.  In practice, considerable delays are still reported (up to 12 months for digging permits)
Bosnia & Herzegovina	Articles 9, 14, 22, 34, 36 and 49 of the Law on Country Planning and Use of Land in Federation of Bosnia & Herzegovina (Official gazettes FBiH No. 52/02).  Law on Country Planning in Republic Srpska (Official gazettes RS No. 84/02)  Law on City Construction Land (Official Gazettes FBiH No. 67/05)  Law on City Construction Land (Official Gazettes RS No. 86/03).	Municipal authorities are relevant authorities where the applicant will be advised on further procedure.	The general timeframe is 30 to 60 days, but usually the applicant needs more time to collect the requested documentation and obtain approval.

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Country	Legal basis for granting rights of way and construction permits	Relevant authorities and their role	Timescales for granting permits
Montenegro	<p><a href="#">Law on Electronic Communications</a>, article 23: Construction, maintenance, development and utilization of electronic communications networks, and equipment with associated infrastructure, as well as provision of electronic communication services and management and use of radio frequency spectrum, numeration and addresses shall be the activities of public interest for Montenegro.</p>	<p>Public land may be used by public operators upon application to an appropriate state or municipality administration. Government of Montenegro only has the authority to determine public interest, by passing relevant act (decision).</p> <p>Disputes (if any) between a public operator and relevant authorities are resolved at courts.</p> <p>A public telecommunications operator, may, in conformity with the legislation in force, enter into agreements with private people to use their land and facilities for the installation and maintenance of any telecommunication equipment. If such agreement fails, operator has right to start the expropriation procedure, according to the Expropriation Law.</p>	<p>All authorities in process should respond within 15 days period after submitting the application (for each separate request), but usually it is much longer than that.</p> <p>Typical timescale for complete process is about 6 months.</p>
Serbia	<p><a href="#">Telecommunication Law</a> (article 87) specifies that all public network operators have non-discriminatory rights of way.</p> <p>Law on Country planning and Construction (Official Gazette No.47/03) – articles 88-89.</p> <p>A new draft <a href="#">Law on spatial planning and construction</a> has been prepared by the Ministry of Environment and Spatial Planning. The law is expected to be adopted by fall 2009 and is intended to simplify the construction procedures.</p>	<p>Planning has to comply with regulations at all levels of governments (local, regional, federal).</p> <p>Relevant authorities include: Ministry of Environment and Spatial Planning, Municipalities, RATEL, Ministry of Defence, Civil Aviation Directorate, Institution for protection of historical monuments, Institution for protection of natural resources.</p> <p>All procedures are defined in the Contract between the public operator and relevant authority.</p>	<p>The authorities should respond within 15 days (for each request), but usually it is much longer than that.</p> <p>Typical timescale for permission is more than 18 months.</p>
Kosovo	<p>Yes</p> <p>All licensed operators have non-discriminatory rights of way established by Article 27 of the <a href="#">Law on Telecommunications</a></p>	<p>Yes</p> <p>Public land may be used by operators upon application to municipal authorities. Under Article 27 of the Law on Telecommunications, TRA may establish rules for the use of publicly and privately controlled property for telecommunications services and service providers.</p>	<p>A licensed telecommunications operator, may, in conformity with the legislation in force, enter into agreements with private persons to use their land and facilities for the installation and maintenance of telecommunication networks and equipment.</p> <p>Expropriation procedures may be used.</p> <p>The Kosovo Assembly adopted a Law on Expropriation (No 02/L-97) on February 8, 2007. However, it has never been promulgated by the SRSG and therefore has not entered into force.</p>

Table C.6 - Rights of way

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Article 12 of the Access Directive establishes that, based on a market analysis, NRAs can impose obligations on operators with SMP to meet reasonable requests for access to network elements and associated facilities. The NRA may do so where it finds denial of access or unreasonable terms and conditions would hinder the emergence of a competitive market at the retail level or would not be in the end-users' interest. Operators may be required, inter alia, to provide collocation or other forms of facility sharing, including of ducts, buildings, or masts.

Article 12 of the Framework Directive calls NRAs to encourage the sharing of facilities and access to properties by electronic communications network operators. In particular, where undertakings are deprived of access to viable alternatives because of the need to protect the environment, public health, public security or to meet town and country planning objectives, the sharing of facilities or property (including physical co-location) or specific measures to facilitate the coordination of public works can be mandated subject to a prior public consultation. Such sharing or coordination arrangements may include rules for apportioning the costs of facility or property sharing.

Table C.7 shows whether obligations to provide access to ducts, have been imposed as a result of market analyses or based on specific legislation (e.g., national rules for electronic communications or competition law).

Country	Obligations to provide access to ducts	
	Market analysis	Other basis
Croatia	No	Electronic Communications Act of 2008, article 30. An obligation may be imposed by the NRA for requirements concerning the protection of human health, environmental protection, spatial protection, protection and preservation of cultural goods, or for national security.
FYROM	No	Under articles 30 and 51 of the Law for Electronic Communications and the Rules for Access and Utilization of Specific Network Facilities, the NRA may impose infrastructure sharing because of the need to protect public health, the environment or to meet planning objectives
Turkey	No An Annex to the Turk Telekom's Reference Wholesale Offers is to be approved shortly, putting forth the detailed terms and conditions that will apply to all facility sharing seekers. The scope of the obligation depends on the SMP decision and regulatory obligations imposed on TT based on fixed market analyses.	Law on Electronic Communications No. 5809, article 17. An obligation to share facilities or properties in return for a reasonable charge may be imposed by the NRA because of the need to protect environment, public health and safety, urban and regional planning and efficient use of resources.
Albania	No	Law on Electronic Communications No. 9918, article 22. In cases where the economic use of space, city planning and protection of environment requires so, operators of the public electronic communications networks that have the right to construct and install communication equipments in the private or public property shall construct or install them in such way as to enable their joint use. Undertakings of public communications networks shall be obliged negotiate agreements for the joint use of facilities and assets. The NRA shall encourage them to reach agreements for the joint use of the facilities and assets, provided it is technically feasible and compensation is given by the requesting party. A dispute resolution procedure on sharing of facilities is also covered by the same article.
Bosnia & Herzegovina	No	No

Country	Obligations to provide access to ducts	
	Market analysis	Other basis
Montenegro	No	Rulebook on the Joint Use of Telecommunications Infrastructure (Official Gazette No. 65/2005) Article 1 of the Rulebook defines telecommunications infrastructure as land, buildings and other constructions, ducts, antenna masts and other necessary infrastructure needed for their use.
Serbia	No	Telecommunications Law, article 87 (2) If technically feasible, the NRA may order sharing of infrastructure by two or more telecommunications operators in return for fair compensation. RATEL decision from December 8, 2006 on <a href="#">Principles for sharing of cable infrastructure</a>
Kosovo	No	Section 3.6.3 of the <a href="#">Telecommunications Sector Policy</a> supports the sharing of infrastructure facilities "... between and among PTO's (including, but not limited to, backbone facilities, towers, ducts, and premises), should be mandatory, to the extent practicable and consistent with the provisions of the Telecommunications Law. Section 27 of the <a href="#">Law on Telecommunications</a> , on shared use of facilities and public rights of way, states that "The TRA shall establish rules for the use of publicly and privately controlled property with respect to telecommunications services and service providers ..."

Table C.7 - Access to ducts

## D. Implementation of the EU 2002 regulatory framework

### 1. Market analysis procedures and regulations

The concept of significant market power (SMP) is one of the central elements of the EU regulatory framework for electronic communications. Following a market analysis by the NRA, an operator can be designated as having SMP in a specified electronic communications market. It may subsequently be subject to specific *ex ante* regulatory obligations or remedies.

Table D.1 below examines the national frameworks used by NRAs for market analyses. It specifies the discretion an NRA has in exercising the functions foreseen under the EU 2003 regulatory framework, including the powers to:

- collect relevant information and any restrictions on this power;
- define relevant markets applying competition law principles;
- designate operators with SMP;
- impose regulatory obligations on operators with SMP, i.e.
  - remedies are pre-defined by law or

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- the NRA has discretion to impose remedies according to the identified competition problems; and
- how often the NRA is required to carry out market analysis.

The use of the old and rigid rule of 25% market share together with equally rigid lists of remedies or obligations has been common practice in recent years under most regimes. In the case of FYROM, the level is 40% taken from its domestic competition law, while in Serbia it is 20%, though with the option for the NRA to use 25%.

The timing of this report finds legal changes coming into effect, which should bring the approaches being applied much closer to that of the EU regulatory framework.

Country	Restrictions on NRA powers to collect information	Definition of relevant markets: by law or by NRA.	Basis for SMP designation: Competition law or 25% market share threshold?	Imposition of remedies: Pre-defined or by NRA discretion	Timeframe for market analysis
Croatia	No restrictions (Articles 53 (3), 54(2) of the Electronic Communications Act of 2008)	The NRA has discretion to define relevant markets taking into account the European commission recommendation on relevant markets and applying the three criteria test (Article 53 of the Electronic Communications Act of 2008).  The NRA may also identify any relevant market which is not part of EC Recommendation on relevant markets, but the three criteria test firstly has to be applied (Article 53 (2) (3) of the Electronic Communications Act of 2008).	Competition law principles, taking into account market shares and other relevant criteria, and EC guidelines (Article 55 of the Electronic Communications Act of 2008)	Discretionary remedies can be imposed by the NRA (listed in Articles 58 to 65 of the Electronic Communications Act of 2008).	At least once every three years (Article 52 of the Electronic Communications Act of 2008)
FYROM	No restrictions Operators of electronic communications networks and service providers are required to submit at the request of the NRA all information related to their activities. Such a request has to be justified, based on reasonable grounds and proportionate to its purpose (Article 23 of Law on Electronic Communications).	Under Article 41 of the Law on Electronic Communications, the NRA defines relevant product, service and geographic markets in accordance with the Law on Protection of Competition and in cooperation with the NCA.  In August 2005, the NRA adopted a <a href="#">Decision on the determination of relevant markets</a> that sets out 18 relevant product markets according to the EC Recommendation of 2003; all are national in their geographic scope.	According to the provisions of the <a href="#">Law on Protection of Competition</a> , a company has a dominant position on a relevant market if it has market share of over 40%.  The NRA in its assessment of SMP in a relevant market takes into account this provision of the Law on Protection of Competition, combined with other criteria defined in Article 40 of Law on Electronic Communications.	Discretionary remedies can be imposed by the NRA.	Once a year (Article 42 of Law on Electronic Communications)

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Country	Restrictions on NRA powers to collect information	Definition of relevant markets: by law or by NRA.	Basis for SMP designation: Competition law or 25% market share threshold?	Imposition of remedies: Pre-defined or by NRA discretion	Timeframe for market analysis
Turkey	According to the <a href="#">Regulation on Principles and Procedures for Identification of the Operators with Significant Power</a> , the NRA can demand any information without restrictions during the market analysis. NRA can use public surveys, studies by third parties and international benchmarks.	The NRA has discretion to define relevant markets applying competition law principles.	The Regulation on the Principles and Procedures for Identification of the Operators with Significant Power states that when determining which operators have SMP in a relevant market, market shares of the operators are considered as the primary criterion. The determination of the market shares of the operators can be made based on revenue, subscriber or user numbers, traffic volume, transmission capacity and transmission line number, as long as they are appropriate and available. In addition to market shares, SMP assessment can be based on a number of other criteria defined in Article 8 of the Regulation on Principles and Procedures for Identification of the Operators with Significant Power.	Under Article 10 of the Regulation on Principles and Procedures for Identification of the Operators with Significant Market Power, the NRA may impose on operators with SMP the following remedies: <ul style="list-style-type: none"> <li>• transparency</li> <li>• publication of reference access and interconnection offers</li> <li>• non discrimination</li> <li>• accounting separation</li> <li>• tariff regulation</li> <li>• cost accounting.</li> </ul> Under article 7 of the Law on Electronic Communications, the NRA may impose discretionary remedies, allowing differentiation among operators with SMP on the same market and among different markets.	At least once every three years (Article 6 (1) of the Regulation on Principles and Procedures for Identification of the Operators with Significant Power)
Albania	No restrictions. Under article 16 of the Law on Electronic Communications, undertakings are obliged to provide data requested by the NRA.	The NRA has discretion to define relevant markets applying competition law principles (Article 32 of the Law on Electronic Communications of May 19, 2008)	Competition law principles, taking into account market shares and other relevant criteria (Article 33 of the Law on Electronic Communications of May 19, 2008) Draft market analysis regulation published by the NRA for consultation in December 2008 makes reference to the EC guidelines on market analysis	Remedies are discretionary imposed by the NRA (listed in Articles 39-45, 56 of the Law on Electronic Communications).	On regular basis, but no less than once every two years ( Law on Electronic Communications, art. 34)
Bosnia & Herzegovina	Licence conditions of all licensed operators and service providers contain an obligation to provide to the NRA any requested information in a timely fashion.	Discretionary definition by the NRA (Article 14 of the Law on Communications)	25% market share as threshold in a relevant market combined with an assessment of other criteria	Basic regulatory obligations are defined in the law and licenses of the three incumbent operators. Further discretionary remedies can be imposed by the NRA (Article 14 of the Law on Communications).	Once every year (Article 14 of the Law on Communications)

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Country	Restrictions on NRA powers to collect information	Definition of relevant markets: by law or by NRA.	Basis for SMP designation: Competition law or 25% market share threshold?	Imposition of remedies: Pre-defined or by NRA discretion	Timeframe for market analysis
Montenegro	No restrictions (Article 18 of the Law on Electronic Communications of July 29, 2008) The information request, however, must be justified and proportionate.	Discretionary definition by the NRA, in cooperation with the NCA and taking into account the EU practices (Article 41 of the Law on Electronic Communications of July 29, 2008)	Competition law principles, taking into account market shares and other relevant criteria (Article 47 of the Law on Electronic Communications of July 29, 2008)	Remedies are discretionary imposed by the NRA (listed in Articles 48-51, 56 of the Law on Electronic Communications of July 29, 2008).	Not defined Under Article 143, Transitional provisions of the Law on Electronic Communications of July 29, 2008, the NRA must complete its first market analysis within one year from the entry into force of the law, i.e. by August 27, 2009.
Serbia	No restrictions Public telecommunications operators are required to submit at the request by the NRA all information related to their activities (Article 21 of Telecommunications Law). Licence conditions of all licensed operators and service providers also contain an obligation to provide to the NRA any requested information in a timely manner.	Discretionary definition by the NRA	20% market share, measured by number of subscribers, which the NRA may raise to 25% (Article 4(49) of the Telecommunications Law)	SMP obligations are set out in Articles 9, 10, 39, 40, 43, 48, 53 and 111 of the Telecommunications Law.	Not defined
Kosovo	The NRA has the authority to collect and maintain information, including but not limited to statistics, financial, employment and network performance reports or other reports that it requires in order to fulfil its responsibilities (Telecommunications Act (UNMIK Regulation 2003/16), Section 12).	Discretionary definition by the NRA	25% market share in a relevant market, combined with an assessment of other criteria (Telecommunications Act (UNMIK Regulation 2003/16), Section 44)	Basic access and interconnection obligations are set out in Telecommunications Act and operators' licences. Further discretionary remedies can be imposed by the NRA.	Subject to NRA discretion or upon request of any service provider

Table D.1 - Market analysis and the discretionary powers of NRAs



2. Analysis of relevant markets by NRAs

Table D.2 shows the analyses of relevant retail and wholesale markets conducted by the NRAs.

Country	Relevant market	Geographic scope	Operator(s) with SMP	Remedies imposed on SMP operator(s)	Legal basis Reference to relevant legislation or NRA decision
Croatia	Public fixed telephone network and services, covering: <ul style="list-style-type: none"> <li>• Voice services</li> <li>• Services for transmission of voice, sound, data, documents, pictures, etc.</li> </ul>	National	Joint SMP: <ul style="list-style-type: none"> <li>• HT- Hrvatske Telekomunikacije (T-Com)</li> <li>• Iskon (100% owned by T-Com)</li> </ul>	<ul style="list-style-type: none"> <li>• Network access and interconnection</li> <li>• non-discrimination</li> <li>• transparency</li> <li>• publication of reference offer</li> <li>• price control and cost-orientation</li> <li>• accounting separation</li> </ul>	Chapter VII of Telecommunication Law of 2003 HAT SMP decisions of Sept. 14, 2006 (for public fixed telephone network and services) and March 30, 2007 (for leased lines, mobile services and interconnection)
	Leased lines	National	<ul style="list-style-type: none"> <li>• HT- Hrvatske Telekomunikacije (T-Com)</li> </ul>		
	Public voice services in mobile network	National	<ul style="list-style-type: none"> <li>• T-Mobile Hrvatska</li> <li>• VIPnet</li> </ul>		
	Interconnection services	National	<ul style="list-style-type: none"> <li>• HT- Hrvatske Telekomunikacije (T-Com)</li> <li>• T-Mobile Hrvatska</li> <li>• VIPnet</li> </ul>		
<p>On March 2, 2009 the NRA <a href="#">published</a> for consultation until April 20, 2009 its analysis of nine relevant markets. In identifying the nine markets relevant for ex ante regulation, the NRA follows the seven markets of the 2007 European Commission recommendation and applies the three criteria test for additional markets. The consultation documents include analysis, SMP assessment and imposition or removal of regulatory obligations covering the following markets and SMP designations:</p> <ul style="list-style-type: none"> <li>• <a href="#">wholesale call termination in public fixed networks</a> – HT- Hrvatske Telekomunikacije (T-Com), Iskon Internet and seven alternative operators</li> <li>• <a href="#">wholesale broadband access</a> – HT- Hrvatske Telekomunikacije (T-Com)</li> <li>• <a href="#">wholesale call termination on individual mobile networks</a> – T-Mobile Hrvatska, VIPnet, Tele2</li> <li>• <a href="#">wholesale SMS termination on individual mobile networks</a> – none (market does not meet the three criteria test)</li> <li>• <a href="#">wholesale infrastructure access at a fixed location</a> - HT- Hrvatske Telekomunikacije (T-Com)</li> <li>• <a href="#">wholesale call origination from public fixed networks</a> - HT- Hrvatske Telekomunikacije (T-Com)</li> <li>• <a href="#">public voice services in mobile networks</a> – none (market does not meet the three criteria test)</li> <li>• <a href="#">wholesale transit services in public fixed network</a> - none (market does not meet the three criteria test)</li> <li>• <a href="#">wholesale access and call origination from public mobile networks</a> – none (market does not meet the three criteria test)</li> </ul> <p>According to the NRA <a href="#">decision</a> of July 9, 2008 on the markets relevant for ex ante regulation, two further markets will be analysed at a later stage covering access to public fixed telephony services at fixed location for residential and business customers and retail and wholesale terminating segments of leased lines. The timing would be determined by the completion of the current analyses.</p>					

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Country	Relevant market	Geographic scope	Operator(s) with SMP	Remedies imposed on SMP operator(s)	Legal basis Reference to relevant legislation or NRA decision
FYROM	Wholesale call termination in individual mobile network (market 16/2003)	National	<ul style="list-style-type: none"> <li>T-Mobile Macedonia</li> <li>Cosmofon Skopje</li> </ul>	<ul style="list-style-type: none"> <li>Interconnection and access</li> <li>transparency</li> <li>non-discrimination</li> <li>accounting separation</li> <li>price control and cost accounting obligations</li> <li>access to and use of specific network facilities</li> </ul>	AEC decision of January 18, 2008
	<ul style="list-style-type: none"> <li>Fixed voice telephone networks and services</li> <li>Access to networks for data transmission and leased lines</li> </ul>	National	<ul style="list-style-type: none"> <li>Makedonski Telekom</li> </ul>	<ul style="list-style-type: none"> <li>Interconnection and access</li> <li>transparency</li> <li>non-discrimination</li> <li>publication of RIO, RUO, reference offer for minimum set of leased lines</li> <li>accounting separation</li> <li>price control and cost accounting obligations</li> <li>CS/CPS</li> </ul>	Article 146, Transitional provisions of Electronic Communications Law sets out the SMP designations and the regulatory obligations.
Turkey	Wholesale call termination in individual mobile network	National	<ul style="list-style-type: none"> <li>Turkcell</li> <li>Vodafone</li> <li>Avea</li> </ul>	<ul style="list-style-type: none"> <li>Non-discrimination</li> <li>Cost accounting</li> <li>Accounting separation</li> <li>Transparency</li> <li>Publication of reference offer</li> <li>Price control</li> </ul>	TA Decision no. 2005/880, Official Gazette of December 28, 2005 (SMP designations for GSM mobile markets: markets 15-16/2003)
	Wholesale mobile access and call origination	National	<ul style="list-style-type: none"> <li>Turkcell</li> </ul>	<ul style="list-style-type: none"> <li>Non-discrimination</li> <li>Cost accounting</li> <li>Accounting separation</li> <li>Transparency</li> <li>Publication of reference access and interconnection offer</li> <li>Price control</li> </ul>	TA Decision no. 2005/880, Official Gazette of December 28, 2005 (SMP designations for GSM mobile markets: markets 15 - 16/2003)

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Country	Relevant market	Geographic scope	Operator(s) with SMP	Remedies imposed on SMP operator(s)	Legal basis Reference to relevant legislation or NRA decision
	Retail access to the public telephone network at fixed location for residential and business customers	National	<ul style="list-style-type: none"> <li>Türk Telekom</li> </ul>	<ul style="list-style-type: none"> <li>Non-discrimination</li> <li>Cost accounting</li> <li>Accounting separation</li> <li>Price control</li> </ul>	TA Decision no. 2006/DK-10/142, Official Gazette dated 17/03/2006 (SMP designation for fixed markets: markets 1-14/2003)
	Retail publicly available national, local and international telephone calls at fixed location	National	<ul style="list-style-type: none"> <li>Türk Telekom</li> </ul>	<ul style="list-style-type: none"> <li>Non-discrimination</li> <li>Cost accounting</li> <li>Accounting separation</li> <li>Price control</li> </ul>	TA Decision no. 2006/DK-10/142, Official Gazette dated 17/03/2006 (SMP designation for fixed markets: markets 1-14/2003)
	Wholesale call termination on public telephone networks provided at a fixed location	National	<ul style="list-style-type: none"> <li>Türk Telekom</li> </ul>	<ul style="list-style-type: none"> <li>Non-discrimination</li> <li>Cost accounting</li> <li>Accounting separation</li> <li>Transparency</li> <li>Publication of reference offer</li> <li>Price control</li> </ul>	TA Decision no. 2006/DK-10/142, official gazette dated 17/03/2006 (SMP designation for fixed markets: markets 1-14/2003)
	Wholesale call origination on the public telephone network provided at a fixed location	National	<ul style="list-style-type: none"> <li>Türk Telekom</li> </ul>	<ul style="list-style-type: none"> <li>Non-discrimination</li> <li>Cost accounting</li> <li>Accounting separation</li> <li>Transparency</li> <li>Publication of reference offer</li> <li>Price control</li> </ul>	TA Decision no. 2006/DK-10/142, Official Gazette dated 17/03/2006 (SMP designation for fixed markets: markets 1-14/2003)
	Transit services in the public telephone network provided at fixed locations	National	<ul style="list-style-type: none"> <li>Türk Telekom</li> </ul>	<ul style="list-style-type: none"> <li>Non-discrimination</li> <li>Cost accounting</li> <li>Accounting separation</li> <li>Transparency</li> <li>Publication of reference offer</li> <li>Price control</li> </ul>	TA Decision no. 2006/DK-10/142, Official Gazette dated 17/03/2006 (SMP designation for fixed markets: markets 1-14/2003)

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Country	Relevant market	Geographic scope	Operator(s) with SMP	Remedies imposed on SMP operator(s)	Legal basis Reference to relevant legislation or NRA decision
	Wholesale unbundled access (including shared access) to local loops and sub loops for the purpose of providing broadband and voice services	National	<ul style="list-style-type: none"> <li>Türk Telekom</li> </ul>	<ul style="list-style-type: none"> <li>Non-discrimination</li> <li>Cost accounting</li> <li>Accounting separation</li> <li>Transparency</li> <li>Publication of reference offer</li> <li>Price control</li> </ul>	TA Decision no. 2006/DK-10/142, Official Gazette dated 17/03/2006 (SMP designation for fixed markets: markets 1-14/2003)
	Wholesale broadband access including bitstream access	National	<ul style="list-style-type: none"> <li>Türk Telekom</li> </ul>	<ul style="list-style-type: none"> <li>Non-discrimination</li> <li>Cost accounting</li> <li>Accounting separation</li> <li>Transparency</li> <li>Publication of reference offer</li> <li>Subject to tariff regulation</li> </ul>	TA Decision no. 2006/DK-10/142, Official Gazette dated 17/03/2006 (SMP designation for fixed markets: markets 1-14/2003)
	Leased lines	National	<ul style="list-style-type: none"> <li>Türk Telekom</li> </ul>	<ul style="list-style-type: none"> <li>Non-discrimination</li> <li>Cost accounting</li> <li>Accounting separation</li> <li>Transparency</li> <li>Price control</li> </ul>	TA Decision no. 2006/DK-10/142, Official Gazette dated 17/03/2006 (SMP designation for fixed markets: markets 1-14/2003)
Albania	Wholesale call termination in individual mobile networks	Geographic extent of each mobile network	<ul style="list-style-type: none"> <li>Albanian Mobile Communications</li> <li>Vodafone Albania</li> </ul>	<ul style="list-style-type: none"> <li>Non-discrimination</li> <li>Cost orientation</li> <li>Transparency</li> <li>Access and interconnection</li> <li>Respect confidentiality</li> <li>Price control</li> <li>RIO</li> </ul>	TRE decision of September 18, 2007
	Retail public mobile services	National	<ul style="list-style-type: none"> <li>Albanian Mobile Communications</li> <li>Vodafone Albania</li> </ul>		TRE decision of September 18, 2007
	Retail access to the public telephone network at fixed location	National	<ul style="list-style-type: none"> <li>Albtelecom</li> </ul>	<ul style="list-style-type: none"> <li>CS/CPS</li> <li>Non-discrimination</li> <li>Cost orientation</li> <li>Transparency</li> <li>Access and interconnection</li> </ul>	TRE decision of November 13, 2007
	Retail publicly available telephone calls at fixed location	National	<ul style="list-style-type: none"> <li>Albtelecom</li> </ul>		TRE decision of November 13, 2007
	Wholesale call termination on geographic numbers in Albtelecom fixed network	National	<ul style="list-style-type: none"> <li>Albtelecom</li> </ul>		TRE decision of November 13, 2007

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Country	Relevant market	Geographic scope	Operator(s) with SMP	Remedies imposed on SMP operator(s)	Legal basis Reference to relevant legislation or NRA decision
	Wholesale call origination on the public telephone network provided at a fixed location	National	<ul style="list-style-type: none"> <li>Albtelecom</li> </ul>	<ul style="list-style-type: none"> <li>Respect confidentiality</li> <li>Price control</li> <li>RIO</li> </ul>	TRE decision of November 13, 2007
	National transit services in the public telephone network provided at fixed locations	National	<ul style="list-style-type: none"> <li>Albtelecom</li> </ul>		TRE decision of November 13, 2007
	International transit services in the public telephone network provided at fixed locations.	National	<ul style="list-style-type: none"> <li>Albtelecom</li> </ul>		TRE decision of November 13, 2007
	Following a <a href="#">public consultation</a> completed in January 2009, the NRA is expected to adopt shortly a new regulation on market analysis. The draft <a href="#">document</a> sets out the methodology for market analysis and identifies 18 markets relevant for ex ante regulation. The list of the identified relevant markets comprises 17 markets of the 2003 European Commission recommendation (excluding the market for broadcasting transmission services) and an additional market for retail mobile services identified based on the three criteria test.				
Bosnia & Herzegovina	Fixed telephony services	Geographic extent of each fixed network	<ul style="list-style-type: none"> <li>BH Telecom</li> <li>Telekom Srpske</li> <li>HT Mostar</li> </ul>	<ul style="list-style-type: none"> <li>Non-discrimination</li> <li>Cost orientation</li> <li>Transparency</li> <li>Access and interconnection</li> <li>Respect confidentiality</li> <li>Price control</li> <li>RIO</li> <li>CS/CPS</li> </ul>	RAK decision of September 27, 2007 (Official Gazette of BiH 81/2007)
	Mobile telephony services	Geographic extent of each fixed network	<ul style="list-style-type: none"> <li>BH Telecom</li> <li>Telekom Srpske</li> <li>HT Mostar</li> </ul>	<ul style="list-style-type: none"> <li>Non-discrimination</li> <li>Cost orientation</li> <li>Transparency</li> <li>Access and interconnection</li> <li>Respect confidentiality</li> <li>Price control</li> <li>RIO</li> </ul>	RAK decision of September 27, 2007 (Official Gazette of BiH 81/2007)
Montenegro	Retail public fixed voice telephone networks and services, including data transmission and leased lines services	National	<ul style="list-style-type: none"> <li>Crnogorski Telekom (T-Com)</li> </ul>	Not defined	Article 143, Transitional provisions of the Law on Electronic Communications of July 29, 2008 sets out the SMP designations, without specifying the regulatory obligations for SMP
	Wholesale call termination in individual mobile and fixed networks	National	All network operators (not defined)		

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Country	Relevant market	Geographic scope	Operator(s) with SMP	Remedies imposed on SMP operator(s)	Legal basis Reference to relevant legislation or NRA decision
	Broadcasting transmission services	National	<ul style="list-style-type: none"> <li>Broadcasting Center</li> </ul>		operators
Serbia	Retail public fixed telephone networks and services	National	<ul style="list-style-type: none"> <li>Telekom Srbija</li> </ul>	<ul style="list-style-type: none"> <li>Network access and interconnection</li> <li>Non-discrimination</li> <li>Cost orientation</li> <li>Transparency</li> <li>Prohibition of cross-subsidisation</li> <li>Retail price control</li> </ul>	RATEL decision of March 3, 2006
	Retail radio and television programme distribution via cable network	National	<ul style="list-style-type: none"> <li>SBB</li> </ul>	<ul style="list-style-type: none"> <li>Retail price control</li> <li>Accounting separation</li> </ul>	RATEL decision of February 19, 2007
<p>On April 22, 2008 RATEL adopted a <a href="#">decision</a> identifying six markets relevant for ex ante regulation, comprising the four relevant markets defined under the ONP framework and two additional markets:</p> <ul style="list-style-type: none"> <li>fixed telephony</li> <li>mobile telephony</li> <li>leased lines</li> <li>interconnection</li> <li>Internet services</li> <li>provision of cable distribution systems.</li> </ul>					
Kosovo	Public mobile services	National	<ul style="list-style-type: none"> <li>PTK (Vala)</li> </ul>	<ul style="list-style-type: none"> <li>Non-discrimination</li> <li>Cost orientation</li> <li>Transparency</li> <li>Network access</li> <li>Respect confidentiality</li> <li>RIO</li> </ul>	Telecommunications Act (UNMIK Regulation 2003/16), Section 44
	Public fixed telephone networks and services	National	<ul style="list-style-type: none"> <li>PTK</li> </ul>	<ul style="list-style-type: none"> <li>Non-discrimination</li> <li>Cost orientation</li> <li>Transparency</li> <li>Network access</li> <li>Respect confidentiality</li> <li>RIO</li> </ul>	

Table D.2 - Analyses of retail and wholesale markets

## E. Competitive safeguards

### 1. Carrier selection and pre-selection

Article 19 of the Universal Service Directive (2002/22/EC) states that NRAs must require operators with SMP in the markets for the provision of connection to and use of the public telephone network at a fixed location to enable their subscribers to access the services of any interconnected provider of publicly available telephone services:

- on a call-by-call basis by dialling a carrier selection code; and
- by means of carrier pre-selection, with a facility to override any pre-selected choice on a call-by-call basis by dialling a carrier selection code.

Table E.1 details the regulatory obligations to offer CS and Table E.2 the obligations for CPS on the fixed networks of incumbent operators. These basic access services are not available in Albania, Serbia or Kosovo. In Turkey, although introduced in 2006, CS and CPS are still not available for local calls as there are no alternative providers of local services. Also in FYROM, CS and CPS services for local call were implemented only recently. In Croatia where the services have been available for almost four years, although in practice alternative operators were not interested in provision of call-by-call CS services until 2006. While both CS and CPS have been introduced in Montenegro, the incumbent operator's RIO only covers provision of call-by-call CS, leaving service providers to negotiate terms and conditions for CPS on commercial basis.

Country	CS implementation for different type of calls				Operators required to provide CS	Call origination for CS included in RIO?
	Local	National	International	Calls to mobile		
Croatia	February 2005	February 2005	February 2005	February 2005	T-Com	T-Com RIO, Section 4.2
FYROM	May 2008	January 2007	January 2007	January 2007	Makedonski Telekom	Makedonski Telekom RIO, Annex 3D
Turkey	Not available	April 2006	April 2006	April 2006	Türk Telekom	Türk Telekom RIO, Sections 2.1.1.2 and 3.1.6
Albania	Not available	Not available	Not available	Not available	-	-
Bosnia & Herzegovina	October 2006	October 2006	October 2006	October 2006	<ul style="list-style-type: none"> <li>• BH Telecom</li> <li>• Telekom Srpske</li> <li>• HT Mostar</li> </ul>	Yes
Montenegro	December 2007	December 2007	December 2007	December 2007	All public telecommunications operators, both fixed and mobile	Crnogorski Telekom RIO, Section 2.5
Serbia	Not available	Not available	Not available	Not available	-	-
Kosovo	Not available	Not available	Not available	Not available	-	-

Table E.1 - Obligations to provide carrier selection

Notes:

Albania: Users of Albtelecom have been able to use prepaid calling cards from service providers for national and international calls since 2002. Call origination for these calls (prepaid cards) is included in Albtelecom RIO, approved by TRE on October 2, 2009.

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Serbia: CS and CPS are not defined in the Telecommunications Law. According to the Action plan for implementation of the National Strategy for Development of Telecommunications adopted by the government on January 15, 2009, the bylaw on implementation of CS and CPS must be adopted by the end of 2009.

Country	CPS implementation for different type of calls				Operators required to provide CPS	Call origination for CPS included in RIO?
	Local	National	International	Calls to mobile		
Croatia	February 2005	February 2005	February 2005	February 2005	T-Com	T-Com RIO, Section 4.2
FYROM	May 2008	January 2007	January 2007	January 2007	Makedonski Telekom	Makedonski Telekom RIO, Annex 3D
Turkey	Not available	July 2006	July 2006	July 2006	Türk Telekom	Türk Telekom RIO, Sections 2.1.1.2 and 3.1.6
Albania	Not available	Not available	Not available	Not available	-	-
Bosnia & Herzegovina	July 2007	July 2007	July 2007	July 2007	<ul style="list-style-type: none"> <li>• BH Telecom</li> <li>• Telekom Srpske</li> <li>• HT Mostar</li> </ul>	Yes
Montenegro	December 2007	December 2007	December 2007	December 2007	All public telecommunications operators, both fixed and mobile	No Only CS is included in Crnogorski Telekom RIO, Section 2.5
Serbia	Not available	Not available	Not available	Not available	-	-
Kosovo	Not available	Not available	Not available	Not available	-	-

Table E.2 - Obligations to provide carrier pre-selection

Where carrier selection and pre-selection have been available for some time, then service providers have entered the markets, but in very small numbers (see Table E.3). There has been only limited adoption of these services by consumers and businesses. It appears that only in Croatia carrier selection and pre-selection, so far, can be considered to be a success. At the end of 2008 there were over 255,000 CPS users in Croatia that corresponds to 15% of all fixed lines.

Country	CS implementation		CPS implementation	
	Alternative operators offering CS	Number of CS users	Alternative operators offering CPS	Number of CPS users
Croatia	5	N/A	4	255,520
FYROM	2	10,946	-	-
Turkey	9	N/A	11	N/A
Albania	-	-	-	-
Bosnia & Herzegovina	4	N/A	-	-
Montenegro	6	N/A	-	-



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Country	CS implementation		CPS implementation	
	Alternative operators offering CS	Number of CS users	Alternative operators offering CPS	Number of CPS users
Serbia	-	-	-	-
Kosovo	-	-	-	-

Table E.3 - Implementation of carrier selection and pre-selection

Notes:

Croatia: The number of CPS users at the end of 2008. The CPS providers are: AMIS, H1, Metronet, Optima.

FYROM: The number of CS users as of June 30, 2008.

Montenegro: The NRA has assigned six CS access codes (1001, 1011, 1012, 1013, 1020 and 1067) to VoIP, mobile and fixed network operators (T-Com Montenegro, VOIP Telecom, PTT Inzenjering, Dimal Telecom, IT Montenegro, T-Mobile Montenegro).

## 2. Number portability

Number portability in fixed networks is required to allow customers to switch operators, usually away from the incumbent to a rival, while retaining the value and familiarity of their existing number. The EU legal framework requires that it be available for both:

- geographic numbers; and
- non-geographic numbers.

There are a number of possible technical solutions. With **onward routing**, a call to a ported number is routed to the donor network (i.e. the network to which the called party previously subscribed to), which then forwards the call to the recipient network (i.e. the network providing service to the subscriber after porting). Whereas, with **direct routing**, a central or distributed database of ported numbers is used for routing calls to ported numbers directly to the recipient network:

- **All calls query – ACQ**

The originating operator consults the database for all calls.

- **Query on release – QoR**

The originating operator consults the database only when the call to the ported number is rejected by the donor network.

Table E.4 summarises the implementation of fixed number portability. Only FYROM and Croatia have so far implemented number portability in fixed networks. While in FYROM it is still very early in the introduction of this service, in Croatia over 250,000 numbers have already been ported, which constitutes 9.5% of total fixed subscriber numbers.

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Country	Implementation		Deadline and legal basis	Inter-operator charge per ported number	Technical solution	NP database financing	Ported numbers statistics
	Geographic numbers	Non-geographic numbers					
Croatia	July 2005	July 2005	Deadline: January 2005, then postponed to April 2005. Article 72 of the Telecommunications Law of 2003 <a href="#">Ordinance on number portability and carrier pre-selection</a> of December 2004 (Official Gazette 183/04) <a href="#">NRA Decision on number portability and carrier pre-selection</a> of August 26, 2005 (with amendments)	None	Direct routing, ACQ with centralised database	Centralised database is operated by the NRA and funded from the NRA budget.	285,700 fixed numbers ported as of March 1, 2009 (269,140 at end 2008)
FYROM	September 2008	September 2008	Deadline: September 2008 Articles 84 and 85 of the <a href="#">Law on Electronic Communications Bylaw on number portability</a> of December 21, 2006 (with amendments) Technical description of the transactions and communication interface between the CRDB and operators <a href="#">approved</a> by the NRA in March 2007.	MKD 700 (€11.00) one-off charge plus annual numbering usage fee set by AEC annually Makedonski Telekom RIO, <a href="#">Annex 8B</a>	Direct routing, QoR with centralised database	Centralised database is operated by the NRA and funded from the NRA budget.	7,051 as of March 2009
Turkey	Not implemented	Not implemented	Deadline: May 2009 <a href="#">Number Portability Ordinance</a> (Official Gazette No 26421, February 1, 2007). Centralised reference database established on May 9, 2008.	One-off charges per ported number have to be cost-oriented. The NRA may establish an upper limit for charges.	Direct routing, ACQ with centralised database (but other methods are not excluded)	Centralised database is operated by the NRA and funded from the NRA budget.	-
Albania	Not implemented	Not implemented	Deadline: June 2009 Law on Electronic Communications (Law No. 9918 of May 19, 2008) sets the implementation deadline within 12 months from its entry into force Secondary legislation is required for implementation.	-	-	-	-

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Country	Implementation		Deadline and legal basis	Inter-operator charge per ported number	Technical solution	NP database financing	Ported numbers statistics
	Geographic numbers	Non-geographic numbers					
Bosnia & Herzegovina	Not implemented	Not implemented	Deadline: December 2009 Telecom Sector Policy, Official Gazette No. 8/2009, sets the implementation deadline at the end of 2009 Law on Communications (Official Gazette No. 31/2003, Art. 8, 27, 38 and 39) RAK Rule on Number Portability No. 32/2008	Max. BAM 30.00 (€15)	Direct routing, ACQ with centralised database	Centralised database is to be financed by telecom operators	-
Montenegro	Not implemented	Not implemented	Deadline: not defined. Legal basis: Article 110 of Law on Electronic Communications Secondary legislation is required for implementation.	-	-	-	-
Serbia	Not implemented	Not implemented	Deadline: not defined. Telecommunications Law provides no legal basis for number portability	-	-	-	-
Kosovo	Not implemented	Not implemented	Deadline: not defined. Legal basis: Section 39 of the Telecommunications Law	-	-	-	-

Table E.4 - Availability of fixed number portability

Notes:

Serbia: Number portability is not defined in the Telecommunications Law. According to the Action plan for implementation of the National Strategy for Development of Telecommunications adopted by the government on January 15, 2009, the bylaw on implementation of number portability in fixed and mobile networks must be adopted by the end of 2009.

Table E.5 summarises the implementation of mobile number portability. Only Croatia, FYROM and Turkey have so far implemented number portability in mobile networks. In Turkey, it appears to be a particular success with almost 1.2 million mobile numbers having been ported within the first four months since its introduction in November 2008.

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Country	Implementation	Implementation deadline and legal basis	Inter-operator charge per ported number	Technical solution	NP database financing	Use	
						Ported numbers statistics	% of total mobile numbers
Croatia	October 1, 2006	Deadline: June 30, 2005. Article 72 of the Telecommunications Law of 2003 <a href="#">Ordinance on number portability and carrier pre-selection</a> of Dec. 2004 (Official Gazette 183/04) <a href="#">NRA Decision on number portability and carrier pre-selection of August 26, 2005</a> (with amendments)	None	Direct routing, ACQ with centralised database	Centralised database is operated by the NRA and funded from the NRA budget.	72,200 mobile numbers ported as of March 1, 2009 (66,100 - at end of 2008)	1.2%
FYROM	September 2008	Deadline: July 2007, then postponed to September 2008 Articles 84 and 85 of the <a href="#">Law on Electronic Communications Bylaw on number portability</a> of Dec. 21, 2006 (with amendments) <a href="#">Technical description of the transactions and communication interface between the CRDB and operators</a> approved by the NRA in March 2007.	According to the <a href="#">amendments</a> to Article 84 of the Law on Electronic Communications of July 2008, one-off porting fee can be charged either from operators or from subscribers. Currently, both donor and recipient operators charge subscribers a one-off fee of. €5.00 - €10.00.	Direct routing, QoR with centralised database	Centralised database is operated by the NRA and funded from the NRA budget.	1,897 mobile numbers ported by March 2009 (829 at the end 2008)	0.04%
Turkey	November 2008	Deadline: November 2008 Number Portability <a href="#">Ordinance</a> (Official Gazette No 26421, Feb. 1, 2007). Centralised reference database established on May 9, 2008.	The NRA set the upper limit for inter-operator charges at TRY 2 (€0.90).	Direct routing, ACQ with centralised database (but other methods are not excluded)	Centralised database is operated by the NRA and funded from the NRA budget.	c.a. 1.2m mobile numbers ported by March 2009	c.a. 2%
Albania	Not implemented	Deadline: June 2009 Law on Electronic Communications (Law No. 9918 of May 19, 2008) sets the implementation deadline within 12 months from its entry into force Secondary legislation is required for implementation.	-	-	-	-	-

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Country	Implementation	Implementation deadline and legal basis	Inter-operator charge per ported number	Technical solution	NP database financing	Use	
						Ported numbers statistics	% of total mobile numbers
Bosnia & Herzegovina	Not implemented	Deadline: December 2009 Telecom Sector Policy, Official Gazette No. 8/2009, sets the implementation deadline at the end of 2009 Law on Communications (Official Gazette No. 31/2003, Art. 8, 27, 38 and 39) RAK Rule on Number Portability No. 32/2008	Max. BAM 30.00 (€15)	Direct routing, ACQ with centralised database	Centralised database is to be financed by telecom operators.	-	-
Montenegro	Not implemented	Deadline: not defined. Legal basis: Article 110 of Law on Electronic Communications Secondary legislation is required for implementation.	-	-	-	-	-
Serbia	Not implemented	Deadline: not defined. Telecommunications Law provides no legal basis for number portability	-	-	-	-	-
Kosovo	Not implemented	Deadline: not defined. Telecommunications Law provides no legal basis for mobile number portability	-	-	-	-	-

Table E.5 - Availability of mobile number portability

Table E.6 shows where VoIP providers are allowed to use geographic and non-geographic numbers from the national numbering plan and where they are allowed to port-in such numbers from another operator, usually the incumbent operator. In most cases, in the absence of general number portability, it is not available for VoIP. Croatia and Montenegro have created dedicated number ranges for non-nomadic VoIP, respectively 075 and 078.

The term ‘nomadic services’ refers to services where the user can connect to their VoIP service from any network termination point and make or receive calls using the same number. Nomadic VoIP services are therefore provided independently of the physical location of the user. However, the user may be required to specify a particular physical location and corresponding network termination point as their ‘home’ location when signing the contract with the provider of the nomadic VoIP service in order to enable the provision of caller location information to the emergency services.

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Country	Access to subscriber numbers for VoIP				Number portability			
	Geographic		Non-geographic dedicated range(s) for VoIP		Geographic		Non-geographic	
	Non-nomadic VoIP	Nomadic VoIP	Non-nomadic VoIP	Nomadic VoIP	Non-nomadic VoIP	Nomadic VoIP	Non-nomadic VoIP	Nomadic VoIP
Croatia	No	No	Yes (075)	No	No	No	Yes	No
FYROM	Yes	Yes	No	No	Yes	Yes	No	No
Turkey	No	No	No	No	NP not implemented		NP not implemented	
Albania	No	No	No	No	NP not implemented		NP not implemented	
Bosnia & Herzegovina	Yes	No	No	No	NP not implemented		NP not implemented	
Montenegro	No	No	Yes (078)	No	NP not implemented		NP not implemented	
Serbia	No	No	No	No	NP not implemented		NP not implemented	
Kosovo		No	No	No	NP not implemented		NP not implemented	

Table E.6 - Availability of numbers and number portability for VoIP

Notes

FYROM: 260,000 geographic numbers have been issued to alternative fixed operators that offer voice telephony services based on LLU or WiMAX as access technologies; 18,000 geographic numbers to CableTV operators offering voice telephony services. The NRA also issued 23 non-geographic free-phone numbers (0800-9abcd) to VoIP providers that offer outgoing international calls using pre-paid calling cards (these numbers are not assigned to the subscribers and do not offer the possibility of receiving calls).

Albania: Article 90(3) of the new Law on Electronic Communications provides for the use of non-geographic numbers by nomadic VoIP services. Secondary legislation is being prepared by the NRA.

### 3. Reference interconnection offer

One of the key factors in enabling a competitive telecommunications market is ensuring the availability of a reference interconnection offer (RIO) from the operators with significant market power in transparent and non-discriminatory manner.

Table E.7 gives an overview of fixed and mobile operators with SMP that are required to publish RIOs and the number of interconnection agreements made, grouped by the type of interconnection. While considerable work has been undertaken on the preparation and approval of RIOs, there are a significant number of gaps, especially for MNOs. In the case of FYROM, there is an appeal underway against changes introduced by the NRA.

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Country	Status of RIO		Number of interconnection agreements		
	Fixed operators with SMP	Mobile operators with SMP	Fixed – Fixed	Fixed – Mobile	Mobile – Mobile
Croatia	T-HT (Hrvatske Telekomunikacije, T-Com) T-HT RIO <a href="#">approved</a> by the NRA on February 16, 2009 and valid from March 1, 2009. RIO applies only to interconnection with fixed networks. Mobile operators have to negotiate interconnection with T-HT on commercial terms.	<a href="#">T-Mobile Hrvatska</a> and <a href="#">VIPnet</a> Current RIOs <a href="#">approved</a> by the NRA on February 16, 2009 and valid from March 1, 2009.	36	19	3
FYROM	<a href="#">Makedonski Telekom</a> Current RIO approved by the NRA on February 12, 2009 and valid from February 23, 2009.	<a href="#">T-Mobile</a> and <a href="#">Cosmofon</a> Current RIOs approved by the NRA on July 25, 2008 and valid from August 2008.	6	6	3
Turkey	<a href="#">Türk Telekom</a> RIO approved by the NRA and valid from November 2008	<a href="#">Turkcell</a> , <a href="#">Vodafone</a> and <a href="#">Avea</a> RIOs approved by the NRA and valid from August 2008	37	53	3
Albania	<a href="#">Albtelecom</a> RIO approved by the NRA on February 10, 2009 and valid from February 18, 2009	<a href="#">Vodafone Albania</a> and <a href="#">AMC</a> RIOs approved by the NRA on February 10, 2009 and valid from February 18, 2009	56	112	3
Bosnia & Herzegovina	<a href="#">BH Telecom</a> , RIO valid from February 2008 <a href="#">HT Mostar</a> , RIO valid from October 2007 <a href="#">Telekom Srpske</a> , RIO valid from October 2007 (with <a href="#">annexes</a> )	No RIO published BH Telecom, Telekom Srpske and HT Mostar are designated as having SMP in mobile telephony services	15	-	-
Montenegro	<a href="#">Crnogorski Telekom</a> , RIO approved by the NRA and valid from April 2008	No RIO published ProMonte and T-Mobile were designated as having SMP in mobile telephony services under Telecommunications Law of 2000, but regulatory obligations were never applied in practice.	1	6	3
Serbia	Telekom Srbija <a href="#">Standard RIO</a> , August 2008 <a href="#">RIO for interconnection with VoIP providers</a> , March 2009 Not approved by the NRA	No RIO published No operator designated as having SMP	0	3	3
Kosovo	<a href="#">PTK</a> , valid from January 2007 Approved by the NRA on January 12, 2007	No RIO published Vala has SMP in public mobile services market	1	1	1

Table E.7 - RIOs for fixed and mobile operators and number of agreements

Notes:

Turkey:

There are no alternative fixed access networks in Turkey. All interconnection agreements with alternative fixed operators have been concluded so far with long distance carriers.

#### 4. Reference unbundling offer

Table E.8 below shows the legal basis for a reference unbundling offer (RUO), with the set-up and monthly charges for a fully unbundled local loop and a shared loop. The levels of adoption by alternative operators are shown in terms of both the number of operator agreements and the number of loops that have been unbundled.

The number of loops unbundled to date is very small, being almost exclusively in Croatia where the RUO was first implemented in October 2005. Although Turkey has had a RUO since 2006, the number of unbundled loops is still very limited (approximately 8000 out of a network of around 18 million lines).

Albania, Bosnia & Herzegovina, Serbia and Kosovo have yet to adopt RUOs.

Country	Status of RUO Legal basis	One-off and monthly prices		Implementation	
		Fully unbundled loop	Shared loop	Number of LLU agreements	Number of unbundled loops
Croatia	T-Com RUO approved with changes by the NRA on July 21, 2008. The first RUO was published in October 2005 in accordance with LLU Ordinance of April 6, 2005 (amended August 2005).	<ul style="list-style-type: none"> <li>One-off: HRK 370 (€51.00)</li> <li>Per month: HRK 52.14 (€7.19)</li> </ul>	<ul style="list-style-type: none"> <li>One-off: HRK 550 (€75.80)</li> <li>Per month: HRK 22.37 (€3.08)</li> </ul>	5	92,730 as of end 2008
FYROM	Makedonski Telekom RUO In September 2008 the NRA adopted a new bylaw on LLU. Makedonski Telekom submitted a new RUO, which was approved by the NRA in December 2008. The new RUO also includes unbundling of non-active loops and. Naked-DSL. The first RUO was approved by AEC in May 2006.	<ul style="list-style-type: none"> <li>One-off (for a block of 100 loops with physical collocation): MKD 7,214.00 (€117.87)</li> <li>One-off (for a block of 100 loops with distant collocation): MKD 7,214.00 (€117.87)</li> <li>Per month: MKD 430.00 (€7.03)</li> </ul>	<ul style="list-style-type: none"> <li>One-off (for a block of 100 loops with physical collocation): MKD 7,295.00 (€119,2)</li> <li>One-off (for a block of 100 loops with distant collocation): MKD 7,242.00 (€118.38)</li> <li>Per month: MKD 142.85 (€2.33)</li> <li>Naked-DSL, per month: MKD 430.00 (€7.03)</li> </ul>	1	2,117 as of end 2008
Turkey	Türk Telekom RUO The current RUO was revised at end 2008 and published by ICTA on February 22, 2009. The <a href="#">Communiqué on LLU</a> of July 20, 2004 established that Türk Telekom must submit its RUO to NRA for approval every year. The first RUO was approved in November 2006.	<ul style="list-style-type: none"> <li>One off: TRY 100 (€50.00)</li> <li>Per month: TRY 17 (€8.50)</li> </ul>	<ul style="list-style-type: none"> <li>One off: TRY 110 (€55.00)</li> <li>Per month: TRY 5.75 (€2.90)</li> </ul>	10	7,865 as of end 2008
Albania	RUO not available The NRA adopted TRE Regulation No 416 of Dec. 7, 2007 on access and interconnection including rules for the publication and content of RUO, but there is no obligation for Alblecom to provide LLU or to publish an RUO.	-	-	-	-



Country	Status of RUO Legal basis	One-off and monthly prices		Implementation	
		Fully unbundled loop	Shared loop	Number of LLU agreements	Number of unbundled loops
Bosnia & Herzegovina	RUO not available Regulation on LLU adopted by the NRA on May 27, 2008 According to the new sector policy adopted by the Council of Ministers on December 18, 2008, RUOs must be implemented not later than by the end of 2009.	-	-	-	-
Montenegro	RUO not available	-	-	-	-
Serbia	RUO not available	-	-	-	-
Kosovo	RUO not available	-	-	-	-

Table E.8 - Status of the RUO and local loop unbundling charges

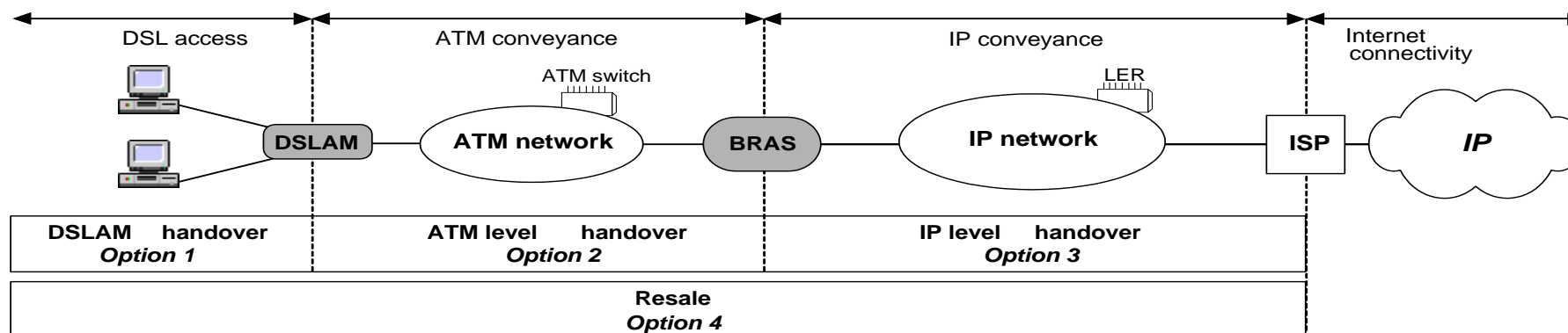
Notes:

FYROM: The alternative operator On.Net launched its commercial activities using LLU in May 2008.

Turkey: There is no distinction between the charges applied to already active lines and to newly built ones.

### 5. Wholesale broadband access

Figure 34 shows the various possible handover points for DSL traffic between an incumbent operator and an alternative operator or ISP.



DSLAM: DSL Access Multiplexer / ATM: Asynchronous Transfer Mode / BRAS: Broadband-Remote Access Server / LER: Router

Figure 34 - DSL interconnection

**DSL interconnection services – bitstream access (BSA)**

Option 1 – handover at the DSLAM.

Option 2 – handover at the ATM network level, either at:

- the ‘parent’ ATM switch (i.e., the ATM switch closest to the DSLAM); or
- one or more ‘distant’ switches in the ATM network (involving additional conveyance across the ATM network by the incumbent);

Option 3 – handover at one or more points on the IP network of the incumbent.

**Resale service**

Option 4 – resale of end-to-end DSL service between the end-user and the ISP.

Table E.9 shows where bitstream access and resale offers are available, either on a commercial basis or mandated by the NRA. It shows the availability of the four options shown in Figure 34.

The extent of the adoption of the various options is shown in the final columns. Croatia has had some success with Option 3, while Turkey has made some progress with Options 3 and 4, with over 300,000 lines supplied to alternative operators using both options. Serbia has done well, with nearly 70,000 lines using Option 3.

Country	Legal basis BSA/resale offered on commercial basis if not mandated?	Option 1 DSLAM level	Option 2 ATM/Ethernet handover	Option 3 IP handover	Option 4 End-to-end resale	Implementation	
						Number of BSA/resale agreements	Number of broadband lines with BSA/resale by alternative operators
Croatia	In February 2009 the NRA approved <a href="#">T-Com's new reference offer for wholesale broadband access</a> . The first version was approved in December 2007, included as Annex to the RIO for ISPs. Two types of service are offered: <ul style="list-style-type: none"> <li>• ADSL Transport, which covers the transmission capacity from DSLAM to BRAS with handover in the incumbent's IP network, and</li> <li>• Wholesale ADSL access, which covers the bitstream access from DSLAM to the customer.</li> </ul> T-Com had been providing ADSL Transport service since 2006, which corresponds most closely to ERG Option 3, but where the retail customer is charged by T-Com for the ADSL line.	Yes Wholesale ADSL access	Not available	Yes ADSL Transport plus Wholesale ADSL access	Not available	5 (Option 3)	16,207 as of end 2008

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Country	Legal basis BSA/resale offered on commercial basis if not mandated?	Option 1 DSLAM level	Option 2 ATM/Ethernet handover	Option 3 IP handover	Option 4 End-to-end resale	Implementation	
						Number of BSA/resale agreements	Number of broadband lines with BSA/resale by alternative operators
FYROM	<a href="#">Bylaw on wholesale bitstream access and bitstream resale</a> (adopted in December 2008, published in Official Gazette of No. 154/2008). According to the bylaw, Makedonski Telekom was obliged within 60 days from the publishing of the bylaw to submit to the Agency BSA/resale offer for its approval. BSA with handover at IP-level and resale have been offered commercially since 2007.	Yes	Yes	Yes	Yes	1 commercial agreement (Option 4)	17,000 as of end 2008
Turkey	The obligation to provide wholesale bitstream access at IP level and resale was imposed on Türk Telekom by the TA board Decision No. 2004/535 of Oct. 6, 2004. The wholesale tariffs for bitstream access were approved in July 2005. The first reference offers were approved in August 2007. In July 2007, the TA also requested Türk Telekom to prepare by Jan.1, 2008 a wholesale BSA offer with handover at the ATM level (Option 2). <a href="#">Reference ATM level BSA Offer</a> was approved in December 2008 and will enter into force on July 1, 2009.	Not available	From July 1, 2009 Turk Telekom <a href="#">Reference ATM level BSA offer</a> was published on March 10, 2009.	Yes Türk Telekom's Reference IP level BSA offer published on March 10, 2009	Yes Türk Telekom's Reference Resale ADSL/G.SHDSL offer published on March 10, 2009	13 (Option 3) 20 (Option 4)	281,288 (Option 3) 43,405 (Option 4) as of January 2009 Massive migration from resale to BSA with IP handover during 2008, see notes below table.
Albania	No	Not available	Not available	Not available	Not available	-	-
Bosnia & Herzegovina	No	Not available	Not available	Not available	Not available	-	-
Montenegro	No	Not available	Not available	Not available	Not available	-	-
Serbia	Telekom Srbija offers wholesale ADSL on commercial basis	Not available	Not available	Commercial offer	Not available	around 30	103,701 as of end 2008
Kosovo	No	Not available	Not available	Not available	Not available	-	-

Table E.9 - Availability of wholesale fixed broadband access offers

Notes:

Turkey:

As a result of a campaign launched by the incumbent operator in late 2008, alternative operators have largely migrated their resale-based subscribers (Option 4) to BSA with IP-level handover (Option 3). The total number of broadband lines with alternative operators has also increased with the addition of new connections. For comparison, in early 2008 there were 1,200 BSA-based lines offered by alternative operators and 200,000 resale-based lines.

6. Wholesale line rental

An incumbent operator may rent its subscriber lines on a wholesale basis to alternative operators that would then resell the subscriber line to the end user, usually known as wholesale line rental (WLR). In conjunction with carrier pre-selection ('all calls' option), WLR enables alternative operators to end the billing relationship between the incumbent and the end user.

Table E.10 shows the availability of WLR, the legal basis, the prices and the adoption. WLR is currently only available in FYROM, where a bylaw was adopted in December 2008, and the incumbent reference offer was approved by the NRA in March 2009.

Country	Available since when?	Legal basis for the imposition of WLR	Pricing rule set by NRA?	Publication of a reference offer	Implementation	
					Number of WLR agreements	Number of WLR lines
Croatia	No	None	-	-	-	-
FYROM	From November 2008	Bylaw on wholesale line rental, adopted in December 2008	Retail minus: 20% to 35%	Yes, approved and published in March 2009. The approved price is based on 'retail minus 20%'	1	1,233
Turkey	No	None	-	-	-	-
Albania	No	None	-	-	-	-
Bosnia & Herzegovina	No	None	-	-	-	-
Montenegro	No	None	-	-	-	-
Serbia	No	None	-	-	-	-
Kosovo	No	None	-	-	-	-

Table E.10 - Availability of wholesale line rental

7. Implementation of wholesale offers in practice

Table E.11 summarises the state of play with all types of wholesale offer. The large number of blank entries indicates the lack of progress.

Nonetheless, Croatia with fully unbundled loops and bitstream access is in a strong position, gaining experience for all parties. Turkey and Serbia have some success with BSA.

Country	Fully unbundled lines		Shared lines		Bitstream access		Broadband resale		Wholesale line rental	
	Number of agreements	Number of lines	Number of agreements	Number of lines	Number of agreements	Number of lines	Number of agreements	Number of lines	Number of agreements	Number of WLR lines
Croatia	5	92,730	2	1,252	5	16,207	-	-	-	-
FYROM	1	2,117	1	-	-	-	1	17,000	1	1,233
Turkey	10	23	10	7,842	13	281,288	20	43,405	-	-
Albania	-	-	-	-	-	-	-	-	-	-

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Country	Fully unbundled lines		Shared lines		Bitstream access		Broadband resale		Wholesale line rental	
	Number of agreements	Number of lines	Number of agreements	Number of lines	Number of agreements	Number of lines	Number of agreements	Number of lines	Number of agreements	Number of WLR lines
Bosnia & Herzegovina	-	-	-	-	-	-	-	-	-	-
Montenegro	-	-	-	-	-	-	-	-	-	-
Serbia	-	-	-	-	c.a. 30	c.a. 150,000	-	-	-	-
Kosovo	-	-	-	-	-	-	-	-	-	-

Table E.11 - Implementation of wholesale offers in practice

8. National roaming, mobile access and call origination

Table E.12 shows the commercial and mandated offers of access to mobile networks.

Country	Legal obligation to offer		Commercial reality
	Mobile access and call origination for MVNOs and service providers	National roaming	
Croatia	<p>Mobile operators with SMP have been required to provide open access to their networks under article 52 of the previous Telecommunications Law of 2003. On Oct. 23, 2008 HAKOM issued a <a href="#">decision</a> requesting T-Mobile to offer MVNO access to Telcro within 60 days from the decision. The decision was adopted upon Telcro's request after unsuccessful negotiations with T-Mobile, based on the SMP obligation imposed on T-Mobile under the previous Law.</p> <p>However, according to HAKOM draft decision <a href="#">published</a> for consultation until April 20, 2009, the market for wholesale mobile access and call origination does not satisfy the three criteria test and should not be subject to ex ante regulation.</p>	<p>2G operators were obliged to provide national roaming for new 2G operators for at least three years from the time that the new operator reaches 20% coverage of the population.</p>	<p>National roaming 2G-2G:</p> <ul style="list-style-type: none"> <li>• Tele2 on VIPnet (from June 2005 until June 2008)</li> <li>• Tele2 on T-Mobile (from June 2008 until June 2011)</li> </ul> <p>Wholesale call origination: Both mobile operators with SMP, T-Mobile and VIPnet, provide wholesale call origination for Premium Rate Service (PRS) providers. Access terms are negotiated commercially and not regulated in the RIOs.</p>
FYROM	No	No	<p>National roaming 2G-2G: VIP on T-Mobile (from September 2007)</p>
Turkey	<p>According to the analysis of market 15/2003, Turkcell is designated as having SMP and obliged to provide call origination upon request.</p> <p>No specific regulation on MVNO and service provider access.</p>	<p>No</p> <p>National roaming may be imposed by the NRA within the scope of access obligations defined under Article 15 of Electronic Communications Law</p>	No

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Country	Legal obligation to offer		Commercial reality
	Mobile access and call origination for MVNOs and service providers	National roaming	
Albania	Access and Interconnection regulation provides an obligation on mobile operators with SMP to provide access to their networks for MVNOs.	No	No
Bosnia & Herzegovina	No	Mobile 2G operators were required to have national roaming with each other to ensure national coverage.	National roaming 2G-2G: Between all the three mobile operators
Montenegro	No	No	No
Serbia	No	No	National roaming 2G-2G: VIP – mt:s (Telekom Srbija)
Kosovo	No specific obligations, but MVNO operations can be launched subject to a commercial agreement between an MNO and a service provider. The NRA issued an <a href="#">MVNO framework</a> in February 2008 (amended in May 2008) that clarifies licensing, numbering, interconnection and other service provision aspects for MVNO operations.	No	Two MVNO licences issued so far. Dardafone was licensed on June 12, 2008 and Dukagjini Telecommunications on June 24, 2008. Dardafone has a network access agreement with the MNO - Vala, whereas Dukagjini has with the MNO - IPKO.

Table E.12 - National roaming, mobile access and call origination

9. Price control and regulatory cost accounting for fixed and mobile wholesale prices

Where an operator is designated as having SMP in a wholesale market, NRAs are entitled under article 13 of Access Directive (2002/19/EC) to impose a cost accounting obligation to ensure that operators subject to price regulation follow fair, objective and transparent criteria when allocating their costs to services. However, the Directive does not prescribe which cost accounting methodology is to be used.

Table E.13 indicates the markets in which price controls have been imposed on operators having SMP. It also identifies the type of price control applied by the NRA and the specific Cost Accounting System (CAS) it has mandated:

- LRAIC: Long Run Average Incremental Costs
- LRIC: Long Run Incremental Costs
- FDC: Fully Distributed Costs
- EDC: Embedded Direct Costs

Where the LRIC model is used, it shows whether the costs have been calculated using:

- TD: a top-down model (starting from the SMP operator's accounting data);
- BU: a bottom-up model of an efficient network; or

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BU/TD a reconciliation of the other two models.

A description of the CAS and an annual statement concerning compliance are required to be published (Article 13(4) of the Access Directive).

Country	Markets/activities	Pricing rule set by NRA?	Methodology mandated by NRA			Legal basis
			Cost base	Cost standard	BU, TD or reconciliation	
Croatia	Fixed interconnection and LLU	Benchmarking (EU average) LRIC is foreseen	-	-	-	<p>Under the previous <a href="#">Telecommunications Law of 2003, article 56 (16)</a> fixed and mobile operators with SMP were required to set cost-oriented interconnection charges subject to the NRA approval.</p> <p>Under Article 7 (12) of the <a href="#">Ordinance on network access and interconnection</a>, the NRA has applied benchmarking against the EU Member States to validate the cost-orientation of the proposed wholesale charges.</p> <p>Under Article 128 of the <a href="#">Electronic Communications Act of 2008</a>, the regulatory obligations imposed under the previous law remain in force until the NRA completes the new market analysis procedure.</p>
	Mobile call termination	Benchmarking (EU average) LRIC is foreseen	-	-	-	
FYROM	LLU, fixed interconnection	Cost orientation	Current cost Forward-looking cost	FDC (from 2006 until LRIC was implemented in 2008) LRIC (new prices approved in 2008)	Top-down	<ul style="list-style-type: none"> <li>• Law on Electronic Communications</li> <li>• <a href="#">Rules on the manner of recording the accounting separation</a> related to interconnection and/or access activities, adopted in December 2005</li> <li>• <a href="#">Rules on allocation of costs and capital employed</a>, adopted in December 2008</li> <li>• <a href="#">Rules on establishing the level of information detail to be published in the reference interconnection offers and the manner of their publication</a>, adopted in December 2008</li> <li>• <a href="#">Rules on establishing the level of the information detail to be published in the reference offer for unbundled access to local loop</a>, adopted in September 2008.</li> </ul>
	Call termination on individual mobile networks	Benchmarking (from 2008) Cost orientation (foreseen from 2009)	Current cost	Benchmarking (from 2008) LRIC (foreseen from 2009)	Not applicable	<ul style="list-style-type: none"> <li>• <a href="#">Rules on establishing the level of information detail to be published in the reference interconnection offers and the manner of their publication</a>, adopted in December 2008</li> <li>• AEC Decision of January 18, 2008 designating T-Mobile and Cosmofon as having SMP on mobile call termination market.</li> </ul>
	Wholesale leased lines	Benchmarking				<ul style="list-style-type: none"> <li>• <a href="#">Rules on the provision of the minimum set of leased lines, and rules on the provision of terminating segments of leased lines</a>, both adopted in September 2008.</li> </ul>

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Country	Markets/activities	Pricing rule set by NRA?	Methodology mandated by NRA			Legal basis
			Cost base	Cost standard	BU, TD or reconciliation	
	Wholesale bitstream access	Retail minus				<ul style="list-style-type: none"> <li>Rules on the provision of BSA and resale of bitstream service, adopted in December 2008. The pricing rule is set based on the Commission Recommendation of March 29, 2005 on the provision of leased lines in the EU — Part 2 — pricing aspects of wholesale leased lines part circuits (OJ L 83 of 01.04.2005 (2005/268/EC))</li> </ul>
	Wholesale line rental	Retail minus 20%				<ul style="list-style-type: none"> <li>Rules on provision of the wholesale subscriber line rental service, adopted in December 2008</li> </ul>
Turkey	Leased lines	Cost orientation	Forward-looking	LRIC	Reconciliation	Articles 29-30 of Telephone and Telegraph Law no 406, Article 10 of Tariff Ordinance
	LLU	Benchmarking Retail Minus	-	-	-	Articles 7 and 11 of Access and Interconnection Ordinance and Communiqué on LLU. Turk Telekom is subject to price control obligation based on its SMP designation on the relevant market
	Fixed interconnection	Benchmarking Evaluation of TD costs	-	-	-	Article 11 of Access and Interconnection Ordinance. Turk Telekom is subject to price control obligation based on its SMP designation on the relevant markets
	Mobile call termination	Benchmarking Evaluation of TD costs	-	-	-	Article 11 of Access and Interconnection Ordinance. Turkcell, Vodafone and Avea are subject to price control obligation based on their SMP designation on the relevant market
Albania	Fixed interconnection	Benchmarking (EU 2006 average) BU-LRAIC is foreseen in 2009	-	-	-	Articles 45, 57 and 59 of the Law on Electronic Communications. Albtelecom is subject to price control obligation based on its SMP designation on the relevant markets
	Mobile call termination	Benchmarking (EU 2007 average) BU-LRAIC is foreseen in 2009	-	-	-	Articles 45, 57 and 59 of the Law on Electronic Communications. AMC and Vodafone are subject to price control obligation based on their SMP designation on the relevant markets
Bosnia & Herzegovina	Fixed interconnection	Benchmarking	-	-	-	RAK regulation on interconnection of March 11, 2002 Communications Law of 2002, article 21 (1) requires that the principle of cost orientation shall be applied to determine the level of the tariffs charged by companies having SMP.



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Country	Markets/activities	Pricing rule set by NRA?	Methodology mandated by NRA			Legal basis
			Cost base	Cost standard	BU, TD or reconciliation	
Montenegro	Fixed interconnection	Benchmarking	-	-	-	NRA decision of April 15, 2008 approving RIO of Crnogorski Telekom
Serbia	None	None	-	-	-	-
Kosovo	Fixed interconnection	Benchmarking	-	-	-	Based on section 6, paragraph 4, section 53, 57 of Law on Telecommunications, and also based on section 9 of the License for fixed national services granted to PTK, the NRA approved PTK's RIO on January 12, 2007.
	Mobile call termination	Benchmarking	-	-	-	<a href="#">TRA ruling</a> of December 12, 2007 setting MTRs in a dispute between PTK Mobile (Vala) and Ipkonet mobile

Table E.13 - Price control and regulatory cost accounting obligations

Notes:

Serbia:

Telecommunications Law of 2003, articles 9, 10, 43, 44, 56, 57 requires fixed operators with SMP to set cost-oriented prices. This provision has not been implemented in practice. On October 14, 2008, RATEL approved [Rules](#) on the application of the cost-accounting principle, separate accounts and reporting (Official Gazette No. 103/08) that foresees implementation of FAC HCA cost accounting model by July 2010 and LRIC model by July 2012 for operators designated as having SMP in the relevant markets.

## F. Universal service

### 1. Scope of universal service and provider designation mechanism

Universal Service Directive 2002/22/EC requires any designation of a universal service (US) provider to be carried out by “an efficient, objective, transparent and non-discriminatory designation mechanism, whereby no undertaking is *a priori* excluded from being designated”. These rules allow the designation of one or more undertakings to guarantee the provision of universal service and may also designate different undertakings or sets of undertakings to provide different elements of universal service and/or to cover different parts of the national territory. Furthermore, according to Article 8 and Recital 8 in the Universal Service Directive, mobile networks may be used for the provision of universal service. This could reduce the cost of universal service provision.

Table F.1 shows the designation of the universal service providers in SEE countries:

- the scope of universal service defined by national legislation;
- which operator(s) has been designated to provide the US obligations or where no designation procedure has been carried out – which providers are currently required to provide the entire scope or specific elements of the universal service;
- the designation mechanism for the US providers and the legal basis;

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- technology neutrality of the universal service obligation (e.g., whether there are any restrictions on mobile operators bidding for the provision of a connection to the public telephone network at a fixed location).

Country	Scope of US	Universal service providers	Designation mechanism for the US provider(s)	Technology neutral?
Croatia	<ul style="list-style-type: none"> <li>• Access to the public voice telephone services through a connection at a fixed location and data communications at a minimum speed of 33.6 kbit/s</li> <li>• Access of end users to at least one comprehensive subscriber directory</li> <li>• Directory enquiry services</li> <li>• Provision of public payphones in the licensed areas</li> <li>• Access to emergency services to all subscribers free of charge</li> <li>• Lower tariffs for services provided to disabled people</li> </ul>	HT- Hrvatske Telekomunikacije d.d.	<p>The NRA Council can impose an obligation on one or more providers of public voice services to provide USO, or it can select the most favourable bidder for providing universal services on the basis of a public tender.</p> <p>If a public voice service provider has a market share above 80%, HAT Council obliges that provider to provide USO, without public tender.</p> <p>The public tender procedure can be invoked even if there is public voice service provider with market share above 80% in justified cases, especially for geographically limited areas or on the request of other public voice service providers.</p> <p>On November 28, 2005 the NRA <a href="#">designated</a> T-HT as a USO provider for 5 years term, without public tender.</p>	Yes
FYROM	<ul style="list-style-type: none"> <li>• Access to publicly available telephone services at a determined geographical location, making and receiving local, national and international telephone calls, facsimile communications and data communications at a minimum speed of 2,400 bit/s</li> <li>• Ensuring access to information in the single directory and directory enquiry services</li> <li>• Provision of public pay telephones</li> <li>• Ensuring conditions for equivalent access to and use of publicly available telephone services for disabled end users, including access to emergency calls services and information in single directory</li> </ul>	None	<p>Under article 35 of the Law for Electronic Communications, the NRA may designate one or several universal service providers, following a public tender procedure.</p> <p>In January 2008, the NRA started a public tender with pre-qualification for Universal Service provider nomination, in accordance with the <a href="#">Rules on the tender procedure for the selection of universal service providers</a>. Two companies passed the first phase. The NRA is preparing the tender documentation for the second phase.</p>	Yes
Turkey	Access to emergency services to all subscribers free of charge	Türk Telekom	No designation mechanism – the requirement is set out in the concession agreement of Türk Telekom.	No
	Telephone directory services to be provided in the printed or electronic media	Türk Telekom		No
	Provision of public payphones	Türk Telekom		No
	Access to public fixed telephony services	Türk Telekom		No
	Provision of satellite services to Turkish Red Crescent Society	Türksat	No designation mechanism – Türksat is designated for provision of these services (voice and data via satellite)	No
	Digital broadcasting (DVB-T services)	-	No designation mechanism - the technical and legal studies continue.	No

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Country	Scope of US	Universal service providers	Designation mechanism for the US provider(s)	Technology neutral?
	Access to basic internet services	Türksat, Türk Telekom	No designation mechanism – Türk Telekom and Türksat are designated to establish the infrastructure of the basic internet services for training associations located in rural, high cost areas.	No
Albania	<ul style="list-style-type: none"> <li>Access to the telephone service available to the public from a defined geographic location, enabling the user to make and receive local, national and international calls, facsimile communications and data communication at a minimum speed of 32 kbps;</li> <li>telephone directory;</li> <li>public payphones; and</li> <li>equivalent access to and use of telephone service for disabled end-users, including access to emergency calls services and information in telephone directory.</li> </ul>	None	Under article 26 of the Law on Electronic Communications, the NRA may designate one or several universal service providers, following a public tender procedure and subject to approval by the Minister	Yes
Bosnia & Herzegovina	Access to emergency services to all subscribers free of charge	All operators	No designation mechanism – the requirement is set out in the license terms	Yes
	Provision of public payphones	<ul style="list-style-type: none"> <li>BH Telecom</li> <li>Telekom Srpske</li> <li>HT Mostar</li> </ul>	No designation mechanism – the requirement is set out in the license terms of the three fixed incumbent operators	No
	Lower tariffs for services provided to disabled and persons with special social needs	<ul style="list-style-type: none"> <li>BH Telecom</li> <li>Telekom Srpske</li> <li>HT Mostar</li> </ul>	No designation mechanism – the requirement is set out in the license terms of the three fixed incumbent operators	No
	Connections to the fixed public telephone network at a fixed location and access to fixed public telephone services at affordable prices, allowing users to make and receive national and international calls, supporting speech, facsimile and/or data communications; provision of directories and directory enquiry services; public pay phones	<ul style="list-style-type: none"> <li>BH Telecom</li> <li>Telekom Srpske</li> <li>HT Mostar</li> </ul>	No designation mechanism – the requirement is set out in the license terms of the three fixed incumbent operators	No
Montenegro	<ul style="list-style-type: none"> <li>Access to public fixed telephone services;</li> <li>equal access to and affordability of publicly available telephone services for disabled users and users with special social needs;</li> <li>access to emergency services free of charge;</li> <li>access to telephone directory and directory enquiry services.</li> </ul>	None	Under article 54 of the Law on Electronic Communications, the NRA may designate one or several universal service providers for a period of 5 years, following a public tender procedure	Not defined

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Country	Scope of US	Universal service providers	Designation mechanism for the US provider(s)	Technology neutral?
Serbia	The minimum scope must include: Access to a public fixed telephone service enabling functional Internet access; special measures for disabled and socially disadvantaged users; free access to emergency services; public payphones and access to telephone directory and directory enquiry services.	Not defined	Not defined	Not defined
Kosovo	Access to emergency services to all subscribers free of charge	All public telecommunications operators	No designation mechanism – the requirement is set out in the licence	Yes

Table F.1 - Universal service scope and provider designation mechanism

**Notes:**

- Turkey:** Under the Universal Service Law (No. 5369) of June 16, 2005, the scope of universal service covers fixed telephone services, public payphones, printed or electronic directory services, emergency call services, basic internet services, passenger transport services to places that can be reached only through sea transport, and maritime emergency and security communications services. Apparently the passenger transport services relate to two islands in the Aegean where private companies are not willing to provide services during the winter. In 2006, this list was extended by the Council of Ministers to include two further elements: 1) services oriented to spread information technologies, including computer literacy, to help the development of information society and 2) services for the provision of the digital broadcasting by the utilisation of various broadcast media and technology via digital terrestrial transmitters to cover the entire settlements countrywide. The Universal Service Law envisages a tender procedure for the designation of universal service providers which has not yet been implemented.
- Bosnia & Herzegovina:** The Law on Communications states that the Council of Ministers shall define the scope of universal service, the funding mechanism and the designation of the universal service providers. The NRA has submitted a draft decision covering the scope of universal service, undertakings the designation and the funding mechanisms and the requirement for the NRA to set QoS parameters and terms for defining USO funding mechanism. The draft is examined by several government bodies, as part of standard procedure before its adoption by the Council of Ministers.
- Montenegro:** Chapter VI (Articles 52-52) of Law on Electronic Communications (Official Gazette of Montenegro, № 50/2008) provides legal basis for the Universal service. Universal service is not yet implemented in practice. Under the article 144 of Law on Electronic Communications the NRA was required, no later than 6 months from the entry into force of the law, to adopt the necessary regulations and initiate tender procedure for selection of operator of Universal Service, which was not achieved in practice. Secondary legislation is still under preparation.
- Serbia:** Under the transitional provisions of the Telecommunications Law, Telekom Srbija was required to provide the “initial scope” of universal services until expiry of its exclusivity rights in June 2005. The initial scope of universal services was defined as comprising access to a public fixed telephone service enabling functional Internet access; special measures for disabled and socially disadvantaged users; free access to emergency services; public payphones and access to telephone directory and directory enquiry services. Following the expiry of Telekom Srbija’s universal service obligations, the Ministry of Information Society and Telecommunications is required to define the scope of universal service based on the proposal of the NRA, while the NRA must designate the provider and establish the universal service fund. In accordance with the Action plan for implementation of the National Strategy for Development of Telecommunications, the Ministry will define the minimal set of universal services in the first half of 2009.
- Kosovo:** The Law on Telecommunications, Section 21.6, allows the NRA to establish additional conditions for authorizations, based upon the class or category of services, which may include special arrangements for disabled people. Under Section 49, the NRA is also authorized to adopt secondary legislation on the scope of the USO, which may include specific measures for people with disabilities.

## 2. Universal service funding

Article 12 of the Universal Service Directive (2002/22/EC) requires NRAs to calculate the net cost of universal service provision where they consider that it may represent an unfair burden on the provider. According to Article 13, NRAs may either introduce a public funding mechanism for compensation or share the net cost between operators.

Table F.2 shows the legal basis for any calculations and reimbursement of costs for the universal service, the method of funding (if any) and the status of implementation.

Country	Legal basis for calculation and reimbursement of USO costs	Method of funding	Implementation
Croatia	Articles 39-40 of the Electronic Communications Act of June 19, 2008 (Official Gazette 73/2008)	Cost sharing The reimbursement of net costs for universal service provision is to be financed by all operators of publicly available telephone services with revenue exceeding 2% of the total revenue in this market. The amount of contributions to be paid by individual operators is to be set in proportion to their market shares.	Not implemented
FYROM	<a href="#">Bylaw on the method of establishing prices for universal service</a> <a href="#">Bylaw on the method of calculating real costs and intangible benefits for the provision of universal service</a> <a href="#">Bylaw on the determination of the level of compensation for the real costs for the provision of the universal service</a>	Cost sharing The reimbursement of net costs for universal service provision is to be financed by the operators and providers with minimum annual gross revenues of €100,000. The contribution may not exceed 1% of the operator's gross revenue received from the provision of public electronic communications networks and services.	Not implemented
Turkey	<a href="#">Law No.5369</a> on 'The Provision of Universal Services and Making Changes on Some Laws' (Official Gazette No. 25856, June 25, 2005) Ordinance on Principles and Procedures for the Collection of Universal Service Revenues and Execution of Expenditures (Official Gazette No. 26213, June 29, 2006). Net cost of the universal service shall be calculated on the basis of the difference between the net cost when the incumbent operator does not provide services within the scope of universal services and when it provides such service. However, the calculation of the net cost shall also take into consideration the benefits obtained by operators due to provision of the universal service.	According to article 6 of the <a href="#">Universal Service Law</a> of June 2005, contributions to the universal service fund consist of the following: <ul style="list-style-type: none"> <li>• 2% of the authorization fees collected by the Telecommunications Authority</li> <li>• 1% of net sales revenues of all operators except for GSM operators</li> <li>• 10% of payments by GSM operators to the Treasury</li> <li>• 20% of administrative fines collected by the Telecommunications Authority</li> <li>• 20% of what remains in the budget of the Telecommunications Authority budget after all expenditures are deducted</li> </ul> Percentages can be increased by up to 20% by the Council of Ministers. These revenues are collected in the public budget and allocated to the budget of the Ministry of Transport.	Funds are being collected but there has been no decision on compensation payments
Albania	Articles 29 and 30 of the Law on Electronic Communications	Cost sharing is foreseen by Law on Electronic Communications. Universal service fund is to be financed by the undertakings that own public electronic communication networks and provide electronic communication services, and the public electronic communications	Not implemented

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Country	Legal basis for calculation and reimbursement of USO costs	Method of funding	Implementation
		services providers, in accordance with the regulations to be adopted by the NRA. The contribution may not exceed 1% of the operator's gross revenue received from the provision of public electronic communications networks and services.	
Bosnia & Herzegovina	None To be adopted during 2009. No reimbursement of USO cost is foreseen before the end of 2009.	Cost sharing is foreseen Contributions will be required from all undertakings providing electronic communications networks and services, set in proportion to their revenues.	Not implemented
Montenegro	USO cost compensation is foreseen by Law on Electronic Communications, Article 57	Cost sharing is foreseen by Law on Electronic Communications, Article 58 Contributions will be required from all undertakings providing electronic communications networks and services, set in proportion to their revenues. If the net USO cost exceeds 1% of the total electronic communications sector revenues in that specific year, the Ministry may provide for additional funding from the state budget.	Not implemented
Serbia	USO cost compensation is foreseen by the Telecommunications Law, Article 50	Cost sharing is foreseen Contributions will be required from other public telecommunications operators in proportion to their market shares. The amounts and timing of such payments have to be set out in a separate regulation to be adopted by the NRA.	Not implemented
Kosovo	USO cost compensation is foreseen by the <a href="#">Law on Telecommunications</a> , Section 49	Not decided	Not implemented

Table F.2 - Universal service funding

### 3. Quality of service

Article 11 of the Universal Service Directive (2002/22/EC) provides that NRAs may set specific performance targets for the designated universal service providers. The standards are set out in Annex III to the Directive, specifying ETSI EG 201 769-1 version 1.1.1 (April 2000).

Table F.3 shows the quality of service targets set for operators, together with any work done to assess compliance.

Country	NRA imposed performance targets/QoS requirements	Operators subject to QoS requirements	QoS measured according to which standard?	Actual performances against targets published? (date + weblink)	Penalties for non-compliance
Croatia	Yes	HT – Hrvatske telekomunikacije QoS requirements imposed on the universal service provider are set out in	ETSI EG 201 769-1	Performance indicators <a href="#">published</a> in April 2008.	No

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Country	NRA imposed performance targets/QoS requirements	Operators subject to QoS requirements	QoS measured according to which standard?	Actual performances against targets published? (date + weblink)	Penalties for non-compliance
		the <a href="#">Ordinance on Universal Services</a> adopted by the NRA on February 16, 2009.			
FYROM	Yes	Every operator or provider of public voice telephony services has an obligation to publish its QoS parameters for the previous year on its website and to inform the NRA about the measured QoS parameters.	ETSI EG 201 769-1	After the check and validation of the reported data for QoS parameters, AEC will publish them on its website.	No
Turkey	Yes	Public fixed networks operators with SMP (currently, Turk Telekom) have an obligation to inform the NRA about the measured QoS parameters defined by NRA for each quarter.	ETSI EG 202.057-1	No	Yes
Albania	Yes	Every operator or provider of public voice telephony services (fixed and mobile) has an obligation to report to AKEP its QoS parameters for the previous year and for the first 6 months.	ETR 138/1994 ITU-T E.426 WTDR-1994*	No	No
Bosnia & Herzegovina	Yes	Fixed and mobile operators with SMP	ETSI EG 201	No	No
Montenegro	Not yet	All public operators (foreseen according to the draft rulebook)	ETSI EG 201 (foreseen)	No	No
Serbia	QoS parameters are set out in the operators' licences	All licensed public fixed and mobile network operators	ETSI EG 201 769-1 GSM: Handover success rate ≥95% Call success rate ≥98% Dropped call rate ≤2% UMTS: BLER ≤1%	No	No
Kosovo	QoS parameters are set out in the operators' licences	All licensed public fixed and mobile network operators	ETSI EG 201 769-1	No	No

Table F.3 - Application of Quality of Service requirements

Notes:

FYROM:

Turkey:

In June 2006, the NRA adopted [Rules on technical requirements for the quality of universal service](#). No US providers designated yet.  
GSM operators are obliged to fulfil QoS requirements: call block rate must be less than 5% of total calls and call drop rate must be less than 2% of total calls.  
For more details, see [Ordinance on Quality of Service in the Telecommunications Sector](#). This secondary legislation is to be revised in 2009.

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Table F.4 shows the results of QoS measurements for key parameters according to ETSI indicators (1-5).

Country	Supply time for initial connection	Fault rate per access line per year	Fault repair time (hours: minutes)	Unsuccessful call ratio	Call set-up time (seconds)
Croatia	95% of requests are fulfilled within 42 days	11%	30 hours for 80% on target date for faults on access lines 74 hours for 95% on target date for faults on access lines; 25 hours for 80% on target date for all other faults 68 hours for 80% on target date for all other faults.	0.903% for national calls within fixed network 2.067% for international calls	1.625 seconds for 95% for national calls 5.000 seconds for 95% for international calls
FYROM	95% of requests are fulfilled within seven calendar days. 99% of requests are fulfilled within fourteen calendar days.	13%	80% of reported faults are repaired within 23:12:49 hours. 95% of reported faults are repaired within 51:29:25 hours.	2.74% for national calls 0.01% for international calls	0.936 sec for national calls 3.166 sec for international calls
Turkey	Not reported	5.56%	80% of faults on access lines are repaired within 24 hours 95% in 48 hours	1.2% for national calls Not available for international long distance calls	Not reported
Albania	Not reported	4.4%	50 minutes	0.15% for local calls 1.73% for national calls 1.73% for international calls	Not reported
Bosnia & Herzegovina	8-22 days It depends on technical possibilities.	13-26%	80% faults - 28:00 - 51:30 95% faults - 125:18	3.01% for national calls 4.47% for international calls 1.15% for fixed to mobile calls	0.05 - 4 seconds
Montenegro	Normally 1-2 days Maximum 7 days, if technical conditions are fulfilled.	Not available	4 hours	0.1% for local Not available for long distance	0.2 sec for local calls
Serbia	15 days (if technically possible)	30%	61 50 (latest)	1.01% for local calls 5.7% for long distance calls	1.50
Kosovo	6.4 days	0.3%	24 hours	0.2%	0.50

Table F.4 - Quality of service measurements of fixed incumbent operators



## G. Fixed retail telephony tariffs

The reference date for the information in this section is December 31, 2008.

Regulatory objectives of pro-competitive telecommunications policies are aimed at protecting the interests of consumers in terms of choice, price, quality of service and value for money, in particular through promoting open and competitive markets. Retail prices represent one of the most important indicators enabling to assess the outcomes of regulatory policies.

Historically, telecommunications operators and regulators have set retail prices for network access as low as possible. Prices for other services, such as long distance calls, have been kept high to subsidise low access prices. With the introduction of competition, such an approach becomes untenable as new entrants concentrate on provision of services with high margins and avoid services priced below cost. A policy of rebalancing seeks to increase access prices, and reduce prices for services that have traditionally subsidized low access prices. The objective is to ensure that the price for each service reflects the underlying cost of providing that service.

Regulators usually allow several years for implementing tariff rebalancing over several years in order to soften the consequences for consumers. Furthermore, when monthly rentals and local call tariffs are increased, it has been common to differentiate between residential and business tariffs. At the end of the process, lower call tariffs can stimulate demand for access, helping to mitigate the effects of increased access prices.

However, some consumers, typically low-income or low-usage customers may experience an increase in their telecommunications costs as a result of the tariff rebalancing. The policy response has been to protect such users with targeted subsidies or special tariff packages.

### 1. Tariff rebalancing and regulation of retail tariffs

Table G.1 shows the extent of the regulation of retail prices of fixed operators designated as having SMP. In particular, it identified progress towards rebalancing of the retail tariffs of the incumbent operator. Any requirements for the advance notification of new retail prices to the NRA or the ministry are specified, together with the approval process, whether it must be granted or whether tacit approval is possible, after a period of notification has elapsed.

Retail price control methodologies may include one or more of the following:

- compliance with a price cap regulation that has been set for the specific service(s);
- price squeeze tests, one or both of:
  - Test 1: SMP operator's own costs: There is a price squeeze when the proposed retail prices would not cover the SMP operator's own network and commercial costs.
  - Test 2: Costs of an "efficient alternative operator": There is a price squeeze where the proposed retail prices could not be replicated by an alternative operator using the most efficient combination of its own network, commercial infrastructure and wholesale services purchased from the SMP-operator with prices fixed in the wholesale reference offer; and
- international benchmarking.

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Country	Status of tariff rebalancing (target date if established)	Retail services covered	Advance notification requirements	Notice period	Formal or tacit approval	Assessment method (for formal approvals)
Croatia	Ongoing	Fixed voice telephony (T-Com)	Yes – to HAKOM	30 days	Formal	Test 1
FYROM	Ongoing	Fixed voice telephony (Makedonski Telekom)	Yes – to AEC	30 days	Tacit	According to the <a href="#">Bylaw on Retail price regulation</a> (Official Gazette of the Republic of Macedonia, No. 154/08 of December 12, 2008, AEC may apply one of the following methods: <ul style="list-style-type: none"> <li>• Price cap</li> <li>• Individual tariff approval</li> <li>• Benchmarking and</li> <li>• Cost based prices</li> </ul>
Turkey	Ongoing	Fixed voice telephony (Türk Telekom)	Yes – to ICTA	4 weeks	Formal	Price cap
Albania	Ongoing In September 2008 the NRA approved increase in monthly rentals and local call tariffs and reductions in national and international call tariffs.	Fixed voice telephony (Albtelecom)	Yes – to AKEP	30	Formal	Price cap
Bosnia & Herzegovina	The second phase of tariff rebalancing will be carried out during 2009-2011. Consultation on the draft Rule on <a href="#">Changes and Amendments to Rule on the Model of Tariff Rebalance of Voice Telephone Services</a> was <a href="#">completed</a> in November 2008	Fixed voice telephony services (three incumbent operators): <ul style="list-style-type: none"> <li>• access fee</li> <li>• monthly subscription</li> <li>• per minute price of national calls</li> <li>• per minute price of international calls</li> </ul>	Yes – to RAK	1 month	Formal	Benchmarking/Price cap
Montenegro	Completed on August 31, 2007	Fixed voice telephony	Yes – to EKIP	8 days	Formal	Price cap
Serbia	To be completed in Q3 2009 In October 2008 the NRA <a href="#">approved</a> an increase in PSTN monthly rentals, call impulse charges, and uniform call prices for residential and business customers.	Fixed voice telephony (Telekom Srbija) Cable TV services (SBB)	Yes – to RATEL	Not specified	Formal	Benchmarking Cost based model (foreseen in 2009)
Kosovo	Ongoing	Fixed voice telephony (PTK)	Yes	Not specified	Formal	Cost based model

Table G.1 - Tariff rebalancing and regulation of retail tariffs

## 2. Retail price caps

Under Article 17 of the Universal Service Directive (2002/22/EC), NRAs are empowered to impose regulatory obligations to control individual tariffs (*inter alia*, by price caps) on undertakings with SMP in a given retail market if they have concluded, following a market analysis, that:

- the given market is not competitive; and
- obligations imposed on the wholesale market under the Access Directive (2002/19/EC) and the obligation to offer carrier selection and/or carrier pre-selection under Article 19 of the Universal Service Directive have failed to address competition concerns.

Table G.2 shows where retail price caps have been imposed on operators and the period of their validity.

Country	Validity of current price cap	Price cap (or sub caps)	
Croatia	None	-	
FYROM	None	Price cap imposed on Makedonski Telekom expired following the termination of the concession contract in August 2008	
Turkey	January 1, 2007 – December 31, 2008 ICTA may extend the validity period until Dec. 31, 2009	<p>The <a href="#">Price Cap Communiqué</a> (Official Gazette Jan. 16, 2007 No: 26405) sets a price cap for the service basket that includes:</p> <ul style="list-style-type: none"> <li>• PSTN, ISDN BRA and ISDN PA connection, transfer and monthly rental; and</li> <li>• local, national call services, Internet access call origination, calls to mobile networks and international call services.</li> </ul> <p>The weighted average price of the services included in the basket cannot increase more than the rate of inflation (CPI) minus a <a href="#">productivity factor</a>, i.e. CPI – 3.3%, plus any unused accumulated allowed annual price changes from the preceding periods during the price cap term.</p> <p>In addition, two sub-caps apply as follows:</p> <ul style="list-style-type: none"> <li>• CPI-3.3% for local calls</li> <li>• CPI-0% for ISDN PRA monthly rentals</li> </ul>	
Albania	Albtelecom September 1, 2008 – August 31, 2010	RPI-RPI (effectively zero) for the basket (residential and business): <ul style="list-style-type: none"> <li>• one-off installation fee</li> <li>• monthly subscription fee</li> <li>• local calls</li> <li>• national calls</li> <li>• retention rate for calls to mobile</li> <li>• retention rate for international calls</li> </ul>	Sub caps: <ul style="list-style-type: none"> <li>• RPI+15% for monthly rental residential</li> <li>• RPI+4.2% for local calls (residential peak RPI-X ≤ 8%)</li> <li>• RPI-15% national calls (within Albtelecom network)</li> <li>• RPI-20% for international calls</li> </ul>
	AMC and Vodafone September 1, 2008 to August 31, 2010	RPI-23% for one prepaid tariff option for both MNOs (Albacarta for AMC and Vodafone Card for Vodafone)	Sub caps: <ul style="list-style-type: none"> <li>• RPI-28% for retention rate for calls to other MNOs (national)</li> <li>• RPI-28% for retention rate for calls to fixed network (national)</li> </ul>

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Country	Validity of current price cap	Price cap (or sub caps)
Bosnia & Herzegovina	The second phase of tariff rebalancing will be carried out during 2009-2011.	To be defined
Montenegro	None	-
Serbia	None	-
Kosovo	None	-

Table G.2 - Retail price caps

### 3. Call charging system

The charges for public fixed voice telephony services can comprise two components: an initial or set-up charge applied at the beginning of a call and a charge for the remainder of the call, that may not depend on the type of initial charge used.

Initial charges can be of four different types:

- Call set-up charge set at the start of the call (when the call is answered). This charge does not include any call time. Per second or per unit charges apply from the beginning of the call.
- Initial charge that is used in the same way as call set-up, but additionally includes a certain number of seconds of call time before normal time-based charging starts.
- Unit charge in effect works the same way as the initial charge: A full unit is charged at the beginning of the call, providing a certain number of seconds call time until the next unit is charged. Depending on the principle used by the operator (synchronous or asynchronous) the number of seconds call-time in the first unit may be less than the specified unit duration.
- Minimum charging is normally used with per second billing, to ensure the operator obtains a minimum revenue per call. If the call duration is short, the actual call charge may be less than the minimum charge. In such cases the minimum charge will be applied.

Charging system during the call can be of three different types:

- Real time charging or “per second billing” in which the cost of the call to be calculated based on the exact duration of the call (normally to the nearest second). A call set-up charge, initial charge or minimum charge may be applied, in addition to the duration charge.
- Unit based charging using fixed price unit. The duration of this unit will vary with the destination of the call and time of day. The call duration will always be raised to a multiple of whole units, so the user will nearly always pay for more time than is used. Rarely, a call set-up charge may be applied to this method.
- Fixed period charging uses a variable price, but fixed duration unit. The call is normally charged on a per minute basis, or per 6 seconds. The price for the period will vary with destination and time of day. The charged duration of the call will be raised to a multiple of whole periods. A call set-up charge or initial charge is often implemented in the form of a higher charge for the first minute or period. This initial charge may vary with destination and time of day.

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Table G.3 presents information on the call charging systems used by the fixed incumbent operators and the minimum cost of a call for local, long distance, international calls and call to a mobile phone.

Country	Type of call	Initial charges		Charging during the call	
		Types of charges	Nominal value (€ incl. VAT)	Minimum charging unit	Nominal value (€ incl. VAT)
Croatia	Local	Call set-up	0.013	60 seconds	0.038
	Long distance	Call set-up	0.013	60 seconds	0.038
	Fixed-to-mobile	None		15 seconds	0.066
	International	None		15 seconds	0.077
FYROM	Local	None		60 seconds	0.019
	Long distance	None		60 seconds	0.058
	Fixed-to-mobile	None		60 seconds	0.192
	International	None		60 seconds	0.190 (1-10 tariff group)
Turkey	Local	None		60 seconds	0.038 (incl. SCT tax 15%)
	Long distance	None		60 seconds	0.044 (incl. SCT tax 15%)
	Fixed-to-mobile	None		20 seconds	0.063 (incl. SCT tax 15%)
	International	None		60 seconds	0.058 (incl. SCT tax 15%)
Albania	Local	29 seconds (peak) and 48 seconds (off peak)	€0.008 (residential) €0.012 (business)	29 seconds (peak) and 48 seconds (off peak)	€0.008 (residential) €0.012 (business)
	Long distance	6-8 seconds	€0.008 (residential) €0.012 (business)	6-8 seconds	€0.008 (residential) €0.012 (business)
	Fixed-to-mobile	2-3 seconds	€0.008 (residential) €0.012 (business)	2-3 seconds	€0.008 (residential) €0.012 (business)
	International	2-4 seconds (Zone 1) Less than 1 second (Zone 3-5)	€0.008 (residential) €0.012 (business)	2-4 seconds (Zone 1) Less than 1 second (Zone 3-5)	€0.008 (residential) €0.012 (business)
Bosnia & Herzegovina BH Telecom	Local	None		1 second	0.00028
	Long distance	None		1 second	0.00061
	Fixed-to-mobile	None		1 second	0.0012 (own network) 0.0031 (other networks)
	International	None		1 second	Depends on international zone
Bosnia & Herzegovina Telekom Srpske	Local	None		1 second	0.00017
	Long distance	None		1 second	0.00077
	Fixed-to-mobile	None		1 second	0.0013 (own network) 0.0030 (other networks)
	International	None		1 second	Depends on international zone

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Country	Type of call	Initial charges		Charging during the call	
		Types of charges	Nominal value (€ incl. VAT)	Minimum charging unit	Nominal value (€ incl. VAT)
Bosnia & Herzegovina HT Mostar	Local	None		1 second	0.00023
	Long distance	None		1 second	0.00077
	Fixed-to-mobile	None		1 second	0.0013 (own network) 0.0031 (other networks)
	International	None		1 second	Depends on international zone
Montenegro	Local	None		60 seconds	0.022
	Long distance	None		60 seconds	0.059
	Fixed-to-mobile	None		60 seconds	0.222
	International	None		60 seconds	Depends on international zone
Serbia	Local	None		1 pulse	0.005
	Long distance	None		1 pulse	0.027
	Fixed-to-mobile	None		1 pulse	0.121
	International	None		1 pulse	0.243
Kosovo	Local	Pulse	0.012	4 minutes	0.046
	Long distance	Pulse	0.012	4 minutes	0.046
	Fixed-to-mobile	Pulse	0.186	15 seconds	0.046
	International	Pulse	0.302	9.2 seconds	0.046

Table G.3 - Call charging systems of fixed incumbent operators

Notes:

Croatia: There are two call charging systems. In one of them, the minimum charging unit is one minute or 60 seconds for calls in the national network, but for calls to mobile networks and international calls the minimum charging unit is 15 seconds. In the second system, the minimum charging unit is one second (although the first 60 seconds of the call are always charged as 1 minute) with the call set-up charge at the amount of 0.08 HRK for all calls in the national network, the same charging unit of one second is also applied to calls to mobile networks and the international calls without the call set-up charge.

Turkey: Charges include VAT and the Special Communication Tax of 15% for fixed network services.

Albania: The charging system is pulse (unit) based. 1 pulse=1 ALL (residential) and 1.5 ALL (Business). Duration in seconds of a pulse depends on the level of tariff and it is calculated as follows: 1 Pulse (seconds)=60/(tariff per minute in ALL) for Residential and 1 Pulse (seconds)=60\*1.5/(tariff per minute in ALL) for Business Altelecom has the obligation to change charging system for *local calls* from unit based charging to per second charging, starting from the second 6-month period under regulation (March 15, 2009). AKEP Decision rejecting the proposal of Altelecom to carry on with unit based charging and new tariffs has still to be sent to Altelecom.

Bosnia & Herzegovina: Time-based charging system with pre-second billing interval.

Serbia: The pulse duration varies, depending to the type of call: for local call – one pulse is 1 minute long in peak time and 2 minutes in off-peak; for long distance call - one pulse is 12 seconds in peak time and 24 seconds in off-peak; for calls to mobile networks – one pulse is 2 seconds in peak time and 4 seconds long in off-peak; for calls to a fixed network in Montenegro 2 seconds and to a mobile network in Montenegro 1 second.

Kosovo: International call refers to first tariff group. Fixed to mobile calls from PTK to Ipko are the same for peak and off peak at € 0.16 per minute.

## H. Minimum cost of a local call

In the calculation of the minimum charge for calls using per second billing it is assumed that the call is terminated as soon as it starts, making the minimum charge for the call equal to any call set-up or defined minimum call charge. If no such additional charges exist, the minimum charge will be zero.

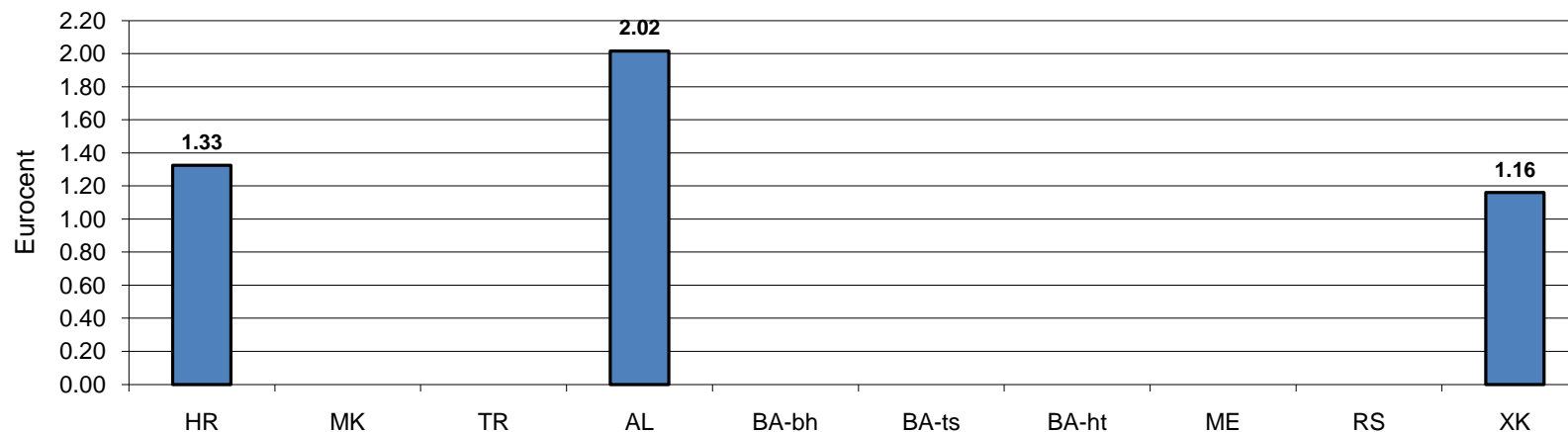


Figure 35 - Minimum cost of a local call in eurocents, including VAT

Notes:

Turkey: The tariff includes a 15% Special Communications Tax

### 1. Monthly subscription fees for residential and business users

Table H.1 shows the monthly rental prices for PSTN lines in the fixed network for residential subscribers in nominal euro with value added tax included. It shows the prices for the standard tariff plans and, where available, the prices for the low usage tariff plan. For the low usage tariff plan, it shows the basis for its offering (e.g., legal requirement such as a universal service obligation or commercial offer) and any restrictions that might apply (e.g., no possibility to use CS/CPS).

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Country	Standard monthly rental € with VAT	Value of call units included		Availability of a low usage package Basis for the offer	Restrictions applicable to low usage package	Low usage monthly rental, € with VAT	Value of call units included	
		Number of units	Nominal value of each unit, €				Number of units	Nominal value of each unit, €
Croatia	10.130	43	0.039	50% discount on Halo Start and Halo Super 60 Low-USO	Only for disabled people and family members of fallen Croatian soldiers	5.070	87	0.031
FYROM	7.668	0	-	Minimal model – tariffs model	None	4.237	0	-
Turkey	6.984	0	-	-	None	-	0	-
Albania	2.326	0	-	None	None	-	0	-
Bosnia & Herzegovina • BH Telecom • Telekom Srpske • HT Mostar	• 4.846 • 4.487 • 5.115	160 minutes of local calls (peak time)	• 0.020 • 0.012 • 0.016	Yes special package: families of soldiers died in the war, disabled veterans, blind persons and the other disabled persons	None	• 2.178 • 2.178 • 2.178	160 minutes of local calls (peak time)	• 0.020 • 0.012 • 0.016
Montenegro	5.967	100 minutes of local off-peak calls	0.011	Yes (mini package)	For residential users only	3.042	0	0
Serbia	2.59	0	-	None	None	-	-	-
Kosovo	8.074	250	0.046	Yes	None	3.47	-	-

Table H.1 - Residential monthly line rental charges of fixed incumbent

Notes:

Turkey:

Montenegro:

Charges include the Special Communication Tax.

For party lines monthly rentals are: 3.82 EUR for standard offer and 1.95 EUR for MINI package. Included call units are only for residential subscribers, not for business subscribers. Source: *Pricelist of T-Com Montenegro, 09.12.2008*.



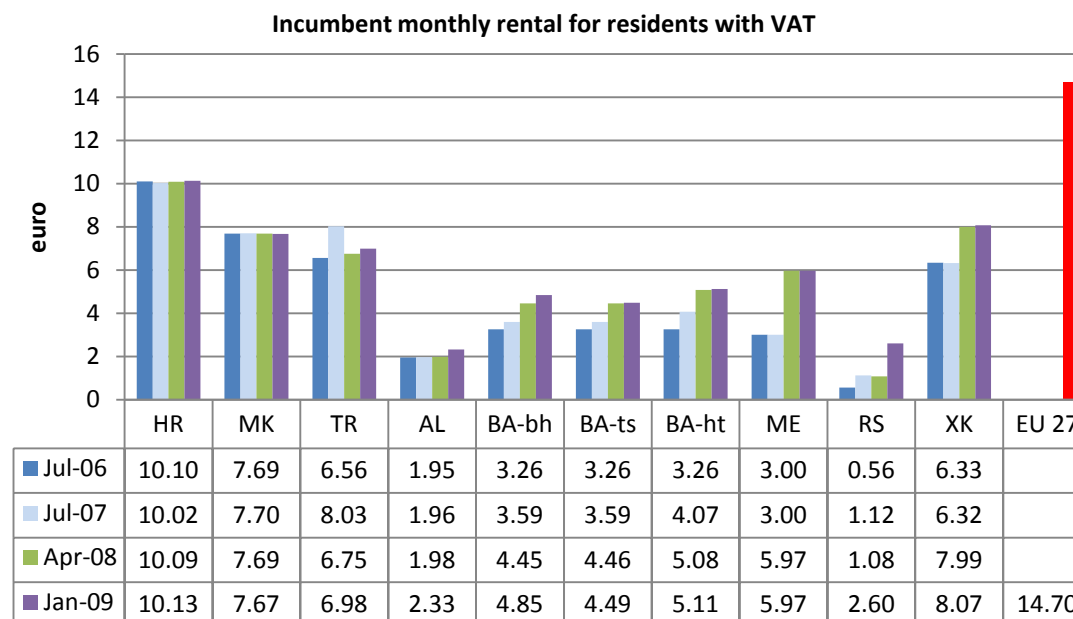


Figure 36 - Standard residential monthly rental (incl. VAT)

Notes:

The EU-27 average is taken from the 14<sup>th</sup> Implementation Report of the European Commission, March 2009.

Turkey: The charges include the Special Communications Tax.

Prices are generally lower in South East Europe than the EU average. The relationship between national price levels may be expressed through purchasing power parity indexes that reflect the differences in relative price levels.

Taking these price levels into account means that the prices for consumers in this region appear higher than what is expressed through the nominal exchange rate, except for Kosovo where no PPP exchange rates are available yet.

Figure 37 below shows the differences in monthly rental when presented in nominal euro and in €/PPP values, except for Kosovo where no PPP exchange rates are available yet.

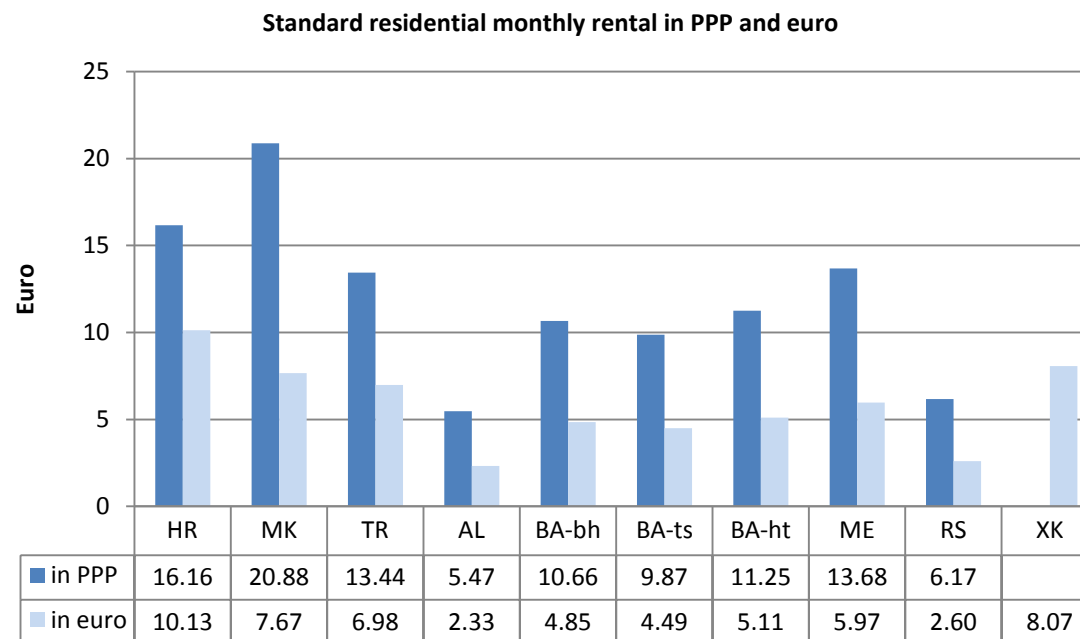


Figure 37 - Standard residential monthly rental (incl. VAT) expressed in PPP and nominal euro

Figure 38 below presents the low usage options in comparison with the standard monthly rental. Turkey, Albania and Serbia do not have special low usage options, but their standard monthly rates are anyway lower than the low usage alternatives of the other countries.

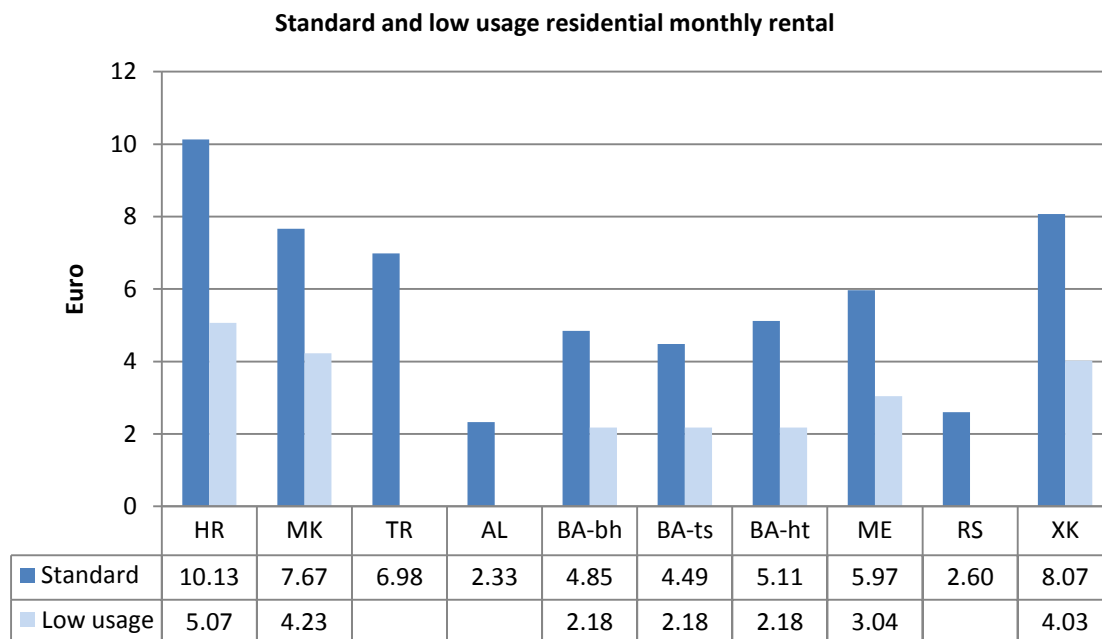


Figure 38 - Standard and low usage residential monthly rental including VAT

Notes:

Turkey: The charges include the Special Communications Tax

Table H.2 shows the monthly rental prices for PSTN lines in the fixed network for business subscribers in domestic currency and in nominal Euro without value added tax.

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Country	Standard monthly rental €	Value of call units included	
		Number of units	Nominal value of each unit €
Croatia	9.69	0	0
FYROM	11.40	0	0
Turkey	5.25	0	0
Albania	8.56	0	0
Bosnia & Herzegovina:			
• BH Telecom	• 8.36	• 160 minutes of local calls in peak time	• 0.02
• Telekom Srpske	• 8.36	• 160 minutes of local calls in peak time	• 0.01
• HT Mostar	• 8.36	• 160 minutes of local calls in peak time	• 0.01
Montenegro	5.10	0	0
Serbia	2.20	0	0
Kosovo	21.74	2,500	0.04

Table H.2 - Business monthly line rental charges of the fixed incumbent (excluding VAT)

Notes:

Turkey: Includes Special Communications tax

Serbia: If the subscriber spent less than 150 pulses per month he pays only monthly rental price of €2.20.

Montenegro: For double party lines monthly rental is €3.82. After rebalancing of tariffs, all prices for residential and business users are the same.

Figure 39 below shows the monthly line rental charges for business subscribers and presents the corresponding information from July 2007 for comparison. In Kosovo, monthly rental for business users remains considerably high in region, also much above the EU 27 average. Serbia and Albania have had significant price increases since the previous year. There are no major changes in the other countries.

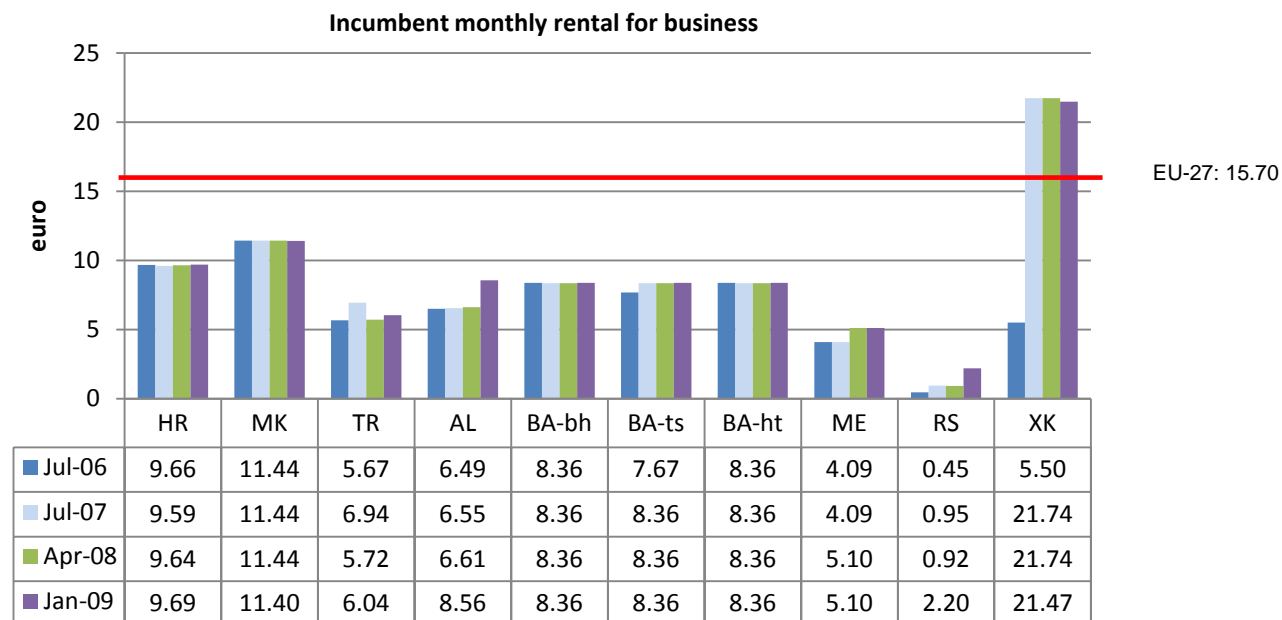


Figure 39 - Monthly rental business users

Notes:

Turkey: Includes Special Communications Tax

The EU-27 average is taken from the 14th Implementation Report of the European Commission, March 2009.

## 2. One-off connection charges

Table H.3 shows the initial costs for the installation and connection of residential and business subscriptions. The installation costs represent the cost of a new installation in a location that has not been connected before. The connection cost is the cost for the connection of an existing subscriber line to a new subscriber, for example, when a new family takes over an apartment where the previous occupant was already connected.

Some operators have special reconnection tariffs that apply after a subscriber has been disconnected for failure to pay accounts. These are not included in the table.

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Country	Residential (including VAT)		Business (excluding VAT)	
	New line connection charge	Reconnection charge (takeover)	New line connection charge	Reconnection charge (takeover)
Croatia	84.45	10.13	69.23	8.31
FYROM	23.83	€7.67 (monthly rental)	20.19	€11.40 (monthly rental)
Turkey	3.13	3.13	2.65	2.65
Albania	116.32	116.32	96.93	96.93
Bosnia & Herzegovina:				
• BH Telecom	35.89	35.89	30.68	30.68
• Telekom Srpske	53.84	53.84	46.02	46.02
• HT Mostar	53.84	53.84	46.02	46.02
Montenegro	64.99	12.50	55.55	10.68
Serbia	66.59	4.96	112.87	4.20
Kosovo	10.00	2.02	8.62	1.74

Table H.3 - One-off connection charges of the fixed incumbent

Notes:

- Montenegro: Prices exclude VAT. There is a connection tax for a new line or for the reconnection of an old line of €10.68, included in the price of €55.55. After rebalancing the tariffs, prices for residential and business users have been the same. (Source: T-Com Montenegro, March 13, 2008 [www.t-com-cg.com](http://www.t-com-cg.com)).
- Serbia: There is an additional payment for the installation of TT cable, if this is required. The costs depend on the length of the cable (up to 150 metres it is RSD 3,500; >150 metres it is RSD 3,500 plus 63.27 per metre for aerial cable or 129.17 per metre for underground cable).
- Turkey: Includes Special Communications Tax.

Figure 40 shows the trends in connection charges for residential customers since 2006. Some of these have dropped quite dramatically, notably in Kosovo and Bosnia & Herzegovina. The level in Albania remains considerably above the monitored countries' average, but has seen a 43% decrease from the previous year. Connection charges in Croatia are not as expensive, but they are still unchanged and higher than in the other countries.

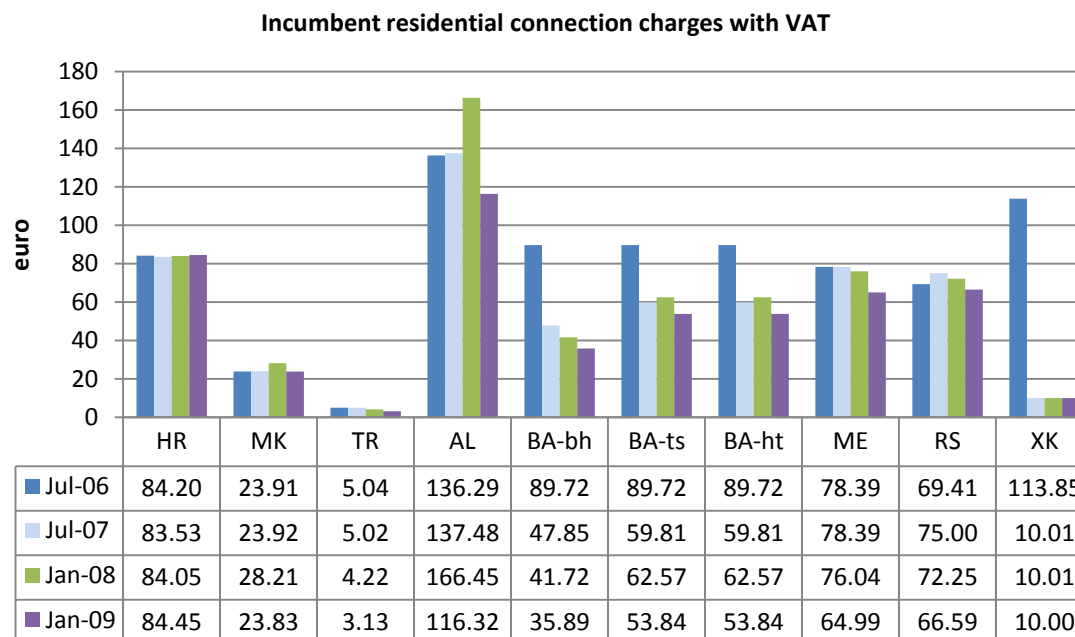


Figure 40 - Incumbent operator connection charges for residential customers (2006-2009)

Notes:

Turkey: Includes Special Communications Tax

### 3. Local fixed telephony tariffs of the incumbent and an alternative operator

Country	Largest alternative operator	Technologies used
Croatia	OT - Optima Telekom d.o.o.	VoIP
FYROM	On.Net d.o.o. Skopje	LLU and Wi-Fi
Turkey	No alternative operator	-
Albania	H-Communication	PSTN
Bosnia & Herzegovina	T3 d.o.o. Sarajevo	PSTN
Montenegro	m:tel	WiMAX

## Enlargement Countries Monitoring Report II – June 2009

Country	Largest alternative operator	Technologies used
Serbia	No alternative operator	-
Kosovo	Ipko	VoIP

Table H.4 - Alternative operators chosen for comparison of retail tariffs

Notes:

Turkey: Local calls are currently provided only by the incumbent.

Albania: H-Communication is the largest alternative fixed operator, in the rural areas of Tirana and Durres.

Table H.5 below presents the local tariffs by the incumbent operator and an alternative operator for 3 minute calls and 10 minute calls. All tariffs are in euro with VAT included.

Country	Incumbent		Alternative operator		
	3 minutes, €	10 minutes, €	3 minutes, €	10 minutes, €	
Croatia	0.11	0.381	0.12	0.375	
FYROM	0.06	0.192	0.06	0.190	
Turkey	0.10	0.376	-	-	
Albania	0.06	0.202	0.14	0.465	
Bosnia & Herzegovina	BH Telecom	0.06	0.197	0.11	0.362
	Telekom Srpske	0.04	0.120	0.15	0.508
	HT Mostar	0.05	0.162	0.15	0.508
Montenegro	0.07	0.222	0.12	0.400	
Serbia	0.02	0.054	-	-	
Kosovo	0.03	0.116	0.09	0.290	

Table H.5 - Local calls for residential customers (including VAT)

Notes:

Turkey: Includes Special Communications Tax

Figure 41 shows the cost of a three-minute local call in Eurocents on the network of the incumbent operator, including VAT for residential consumers. There is considerable variation in the prices, with Croatia and Turkey more expensive, while Serbia is the cheapest. The EU-27 average is indicated by the red line.



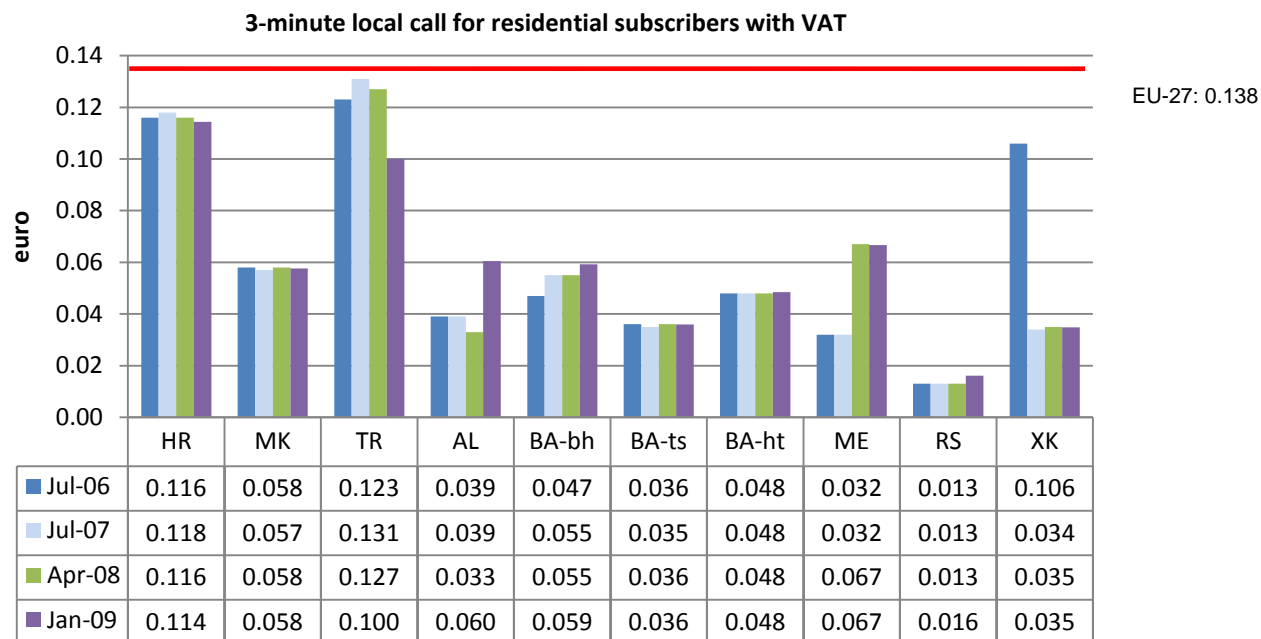


Figure 41 - Cost of a three minute local call (incumbent) in nominal value

Notes:  
 Turkey:  
 EU-27:

Includes Special Communications Tax of 15%  
 Source: 14th Implementation Report of the European Commission. March 2009.

Figure 42 shows the equivalent data for a ten-minute call with very similar patterns.

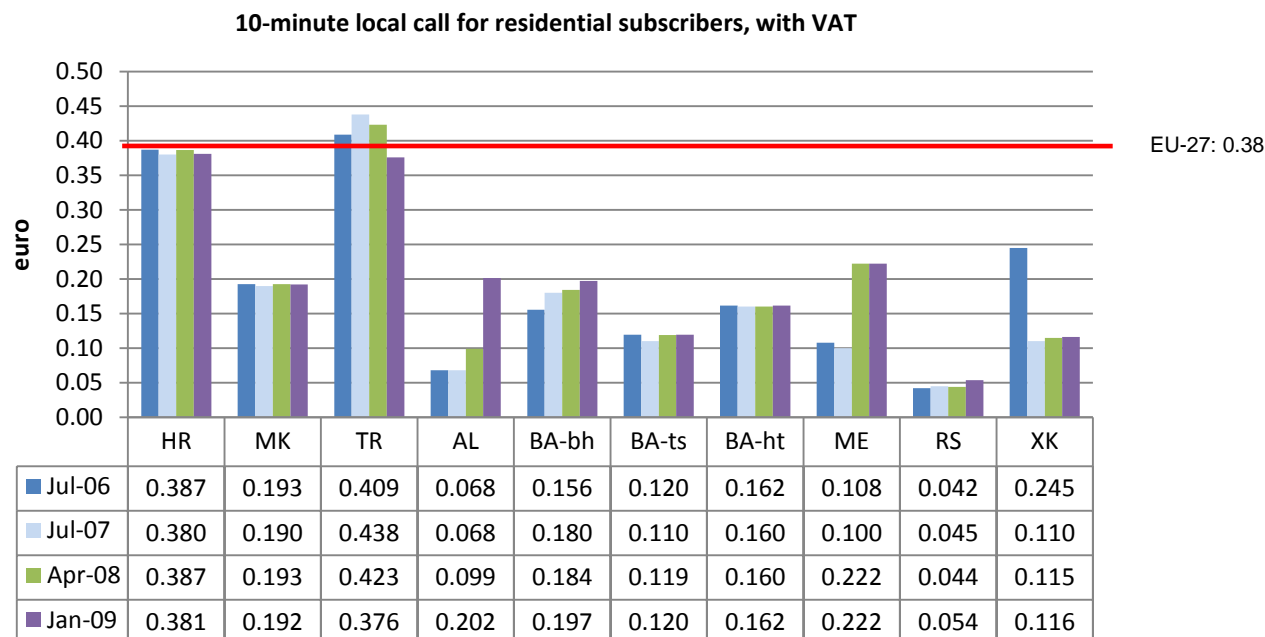


Figure 42 - Cost of a ten minute local call (incumbent) in nominal value

Notes:  
 Turkey:  
 EU-27:

Includes Special Communications Tax  
 Source: 14<sup>th</sup> Implementation Report of the European Commission. March 2009.

#### 4. Long distance fixed telephony tariffs of the incumbent and an alternative operator

Table H.6 below presents the long distance tariffs by the incumbent operator and an alternative operator for 3 minute calls and 10 minute calls. All tariffs are in euro with VAT included.

It should be noted that in the past the alternative operators in Albania were regional operators that could not compete directly with the incumbent operator. With the introduction of the new authorisations regime, in 2008, all alternative operators can now compete with the incumbent on a national level (see Table C.3 for more details). In the countries where price information is missing, there is no competitive fixed network alternative.

Long distance prices offered by alternative operators are significantly lower only in FYROM, and to a lesser extent, in Turkey and Montenegro.

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Country		Incumbent		Alternative operator	
		3 minutes, €	10 minutes, €	3 minutes, €	10 minutes, €
Croatia		0.11	0.38	0.12	0.37
FYROM		0.17	0.58	0.06	0.19
Turkey		0.13	0.44	0.11	0.37
Albania		0.29	0.97	0.58	1.95
Bosnia & Herzegovina	BH Telecom	0.13	0.42	0.15	0.51
	Telekom Srpske	0.16	0.54	0.15	0.51
	HT Mostar	0.16	0.54	0.15	0.51
Montenegro		0.18	0.59	0.12	0.40
Serbia		0.08	0.27	-	-
Kosovo		0.03	0.12	0.09	0.20

Table H.6 - Long-distance calls for residential customers (including VAT)

Notes:

Turkey: Includes Special Communications Tax

Figure 43 below presents the price developments for a 3-minute residential long distance call from July 2006. Figure 44 presents the corresponding information for a 10-minute call. A dramatic decrease is observed in both cases in Turkey, in Kosovo, and in Bosnia & Herzegovina, as a result of a tariff rebalancing policy pursued during that period. In all of the other countries, long distance prices are stable (Croatia, FYROM) or show an increase, as in the case of Montenegro and Serbia. Albania has the highest rates among the countries monitored, also much higher than the EU-27 average.

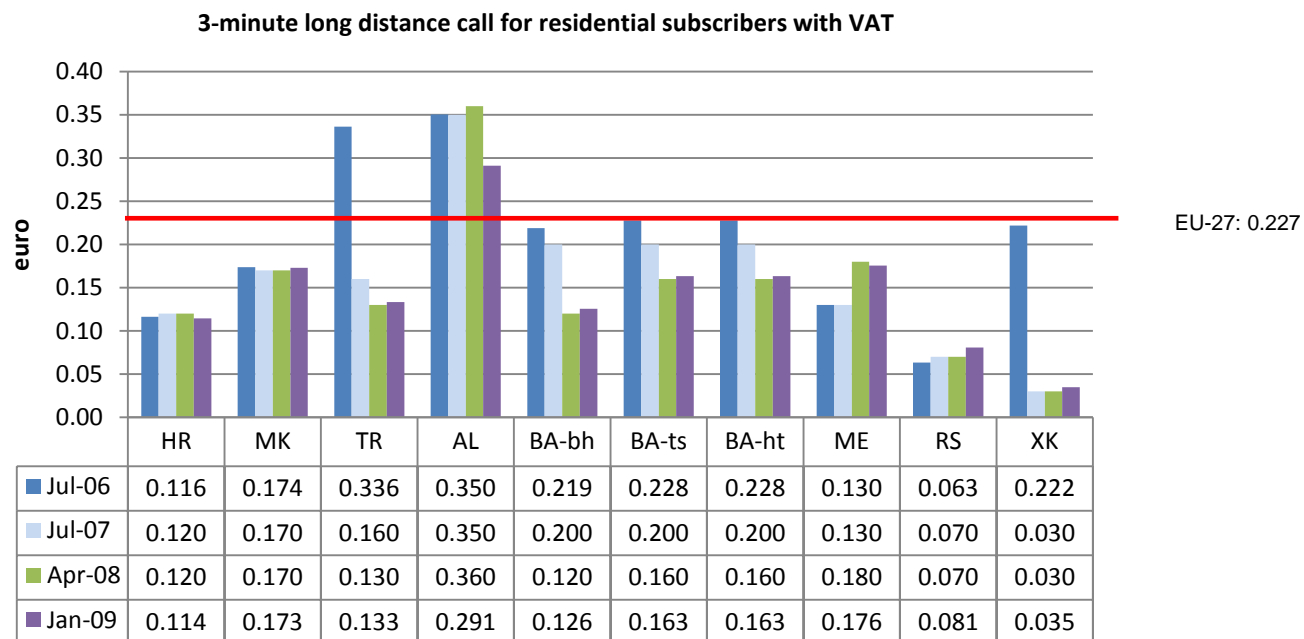


Figure 43 - Residential long distance charges for 3 minute calls (incumbent)

Notes:

Turkey: Includes Special Communications Tax

The EU-27 average is taken from the 14<sup>th</sup> Implementation Report of the European Commission, March 2009.

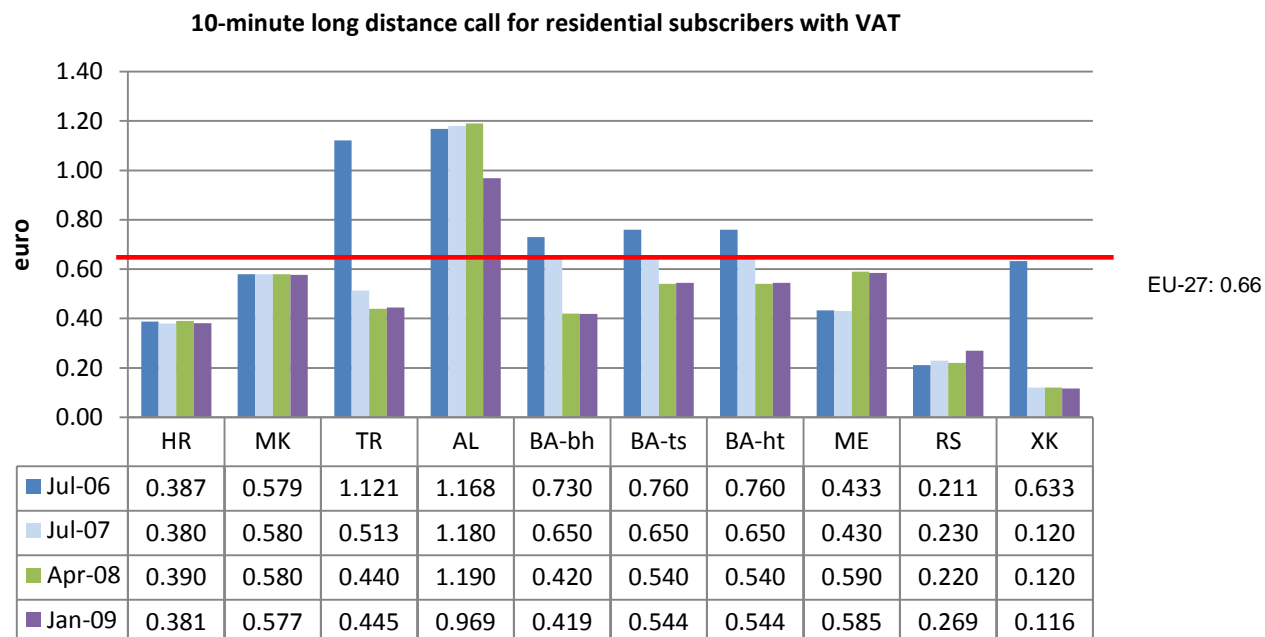


Figure 44 - Residential long distance charges for 10-minute call (incumbent)

Notes:

Turkey: Includes Special Communications Tax

The EU-27 average is taken from the 14th Implementation Report of the European Commission, March 2009.

Table H.7 below presents the corresponding information on long distance calls for business subscribers. These prices are without VAT.

Country	Incumbent		Alternative operator	
	3 minutes, €	10 minutes, €	3 minutes, €	10 minutes, €
Croatia	0.09	0.31	0.10	0.31
FYROM	0.15	0.49	0.04	0.15
Turkey	0.12	0.38	0.10	0.32
Albania	0.36	1.21	0.49	1.62

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Country		Incumbent		Alternative operator	
		3 minutes, €	10 minutes, €	3 minutes, €	10 minutes, €
Bosnia & Herzegovina	BH Telecom	0.11	0.36	0.13	0.43
	Telekom Srpske	0.14	0.47	-	-
	HT Mostar	0.14	0.47	-	-
Montenegro		0.15	0.50	0.10	0.34
Serbia		0.08	0.28	-	-
Kosovo		0.03	0.10	0.08	0.25

Table H.7 - Long-distance calls for business customers (excluding VAT)

Notes:

Turkey: Includes Special Communications Tax

5. Fixed-to-mobile tariffs of the incumbent and an alternative operator

Table H.8 below presents the prices from the fixed network of the incumbent operator and for an alternative operator to a mobile network.

Country		Incumbent		Alternative operator	
		3 minutes, €	10 minutes, €	3 minutes, €	10 minutes, €
Croatia		0.08	2.65	0.69	2.26
FYROM		0.58	1.92	0.40	1.35
Turkey		0.56	1.88	0.40	1.33
Albania		0.92	3.06	1.73	5.77
Bosnia & Herzegovina	BH Telecom	0.26	0.87	0.57	1.91
	Telekom Srpske	0.28	0.93	0.57	1.91
	HT Mostar	0.28	0.93	0.60	1.97
Montenegro		0.67	2.22	0.57	1.89
Serbia		0.36	1.21	-	-
Kosovo		0.56	1.86	0.52	1.74

Table H.8 - Fixed-to-mobile calls for residential customers (including VAT)

Notes:

Turkey: Includes Special Communications Tax 15%

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Figure 45 below presents the price developments for fixed to mobile calls for the incumbent operator since July 2006. The lowest rates are in Bosnia & Herzegovina, although with slightly increasing trends. Turkey shows the most dramatic decrease since 2006. Albania and Croatia have the highest fixed-to-mobile rates among the countries monitored.

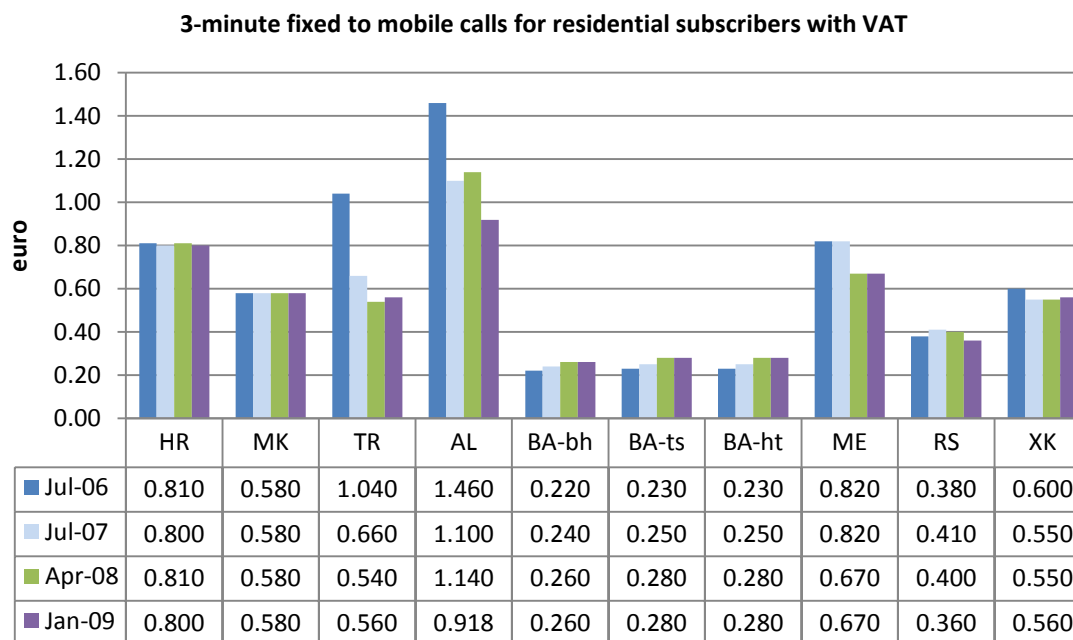


Figure 45 - Residential charges for 3 minute fixed to mobile calls (incumbent)

Notes:

Turkey:

Includes Special Communications Tax.

Bosnia & Herzegovina:

The charges shown above apply for calls to incumbents' own mobile networks. For calls to other mobile networks, charges are two times higher.

Table H.9 presents the tariffs for fixed to mobile calls for business customers. The table includes tariffs from an alternative operator when available.

Country	Incumbent		Alternative operator	
	3 minutes, €	10 minutes, €	3 minutes, €	10 minutes, €
Croatia	0.65	2.17	0.56	1.86
FYROM	0.49	1.63	0.34	1.14
Turkey	0.49	1.62	0.34	1.15

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Country		Incumbent		Alternative operator	
		3 minutes, €	10 minutes, €	3 minutes, €	10 minutes, €
Albania		1.15	3.83	1.44	4.81
Bosnia & Herzegovina	BH Telecom	0.22	0.74	0.49	1.64
	Telekom Srpske	0.24	0.79	0.49	1.64
	HT Mostar	0.24	0.79	0.51	1.69
Montenegro		0.57	1.90	0.48	1.62
Serbia		0.38	1.28	-	-
Kosovo		0.48	1.60	0.45	1.50

Table H.9 - Fixed-to-mobile calls for business customers of the incumbent operator (excluding VAT)

Notes:

Turkey: Includes Special Communications Tax

Serbia: No alternative operators

## 6. International tariffs of the incumbent and an alternative operator

Table H.10 presents the long distance call tariffs to the UK for a ten-minute call from residential as well as business subscribers. The main difference between these tariffs is due to the fact that the residential tariffs include VAT. Tariffs are shown both for the incumbent operator and a major alternative operator.

Country		Residential		Business	
		Incumbent, €	Alternative operator, €	Incumbent, €	Alternative operator, €
Croatia		3.73	2.99	3.06	2.45
FYROM		1.90	1.71	1.61	1.15
Turkey		0.58	0.37	0.50	0.32
Albania		1.66	6.11	2.08	5.09
Bosnia & Herzegovina	BH Telecom	6.58	3.29	5.62	2.81
	Telekom Srpske	7.78	-	6.65	-
	HT Mostar	7.78	-	6.65	-
Montenegro		2.34	1.50	2.00	1.28
Serbia		2.72	-	2.86	-
Kosovo		3.71	1.16	3.20	1.00

Table H.10 - Ten-minute call to the UK



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Notes:  
 Turkey: Includes Special Communications Tax  
 Serbia: no alternative operators

Figure 46 below shows the price developments since July 2006 for the international tariffs of the incumbent operator for residential users.

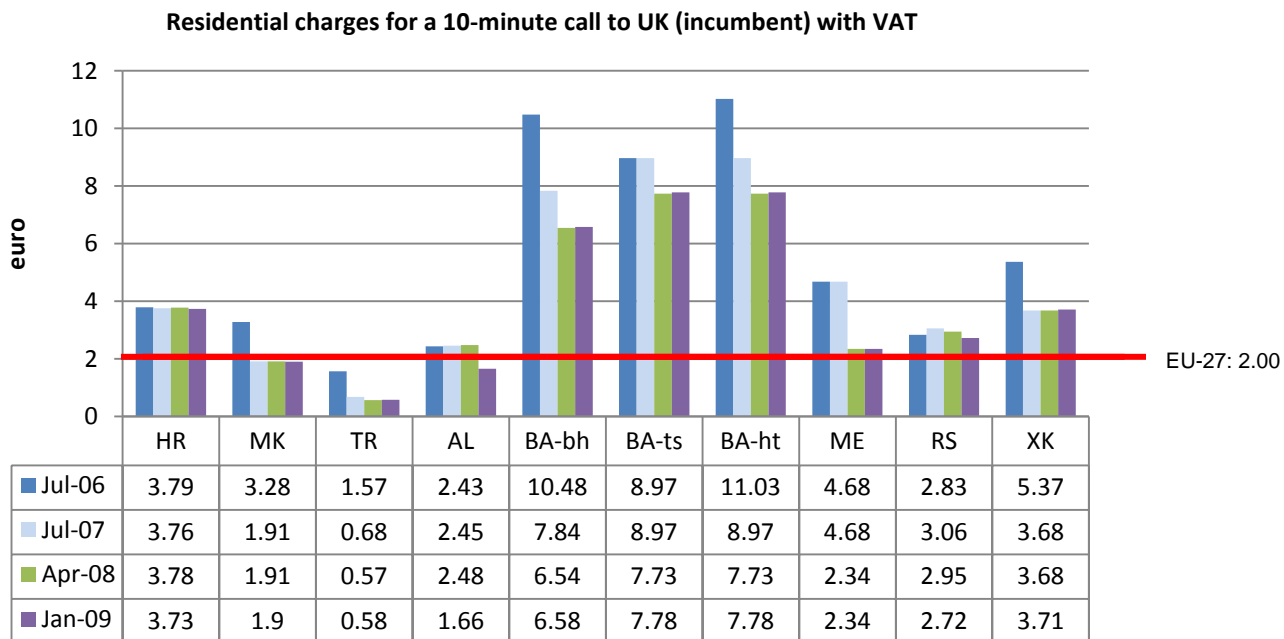


Figure 46 - 10-minute call to UK by incumbent operator for residential users

Notes:  
 Turkey: Includes Special Communications Tax  
 The EU-27 average is the tariff to a distant EU country taken from the 14<sup>th</sup> Implementation Report of the European Commission, March 2009.

Table H.11 and Figure 47 provide the corresponding tariff information for long distance calls to the United States.

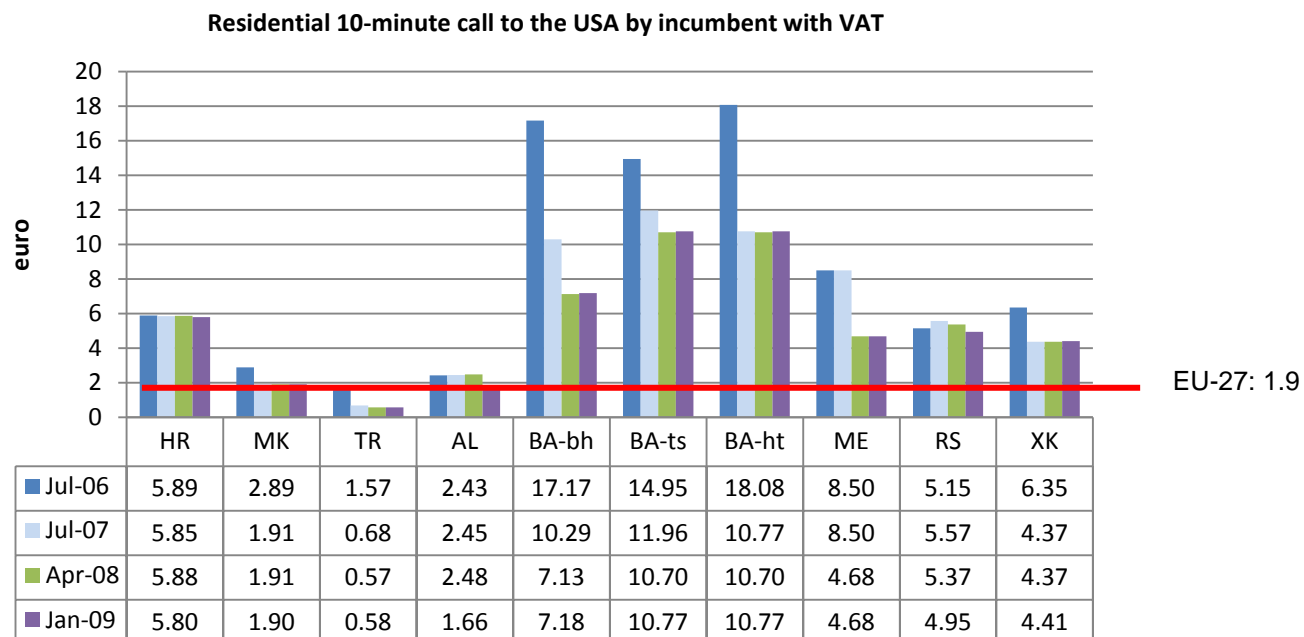


Figure 47 - 10-minute call to USA by incumbent operator for residential users

Country	Residential		Business		
	Incumbent, €	Alternative operator, €	Incumbent, €	Alternative operator, €	
Croatia	5.80	4.65	4.76	3.81	
FYROM	1.90	1.71	1.61	1.15	
Turkey	0.58	0.37	0.50	0.32	
Albania	1.66	6.11	2.08	5.09	
Bosnia & Herzegovina	BH Telecom	7.18	3.89	6.14	3.32
	Telekom Srpske	10.77	-	9.20	-
	HT Mostar	10.77	-	9.20	-
Montenegro	4.68	4.00	4.00	3.42	

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Country	Residential		Business	
	Incumbent, €	Alternative operator, €	Incumbent, €	Alternative operator, €
Serbia	4.95	-	5.20	-
Kosovo	4.41	N/A	3.80	N/A

Table H.11 - Ten-minute call to the USA

Notes:

Turkey: Includes Special Communications Tax

Kosovo: no information available on alternative operator price for 10-minute call to the USA

The EU-27 average is taken from the 14<sup>th</sup> Implementation Report of the European Commission, March 2009.

## I. Mobile retail tariffs

Mobile network operators provide a range of tariff options that are quite complicated and difficult to compare. Consumers have to take into account a significant number of parameters, including the initial activation charge, monthly subscription charge, peak and off-peak tariffs, “free” calls and text messages included in the package, volume-dependent tariffs, SMS tariffs, tariffs for calls within the same network (on-net calls), tariffs for calls to other mobile networks (off-net), calls to fixed networks and, of course, cross-subsidies for the handset.

In order to be able to make comparisons between its members states the OECD constructed a set of mobile tariff “baskets” building on its work in fixed telephony baskets. These baskets are updated to reflect changing usage patterns. The current baskets are referred to as the 2006 version, while the previous baskets – as the 2002 version. This report uses the 2006 baskets for the first time for the monitored countries. This means that basket prices can be directly compared with the European Union results which also use the 2006 baskets. However, as the previous monitoring reports used the 2002 basket, the exact comparisons with the previous results cannot be made. The European Commission adopted the OECD 2006 baskets in its 14<sup>th</sup> Implementation Report, reporting a wider range of data for operators and different tariff packages. It should be noted that the EC uses monthly and not annual results.

The table below shows the structure and composition of the 2006 mobile baskets. While the basket is the annual cost, the numbers of SMS and calls are for each month. The mobile baskets are defined as “low user”- a definition that includes 30 outgoing calls per month plus 33 SMS messages, “medium user”- 65 outgoing calls plus 50 SMS, and “high user”- 140 calls and 55 SMS.

	Calls	SMS	MMS	Fixed calls		Mobile calls		Voicemail	Time of day		
				Local	National	On-net	Off-net		Peak	Off-peak	Weekend
Low user	30	33	0.67	15%	7%	48%	22%	8%	48%	25%	27%
Medium user	65	50	0.67	14%	7%	48%	24%	7%	50%	24%	26%
High user	140	55	1.00	13%	7%	47%	26%	7%	60%	19%	21%

Table I.1 - Composition of OECD 2006 mobile baskets

While some critics have argued for the creation of a “Balkan basket” or set of baskets that might better reflect local usage patterns, this would make any comparisons with the EU or with OECD impossible. Indeed, it would be likely to make historical comparisons very difficult, unless the old results could be recalculated.

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Country	Operator	Low-user	Medium-user	High-user
		€	€	€
Croatia	T-Mobile	11.8	18.1	28.0
	VIPnet	14.5	23.1	31.0
FYROM	T-mobile	7.4	16.3	32.0
	Cosmofon	9.6	14.8	29.7
Turkey		10.4	33.7	68.3
Albania	AMC	15.1	29.6	50.8
	Vodafone	17.9	31.7	54.7
Bosnia & Herzegovina	BH Telecom	9.1	30.0	59.9
	Telekom Srpske	12.2	24.1	48.1
	HT Mostar (HT Eronet)	17.2	27.7	52.6
Montenegro	M:Tel	6.4	13.2	28.3
	ProMonte	8.2	18.0	33.7
	T-Mobile	8.4	15.6	30.7
Serbia	m:ts	5.8	13.1	16.7
Kosovo	PTK-Vala900	8.0	22.3	35.3
	IPKO	6.7	24.4	32.8

Table I.2 - OECD 2006 mobile tariff baskets, January 2009

The table below shows the results for each usage basket, including both postpaid and prepaid offers.

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Country	Operator	Low-user	Medium-user	High-user
		€	€	€
Croatia	T-Mobile	11.8	18.1	28.0
	VIPnet	14.5	23.1	31.0
FYROM	T-mobile	7.4	16.3	32.0
	Cosmofon	9.6	14.8	29.7
Turkey		10.4	33.7	68.3
Albania	AMC	15.1	29.6	50.8
	Vodafone	17.9	31.7	54.7
Bosnia & Herzegovina	BH Telecom	9.1	30.0	59.9
	Telekom Srpske	12.2	24.1	48.1
	HT Mostar (HT Eronet)	17.2	27.7	52.6
Montenegro	M:Tel	6.4	13.2	28.3
	ProMonte	8.2	18.0	33.7
	T-Mobile	8.4	15.6	30.7
Serbia	m:ts	5.8	13.1	16.7
Kosovo	PTK-Vala900	8.0	22.3	35.3
	IPKO	6.7	24.4	32.8

Table I.2 - OECD 2006 mobile tariff baskets, January 2009

Notes:

Turkey: Includes Special Communications Tax 25%.

The three following figures show the prices in the low, medium and high user baskets in 2009 in the monitored countries. For comparison, the EU 27 average values from the 14<sup>th</sup> Implementation Report of the European Commission have been used.

The regional results for low users show that most countries have offerings that are cheaper than the simple average of EU operators (€12.48 per month). In Albania mobile prices remain high, in spite of the reductions implemented in 2008.

Low usage OECD (2006) mobile basket

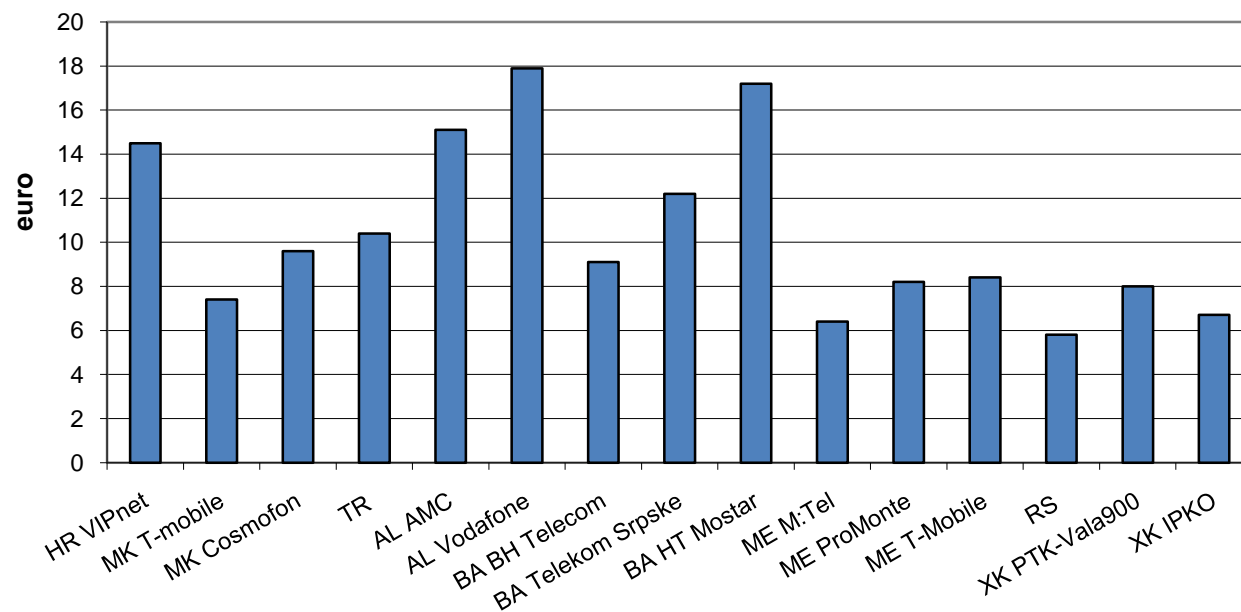


Figure 48 - Low usage OECD mobile basket

For medium users, the average price in the EU was €21.37. Average prices in Turkey, Albania and Bosnia & Herzegovina remain significantly higher, while in Croatia, FYROM, Montenegro and Serbia average prices tend to be lower than the EU average.

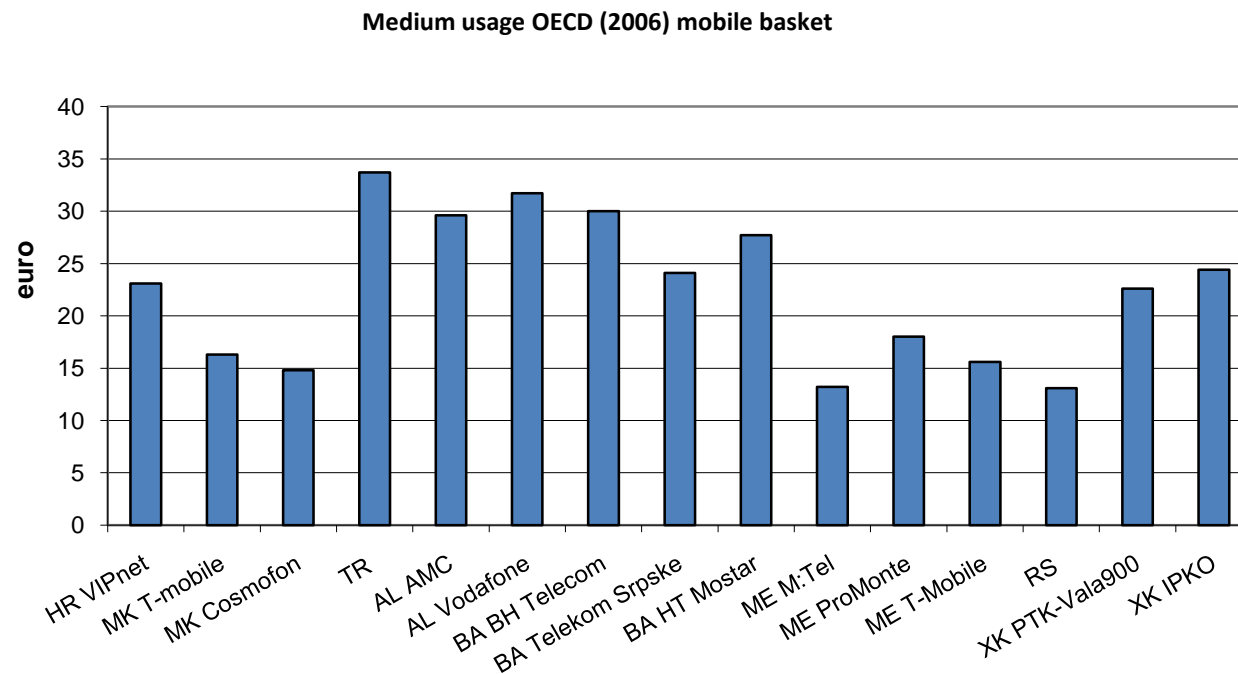


Figure 49 - Medium usage mobile basket

For high users, Turkey Bosnia & Herzegovina and Albania are significantly above the EU average of €35.28, while other countries, notably Croatia, Montenegro and Serbia offer lower prices.



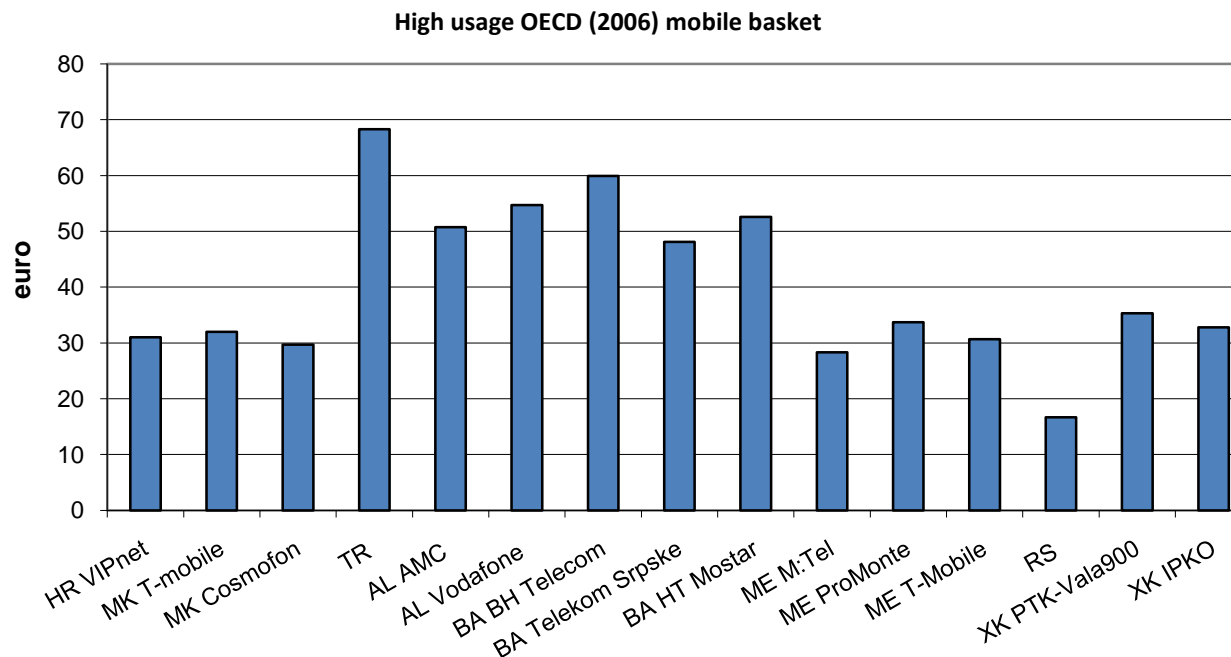


Figure 50 - High usage mobile basket

#### J. Special cross-border arrangements for retail fixed and mobile tariffs

The political, economical and social events in the last fifteen years in South-Eastern Europe, in particular in the territory of the former Yugoslavia, created specific entities and territories some of which still have a provisional status. This has resulted in many special tariff arrangements that cross territorial boundaries. For example, there have been preferential rates between the Serb population in Bosnia & Herzegovina and Serbia. Similarly, there have been preferential rates for the Croatian population in Bosnia & Herzegovina and Croatia. Such arrangements are gradually being phased out and replaced by more conventional country tariffs.

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On June 30, 2007 the EU regulation on international mobile roaming came into force.<sup>26</sup> It set price caps for wholesale and retail charges and requires a proactive provision of roaming prices to customers via SMS. The Regulation sets the maximum retail charges for 2007-2009 for outgoing and received calls and also for wholesale charges. However, operators in South-East Europe may not have access to the regulated wholesale tariffs within the EU and are not obliged to offer similar rates to other European operators.

Table J.1 sets out the current arrangements for cross-border tariffs for fixed and mobile tariffs. It also identifies an special international mobile roaming arrangements. However, if addressed only retail roaming offers as it is beyond the scope of this project to assess confidential agreements on wholesale Inter Operator Tariffs (IOTs).

Country	Fixed network	Mobile network	Special retail international roaming offers
Croatia	-	-	-
FYROM	-	-	-
Turkey	-	-	-
Albania		<p>There are cross-border arrangements for international mobile to mobile calls on networks that are part of the same international group.</p> <p>AMC reduces the charges by 34% for calls to other Cosmote Group networks (four SEE countries including Greece).</p> <p>Vodafone Albania charges for calls to Vodafone Greece are 34% lower than calls to neighbouring countries. Calls to Vodafone Group mobile operators are charged at lower tariffs than calls to other mobiles of the same country.</p> <p>Eagle Mobile (a new entrant) does not currently have any such arrangements.</p>	Vodafone Albania applies reduced tariffs if customers roam on Vodafone Greece (34% lower) and on other Vodafone networks. Vodafone also offers it Passport package of roaming tariffs.
Bosnia & Herzegovina Telekom Srpske ad Banja Luka	-	-	Telekom Srpske subscribers have free of charge incoming calls in Serbia and Montenegro in Telekom Serbia network.
Montenegro	To fixed networks in Serbia and Kosovo 0.110 EUR per minute (peak time) 0.055 EUR per minute (off peak)	To fixed networks in Serbia and Kosovo 0.190 EUR per minute (peak time) 0.095 EUR per minute (off peak)	All three mobile operators in Montenegro have special roaming offers for Serbia and Kosovo, with no charge for incoming calls when the user is in roaming.

<sup>26</sup> <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2007:171:0032:0040:EN:PDF>

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Country	Fixed network	Mobile network	Special retail international roaming offers
Serbia	<p>Fixed Serbia – fixed Montenegro €0.139 per minute for residential, €0.17 per minute for business users.</p> <p>The same price is for fixed Serbia – fixed Republika Srpska (Republika Srpska is part of Bosnia &amp; Herzegovina).</p> <p>For the rest of Bosnia &amp; Herzegovina international rate for zone 1 is applied (€0.159 per minute for residential, €0.197 for business users).</p> <p>Fixed Serbia – mobile Montenegro €0.206 per minute for residential, €0.255 for business users.</p> <p>Fixed Serbia – mobile Republika Srpska €0.139 per minute for residential, €0.17 for business users.</p>	<p><u>Telekom Srbija (mts)</u></p> <p>For these three operators:</p> <p>Montenegro m:tel</p> <p>Bosnia &amp; Herzegovina (Republika Srpska) m:tel</p> <p>Telekom Srpska fixed network the incoming call per minute is €0.135.</p> <p>In all neighbouring countries with Serbia incoming call per minute is €0.339.</p>	<p><u>Vip mobile</u></p> <p>All operators owned by mobilkom austria: mobilkom austria (A1) - Austria, Mobiltel (M-TEL) - Bulgaria, Vipnet (HR VIP) - Croatia, mobilkom liechtenstein (FL1) - Liechtenstein, Si.mobil (SI.MOBIL) - Slovenia, Vip operator (Vip MK) – Macedonia (€0.327 incoming call per minute)</p>
Kosovo	-	-	-

Table J.1 - Special cross-border arrangements for retail fixed and mobile tariffs

Note:

Montenegro: These are the prices of incumbent operator, without VAT (17%). The prices are the same both for residential and business users, with discount of 50% in off-peak time (19:00-07:00). Standard prices for Zone 1 of T-Com Montenegro is 0.11 EUR per minute for fixed networks, 0.27 EUR per minute for mobile networks, same for peak time and off-peak time.

### K. Leased lines retail tariffs

#### 1. National leased lines

Leased lines are the building blocks for alternative networks that compete, directly or indirectly, with the networks of the incumbent operators. Before competition begins in a market the prices are generally quite high. Price pressures are introduced as alternatives become available, for example, by operators associated with energy and railway companies. Such competition has probably had more effect on prices than obligations requiring cost orientation, at least on more popular route.

There is a long history of legislation, litigation, reporting on and a sector inquiry into the provision of leased lines. A pro-competitive framework was set out in a Council Directive in 1992.<sup>27</sup> A minimum set of leased lines was carried through into the 1998 and 2003 regulatory packages, though it is now proposed to handle these in a technology neutral manner, using market analyses for the provision of local access.

In a series of figures below, the tariffs for national leased lines are shown for 2 km leased lines with the transmission capacities of 64 kbits/s, 2 Mbits/s and 34 Mbit/s.

All prices are annual and retail, excluding VAT and without any one-time or connection charges. Not all operators have tariffs that correspond directly to these categories, in which case the closest alternative has been selected. In Turkey, the leased line offerings are based not on distance but on four levels: 1) same exchange, 2) different exchange, 3) inner city, and 4) intercity. The 2 km distance has been considered to be the “different exchange” rate.

Leased lines at 64 kbits/s are now often replaced by more advanced technologies such as ISDN, ADSL and SDSL where these are available with Service Level Agreements (SLA).

Figure 51 shows the prices for a short circuit of 2 kilometres at 64 kbit/s speed. While Montenegro and Turkey are relatively cheap, Albania, Croatia and FYROM are expensive in terms of South-East Europe.

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<sup>27</sup> <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:31992L0044:EN:HTML>

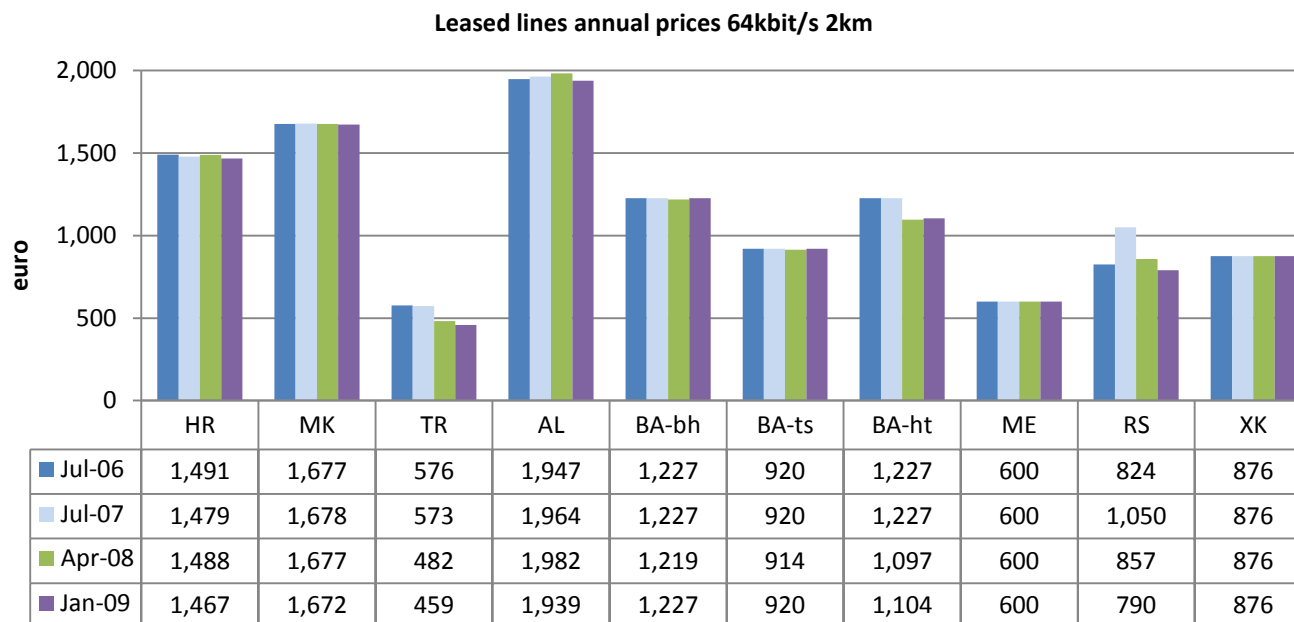


Figure 51 - Annual prices for a 2 km 64 kbits/s leased line

Figure 52 shows the prices for short circuits of 2 km at the higher speed of 2 Mbit/s, though these too have often been replaced by other technologies where appropriate SLAs are available.

Leased lines annual prices 2Mbit/s 2km

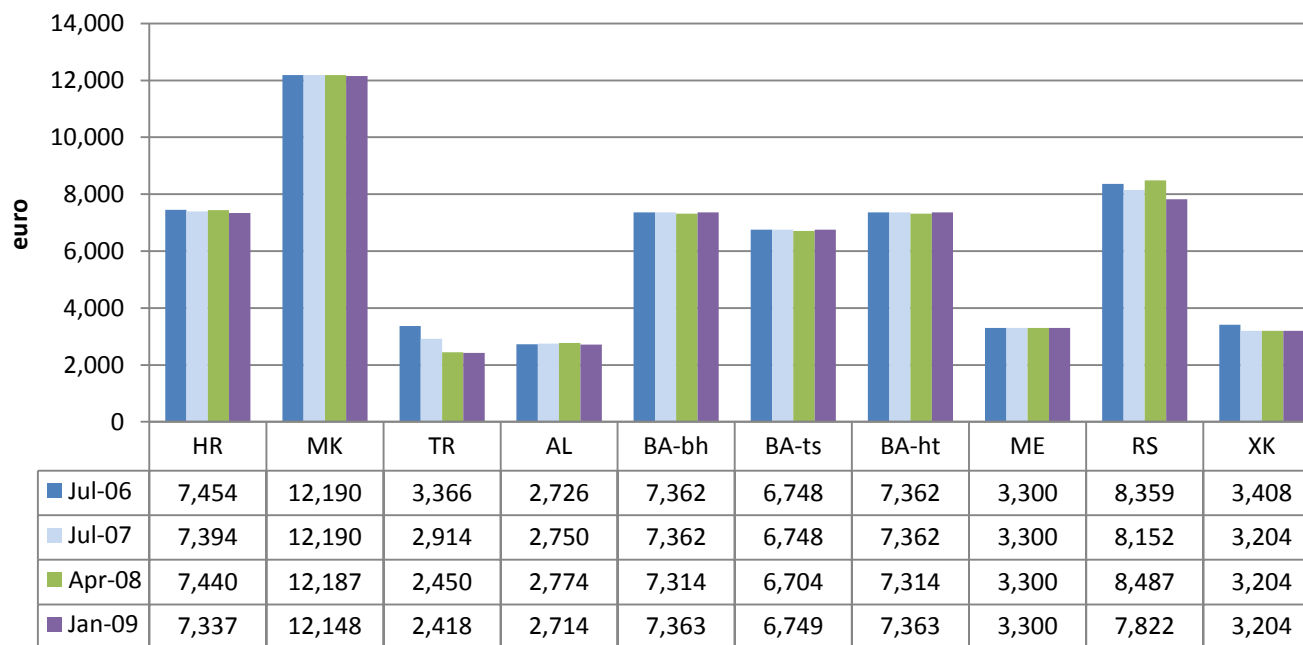


Figure 52 - Annual prices for a 2km 2 Mbits/s leased line

Figure 53 shows the prices for higher speed leased lines at 34Mbits/s. The shorter 2km circuits are currently not available in Albania and in FYROM. The prices in Kosovo and Turkey are relatively low, while Serbia is expensive.

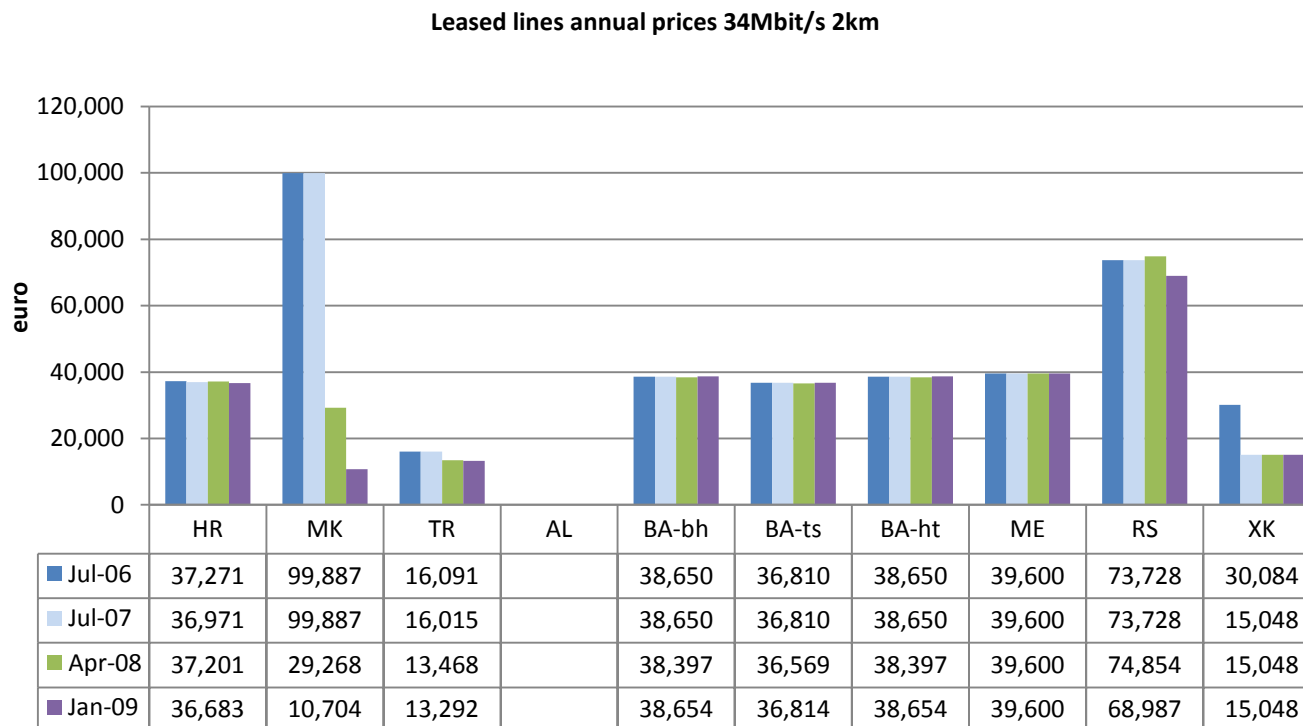


Figure 53 - Annual prices for a 2km 34Mbits/sec leased line

## 2. International leased lines

International leased lines have traditionally been provided in the form of two half-circuits, one national half-circuit being connected to another half-circuit or to a transit circuit near the border, with the corresponding arrangement in the destination country. International circuits can be provided in the form of double routing or single routing. Double routing includes an additional element of redundancy and such lines have a higher charge. Only single routing lines are only available in Turkey, otherwise the tariffs are for double routing half-circuits.

The annual prices (excluding VAT) for international half-circuits are given for:

- 64 kbit/s to a near country and to the UK
- 2 Mbit/s to a near country and to the UK

For comparison, EU averages have been taken from the 14<sup>th</sup> Implementation report, showing prices in the autumn of 2006. These are to a near and to a distant country which, for this report, has been uniformly taken to be the United Kingdom.

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Figure 54, Figure 55 and Figure 56 show the annual charges for 64 kbps half-circuits. Albania and FYROM are the obvious exception on the longer routes to the UK.

Figure 57, Figure 58 and Figure 59 shows the 2 Mbps prices, where again Albania is expensive on the routes to the UK.

Prices have been decreasing over the last four years, except in Albania, where the incumbent fixed line operator has kept its tariffs for leased line offerings largely unchanged since mid-2007.

For 64 kbps half circuits to UK, tariffs have not fallen so significantly. Charges in Albania and FYROM are the highest in the region, with all other incumbent operators now charging below €13,000.

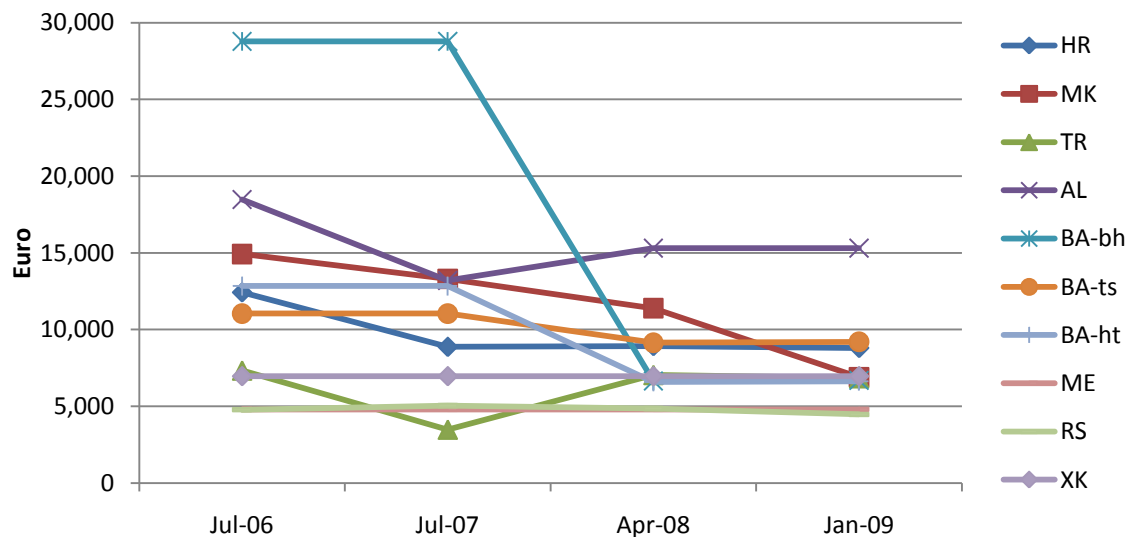


Figure 54 - Annual prices for international half circuits 64 kbps to near country (2006-2009)



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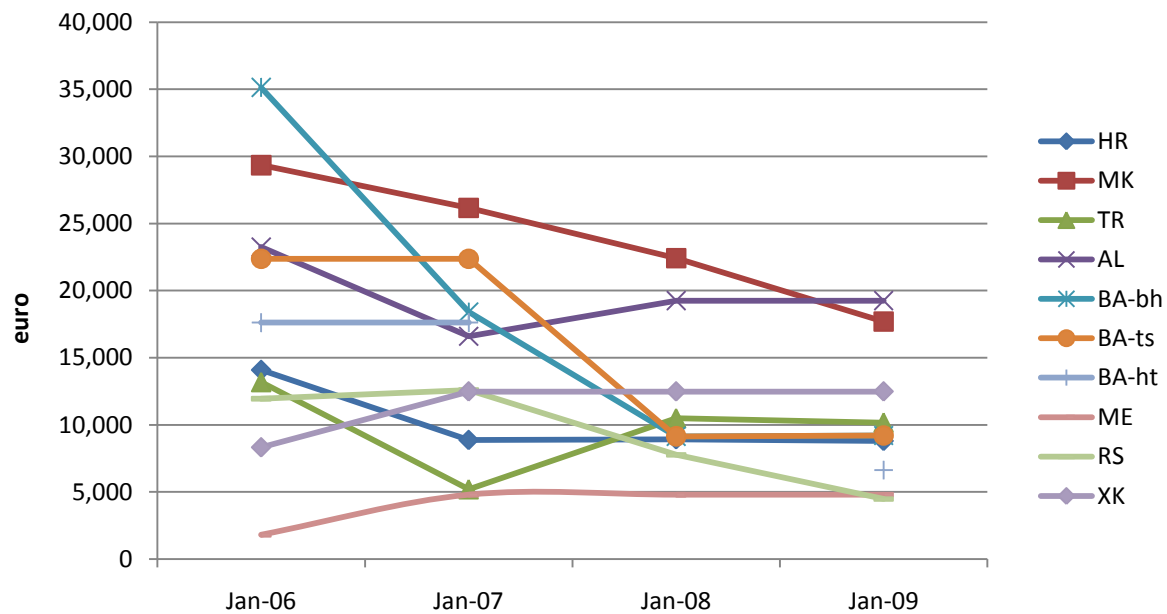


Figure 55 - Annual prices for a 64 kbit/sec international half-circuit to the UK (2006-2009)

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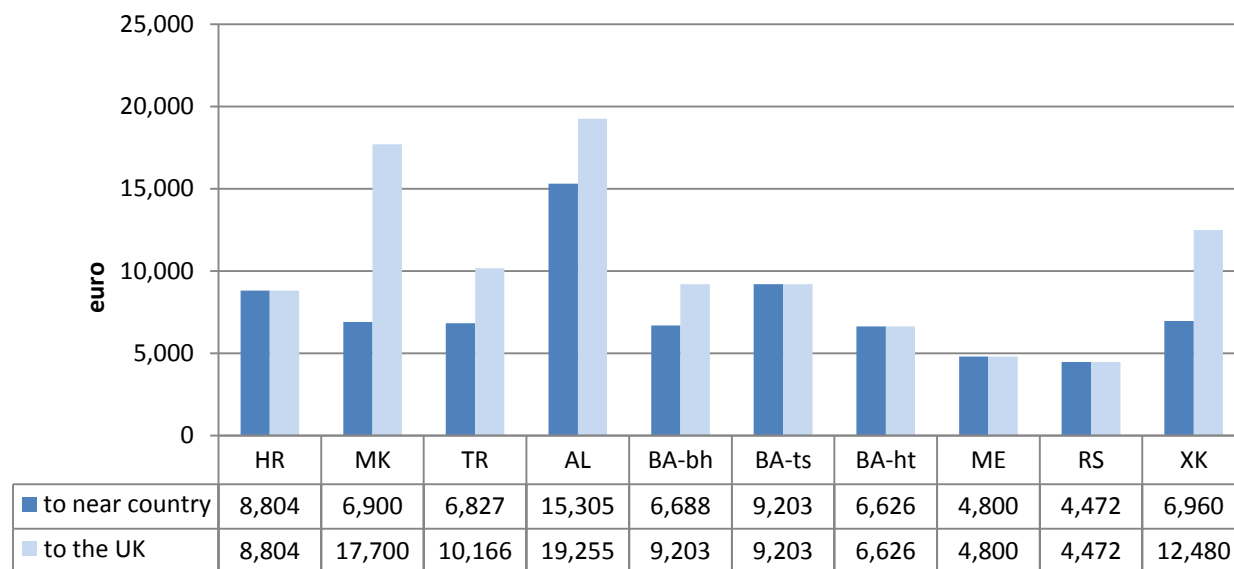


Figure 56 - Annual prices for a 64 kbit/sec international half-circuit, 2009

For 2 Mbps half circuits to a near country, retail prices were reduced significantly, except in Albania, where they remain the highest in the region by a significant margin. All other incumbents have reduced charges to below €100,000 per year. In FYROM, prices were significantly reduced based on the bylaw for regulation of terminating and trunk segments of leased lines adopted by the NRA in September 2008.

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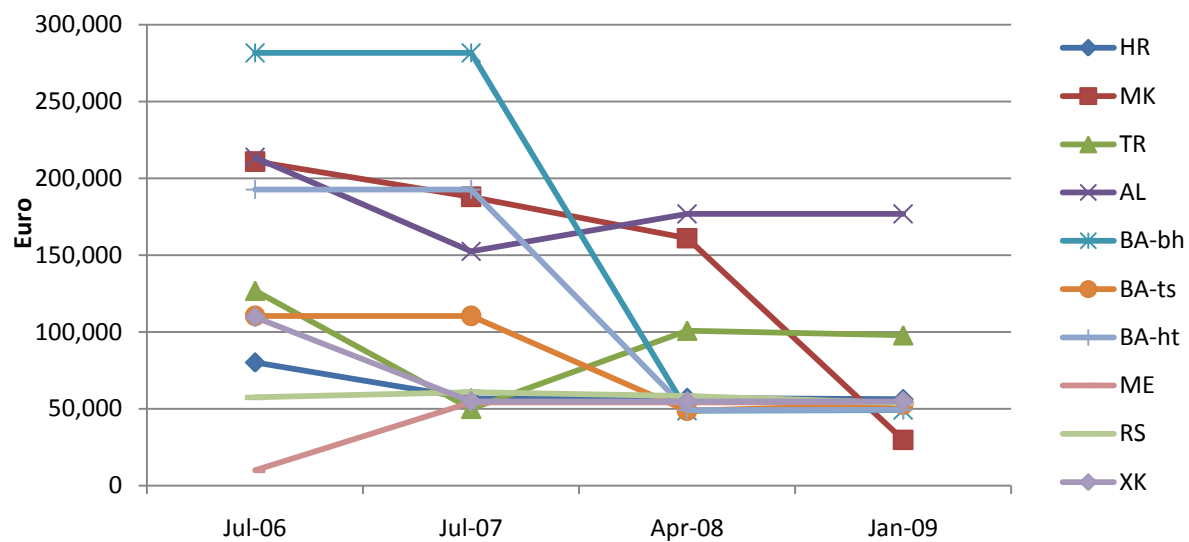


Figure 57 - Annual prices for international half circuits 2 Mbps to near country (2006-2009)

In the case of 2 Mbps half circuits to the UK, charges have not fallen significantly, except in FYROM, Serbia and Republika Srpska. The Albanian incumbent charges significantly higher than the rest of the region. Turkey also remains expensive at €165,000 per annum. All other incumbents are keeping charges at below €100,000 per annum.

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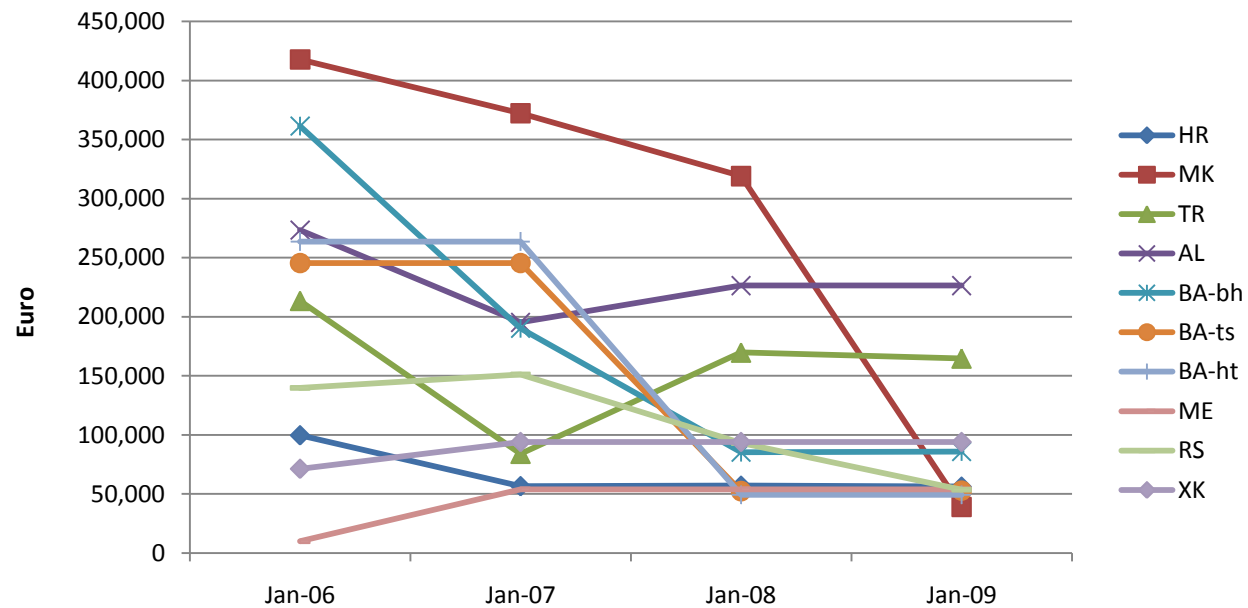


Figure 58 - Annual prices for a 2 Mbit/sec international half-circuit to the UK (2006-2009)

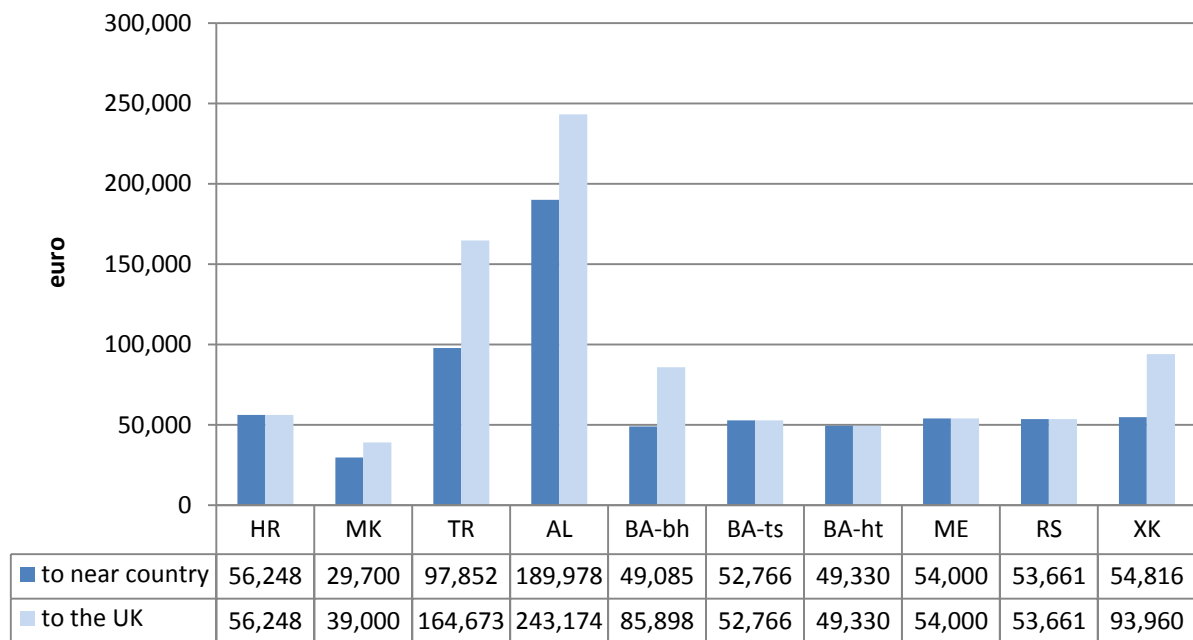


Figure 59 - Annual prices for a 2 Mbit/sec international half-circuit, 2009

Notes:  
Turkey:

Without Special Communications Tax

## L. Internet and broadband retail prices

## 1. Dial-up Internet access cost

Access to the Internet for households in South-East Europe has primarily been by dial-up on fixed telephone lines. While FYROM, Turkey, Albania and Kosovo have moved into broadband as the major form of Internet access, dial-up service remains a significant form of access in Croatia, Bosnia & Herzegovina, Montenegro and Serbia.

Country	ISP charge		PSTN usage		Total	
	€	PPP	€	PPP	€	PPP
Croatia	38.78	64.65	19.89	32.32	59.67	96.97
FYROM	73.79	200.97	-	-	73.79	200.97
Turkey	4.47	7.64	20.34	34.74	24.82	42.37
Albania	11.76	27.19	23.26	54.72	35.02	82.37
Bosnia & Herzegovina / BH Telecom	7.36	16.65	14.36	31.58	21.72	47.77
Bosnia & Herzegovina / Telekom Srpske	11.96	26.32	21.54	47.37	33.50	73.69
Bosnia & Herzegovina / HT Mostar	5.98	13.16	31.59	69.48	37.57	82.64
Montenegro	9.80	22.48	28.08	64.37	37.88	86.85
Serbia	12.65	30.05	12.92	30.69	25.58	60.74
Kosovo	-	-	27.84	-	27.84	-

Table L.1 shows the cost of forty hours of dial-up access to the Internet. The prices vary considerably across countries and even within Bosnia & Herzegovina. The most expensive prices are in FYROM at over €70 per month, followed by Croatia, slightly below €60. The remaining countries have charges between €20 and €37 per month.

Country	ISP charge		PSTN usage		Total	
	€	PPP	€	PPP	€	PPP
Croatia	38.78	64.65	19.89	32.32	59.67	96.97
FYROM	73.79	200.97	-	-	73.79	200.97
Turkey	4.47	7.64	20.34	34.74	24.82	42.37
Albania	11.76	27.19	23.26	54.72	35.02	82.37
Bosnia & Herzegovina / BH Telecom	7.36	16.65	14.36	31.58	21.72	47.77
Bosnia & Herzegovina / Telekom Srpske	11.96	26.32	21.54	47.37	33.50	73.69
Bosnia & Herzegovina / HT Mostar	5.98	13.16	31.59	69.48	37.57	82.64
Montenegro	9.80	22.48	28.08	64.37	37.88	86.85

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Country	ISP charge		PSTN usage		Total	
	€	PPP	€	PPP	€	PPP
Serbia	12.65	30.05	12.92	30.69	25.58	60.74
Kosovo	-	-	27.84	-	27.84	-

Table L.1 - Dial-up Internet access cost - 40 hours at peak time including VAT

Notes:

Turkey:

Includes Special Communications Tax 15%

Montenegro:

ISP price is dependant only on user's category (residential or business). Residential users 40 hours = 9.8 EUR (VAT included - 17%)

Business users 40 hours = 15.8 EUR (VAT included - 17%)

These are the prices offered by T-Com Montenegro, the largest ISP in Montenegro. Both residential and business users have several tariff packages at their disposal (10, 20, 50 or 100 hours, and also unlimited monthly access), with different prices.

PSTN price is without VAT (17%) and it is for residential users, in peak-time. Price is dependant only on traffic period (peak or off-peak).

Dial-up, peak time (07:00-19:00) 24.00 EUR (40\*60\*0.01)

Dial-up, off-peak time (19:00-07:00) 12.00 EUR (40\*60\*0.005)

Dial up Internet 40 hours peak time with VAT

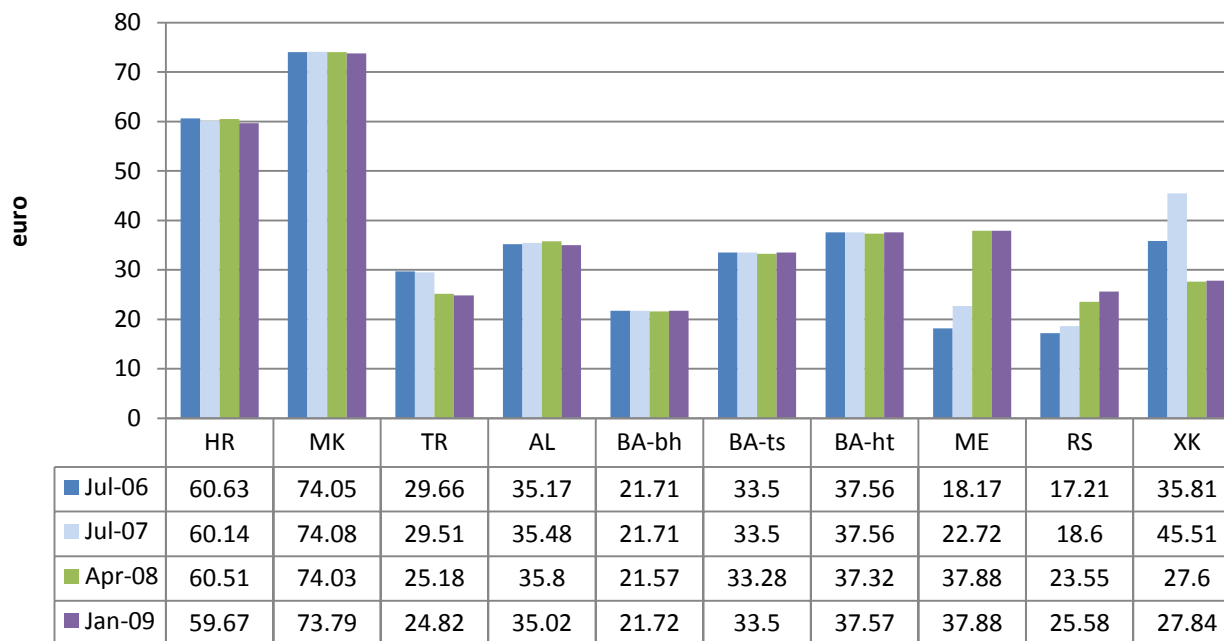


Figure 60 - 40 hours peak time use of Internet (2006-2009) in Euro



40 hours peak time use of Internet: PSTN/ISP charges with VAT

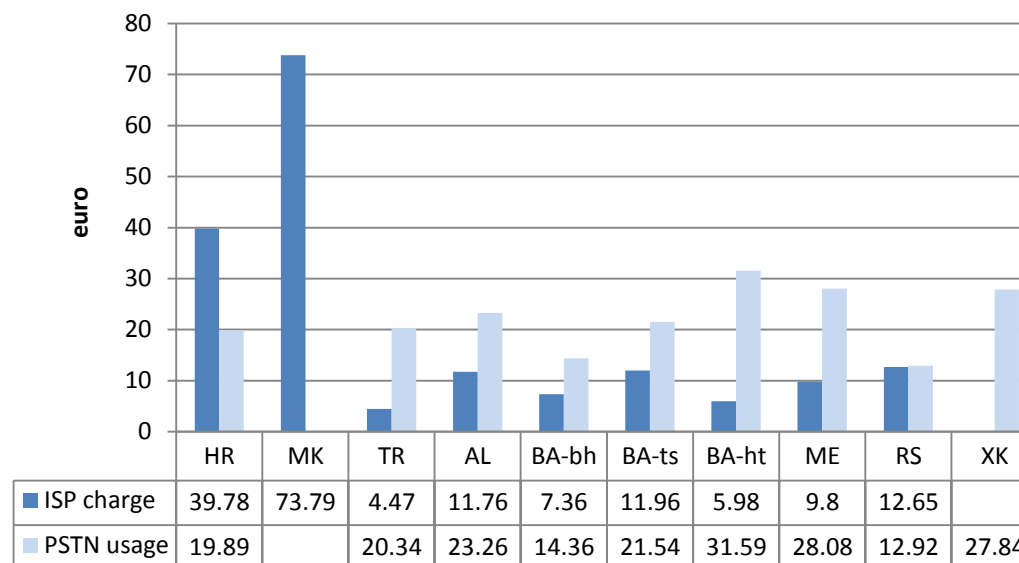


Figure 61 - 40 hours peak time use of Internet: PSTN/ISP charges, in Euro

For twenty hours a similar range of prices can be seen in Table L.2. The cheapest is Serbia, while the most expensive offers are in Albania and FYROM.

Country	ISP charge		PSTN usage		Total	
	€	PPP	€	PPP	€	PPP
Croatia	9.95	16.16	4.97	8.08	14.92	24.24
FYROM	18.45	50.24			18.45	50.24
Turkey	4.47	7.64	10.17	17.37	14.64	25.01
Albania	11.76	27.65	9.31	21.89	21.06	49.54
Bosnia & Herzegovina / BH Telecom	7.36	16.19	3.59	7.9	10.95	24.08
Bosnia & Herzegovina / Telekom Srpska	2.99	6.58	7.18	15.79	10.17	22.37
Bosnia & Herzegovina / HT Mostar	5.98	13.16	9.33	20.53	15.31	33.69
Montenegro	4.90	11.24	7.02	16.09	11.92	27.33

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Country	ISP charge		PSTN usage		Total	
	€	PPP	€	PPP	€	PPP
Serbia	6.66	15.82	3.23	7.68	9.89	23.49
Kosovo	-	-	13.92	-	13.92	-

Table L.2 - Dial-up Internet access cost – 20 hours at off-peak time, in Euro

Notes:

Turkey: Includes Special Communications Tax 15%.

Montenegro: ISP price is dependant only on user's category (residential or business).

Residential users 20 hours = 4.9 EUR (VAT included - 17%)

Business users 20 hours = 7.9 EUR (VAT included - 17%)

These are the prices offered by T-Com Montenegro, the largest ISP in Montenegro. Both residential and business users have several tariff packages at their disposal (10, 20, 50 or 100 hours, and also unlimited monthly access), with different prices. PSTN price is for residential users, in off-peak time. Price is dependent only on traffic period (peak or off-peak).

## 2. Broadband Internet access cost

Table L.3, Figure 62, Figure 63 and Figure 64 below show the monthly subscription charges for broadband Internet access for both xDSL from the incumbent operator and for an alternative operator, in euro including VAT.

Country	Speed	Incumbent DSL, €	Alternative operator, €	Alternative operator and technology
Croatia	256 kbit/s	10.73		
	512 kbit/s	10.73		
	2 Mbit/s	10.73	9.24	OT-Optima telekom d.d., ADSL
FYROM	256 kbit/s			
	512 kbit/s	9.59	9.42	OnNet, ADSL over LLU and wholesale ADSL
	2 Mbit/s			
Turkey	256 kbit/s			
	512 kbit/s			
	2 Mbit/s	12.63	14.10	Doğan Telekom (www.smileadsl.com), ADSL
Albania	256 kbit/s	19.38	28.63	ABCOM, ADSL

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Country	Speed	Incumbent DSL, €	Alternative operator, €	Alternative operator and technology
	512 kbit/s	19.52	38.22	ABCOM, ADSL
	2 Mbit/s	96.92		ABCOM, ADSL
Bosnia & Herzegovina: BH Telecom	256 kbit/s	11.37	8.97	Logosoft d.o.o. Sarajevo - DSL
	512 kbit/s	14.96	14.96	Logosoft d.o.o. Sarajevo – DSL
	2 Mbit/s	26.92	26.92	Logosoft d.o.o. Sarajevo - DSL
Bosnia & Herzegovina: Telekom Srpske	256 kbit/s	11.37		
	512 kbit/s	14.96		
	2 Mbit/s	59.82		
Bosnia & Herzegovina: HT Mostar	256 kbit/s	11.37		
	512 kbit/s	17.35		
	2 Mbit/s	29.31		
Montenegro	256 kbit/s			Not offered
	512 kbit/s		15.00	M:Tel; Wi-Max (FWA at 3.5 GHz band, IEEE 802.16d standard)
	2 Mbit/s		38.00	M:Tel; Wi-Max (FWA at 3.5 GHz band, IEEE 802.16d standard)
Serbia	256 kbit/s	13.30		Not offered
	512 kbit/s	23.82		Not offered
	2 Mbit/s	24.12	27.97	Cable
Kosovo	256 kbit/s	8.57		Not offered
	512 kbit/s	14.83		Not offered
	2 Mbit/s	45.39	11.54	Ipko, cable

Table L.3 - Broadband Internet monthly subscription (including VAT)

Notes:

Croatia: All alternative operators provide minimum ADSL speed of 1024 kbit/s.

FYROM: The speed of 256 kbit/s is not provided by any ISP. The lowest speed which is provided is 512 kbit/s. The incumbent's cheapest monthly subscription for 512 kbit/s shown in the table includes 10 GB data traffic limit. The access speed is reduced on 64/64 kbit/s, when the total monthly traffic exceeds this level. There is a whole range of other offers for 512 kbit/s from the incumbent, with the monthly subscription prices from €12 to €28 and with different data limits from 10 GB to 30 GB.

Turkey: Includes 5% Special Communications Tax. The speeds of 256 kbit/s and 512 kbit/s are not provided by any ISP. The lowest speed which is provided is 1 Mbit/s. The ANO's subscription includes 4 GB data traffic limit.

Montenegro: Incumbent operator T-Com Montenegro has not packages with 256 kbit/s, 512 kbit/s and 2 Mbit/s in its standard DSL offer. According to its pricelist, offered packages for residential users are:

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- 1Mbps/128kbps, 1G per month €11.96 (no VAT included)
- 1Mbps/256kbps, flat rate €17.09 (no VAT included)
- 3Mbps/256kbps, flat rate €21.36 (no VAT included)
- 6Mbps/256kbps, flat rate €38.45 (no VAT included)

Alternative operator M:Tel has not packages with 256 kbit/s. According to its pricelist, offered packages for residential users are:

- 512kbps/128kbps, flat rate € 12.82 (no VAT included, contract signed for 24 months)
- 1Mbps/256kbps, flat rate €25.64 (no VAT included, contract signed for 24 months)
- 2 Mbps/256 kbps, flat rate €32.48 (no VAT included, contract signed for 24 months)

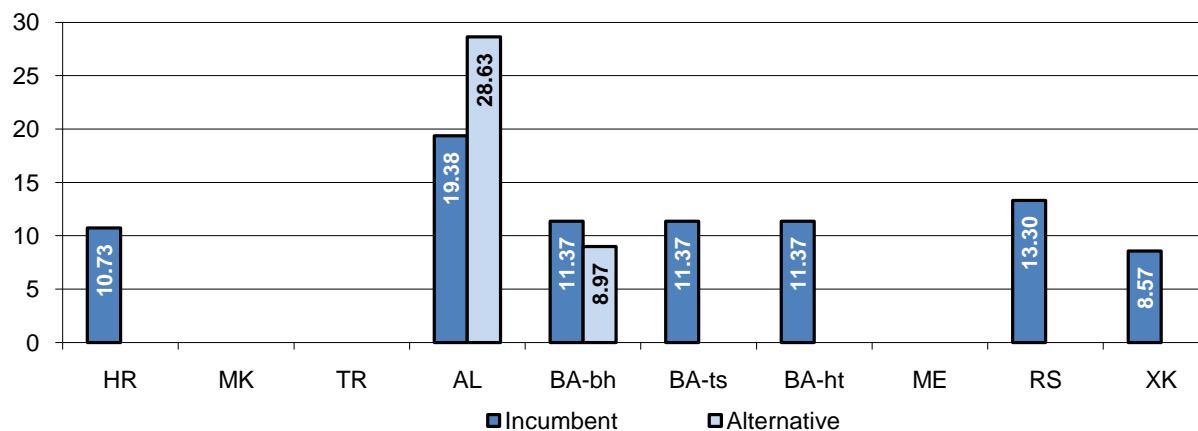


Figure 62 - Broadband 256 kbps monthly subscription charges in euro, including VAT

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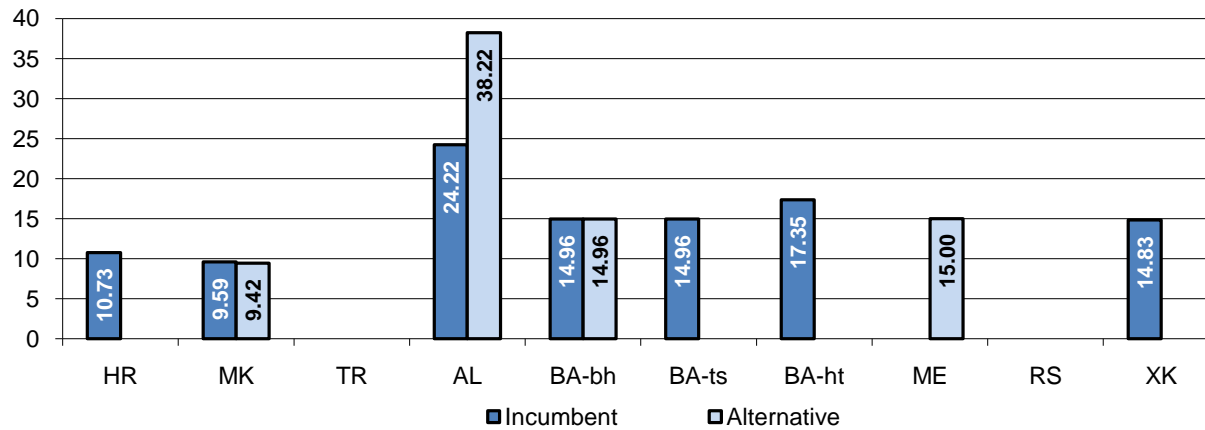


Figure 63 - Broadband 512 kbps monthly subscription charges in euro, including VAT

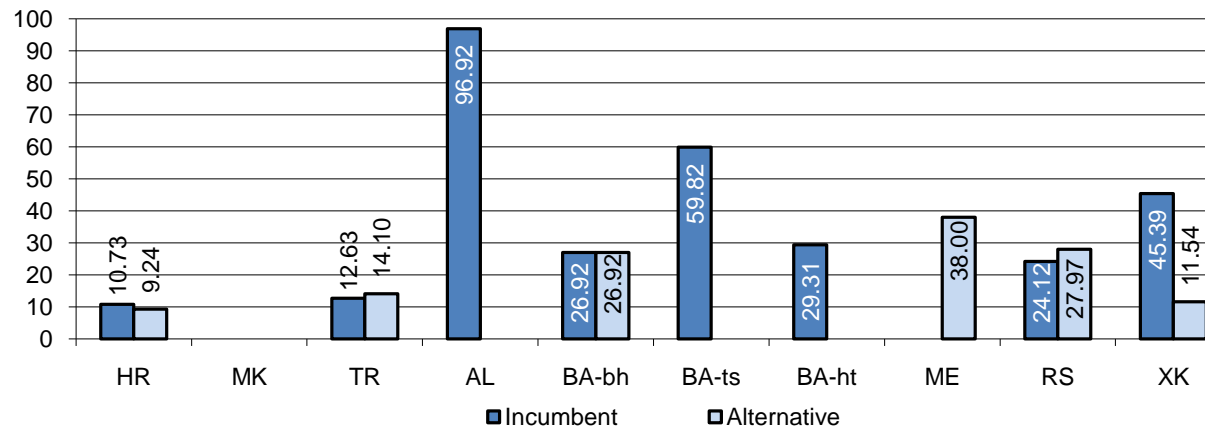


Figure 64 - Broadband 2 Mbps monthly subscription charges in euro, including VAT

M. Wholesale tariffs

The information in this section has a reference date of January 1, 2009, unless stated otherwise.

1. Call termination on the incumbent and alternative operators' fixed networks

Table M.1 and Table M.2 show the interconnection tariffs on the fixed networks of the incumbent and major alternative operators, respectively. This information for alternative networks is not available for all of the monitored countries, either because it is seen as confidential or simply because there are no alternative fixed networks.

In most of the monitored countries, fixed operators apply the same termination rates, regardless of whether a call originates on a national fixed or mobile network. The exceptions are Croatia and Kosovo, where higher termination rates apply to calls originating on mobile networks.

In addition to per minute call conveyance charges, the incumbent operators in Croatia and Serbia, as well as all fixed network operators in Albania, apply call setup charges.

Country	Local, €				Single transit, €				Double transit, €				
	Peak		Off-peak		Peak		Off-peak		Peak		Off-peak		
	Setup	Per min.	Setup	Per min.	Setup	Per min.	Setup	Per min.	Setup	Per min.	Setup	Per min.	
Croatia	0.0021	0.0066	0.0010	0.0033	0.0020	0.0102	0.0010	0.0051	0.0020	0.0168	0.0010	0.0084	
FYROM	0.0000	0.0070	0.0000	0.0047	0.0000	0.0103	0.0000	0.0068	0.0000	0.0143	0.0000	0.0094	
Turkey	N/A	N/A	N/A	N/A	0.0000	0.0081	0.0000	0.0081	0.0000	0.0127	0.0000	0.0127	
Albania	0.0002	0.0074	0.0002	0.0074	0.0004	0.0146	0.0004	0.0146	0.0006	0.0186	0.0006	0.0186	
Bosnia & Herzegovina	BH Telecom	0.0000	0.0100	0.0000	0.0050	0.0000	0.0150	0.0000	0.0075	0.0000	0.0205	0.0000	0.0102
	Telekom Srpske	0.0000	0.0100	0.0000	0.0083	0.0000	0.0150	0.0000	0.0083	0.0000	0.0205	0.0000	0.0205
	HT Mostar	0.0000	0.0100	0.0000	0.0075	0.0000	0.0150	0.0000	0.0112	0.0000	0.0205	0.0000	0.0153
Montenegro	0.0000	0.0225	0.0000	0.0225	0.0000	0.0270	0.0000	0.0270	N/A	N/A	N/A	N/A	
Serbia	0.0033	0.0129	0.0016	0.0064	0.0033	0.0207	0.0016	0.0103	0.0033	0.0323	0.0016	0.0161	
Kosovo	0.0000	0.0400	0.0000	0.0240	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	

Table M.1 - Call termination on the incumbent operator's fixed network

Notes:

- Croatia: RIO 2009 charges, based on HAKOM decision of January 26, 2009, in force from March 1, 2009. RIO charges only apply to calls originating from fixed networks. Mobile to fixed termination charges are negotiated commercially, outside the scope of RIO.
- Turkey: From May 1, 2009 new termination rates apply, approved by ICTA, as follows: Local - €0.00655/min; Single transit – €0.00805/min; Double transit - €0.01272/min (no peak/off-peak differentiation and no call setup charges).

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Country		Local, €				Single transit, €				Double transit, €			
		Peak		Off-peak		Peak		Off-peak		Peak		Off-peak	
		Setup	Per min.	Setup	Per min.	Setup	Per min.	Setup	Per min.	Setup	Per min.	Setup	Per min.
Croatia		0.0000	0.0109	0.0000	0.0054	0.0000	0.0109	0.0000	0.0054	0.0000	0.0109	0.0000	0.0054
FYROM		-	-	-	-	-	-	-	-	-	-	-	-
Turkey		-	-	-	-	-	-	-	-	-	-	-	-
Albania		0.0004	0.0097	0.0004	0.0097	0.0006	0.0190	0.0006	0.0190	0.0190	0.0006	0.0190	0.0190
Bosnia & Herzegovina	BH Telecom	0.0000	0.0100	0.0000	0.0050	0.0000	0.0150	0.0000	0.0075	0.0000	0.0205	0.0000	0.0102
	Telekom Srpske	0.0000	0.0100	0.0000	0.0083	0.0000	0.0150	0.0000	0.0083	0.0000	0.0205	0.0000	0.0205
	HT Mostar	0.0000	0.0100	0.0000	0.0075	0.0000	0.0150	0.0000	0.0112	0.0000	0.0205	0.0000	0.0153
Montenegro		0.0000	0.0300	0.0000	0.0300	0.0000	0.0300	0.0000	0.0300	N/A	N/A	N/A	N/A
Serbia		-	-	-	-	-	-	-	-	-	-	-	-
Kosovo		0.0000	0.0400	0.0000	0.0240	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Table M.2 - Call termination on the largest alternative network

Figure 65, Figure 66 and Figure 67 show the fixed call termination rates on the incumbent and alternative networks at local, single transit and double transit level, respectively, in comparison with the EU-27 average values according to the 14<sup>th</sup> Implementation Report.

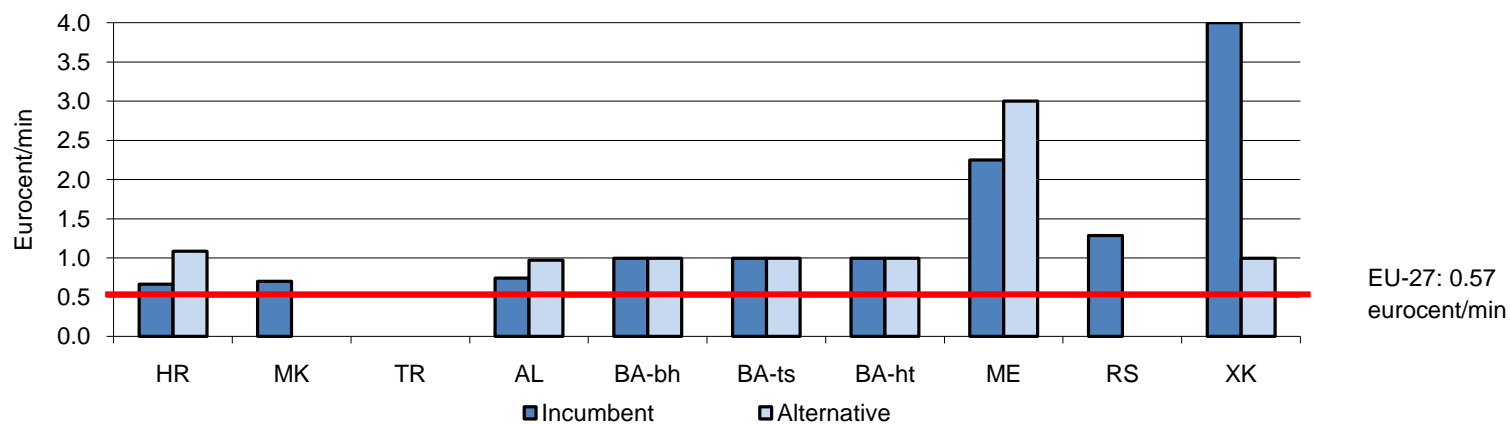


Figure 65 - Local call termination on the fixed incumbent and alternative network

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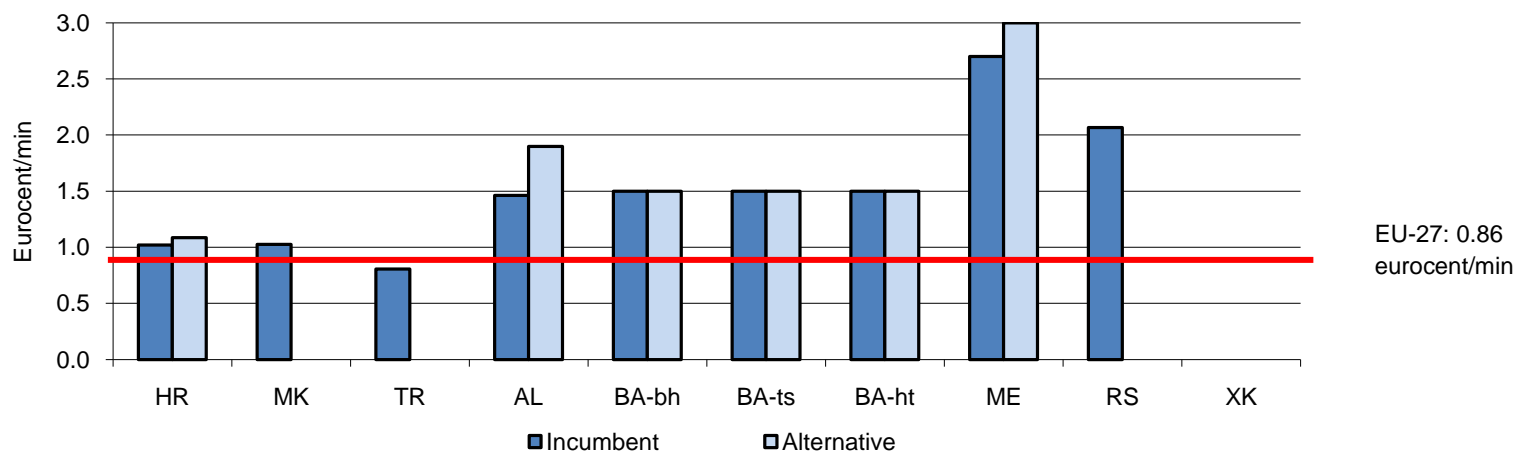


Figure 66 - Single transit call termination on the fixed incumbent and alternative network

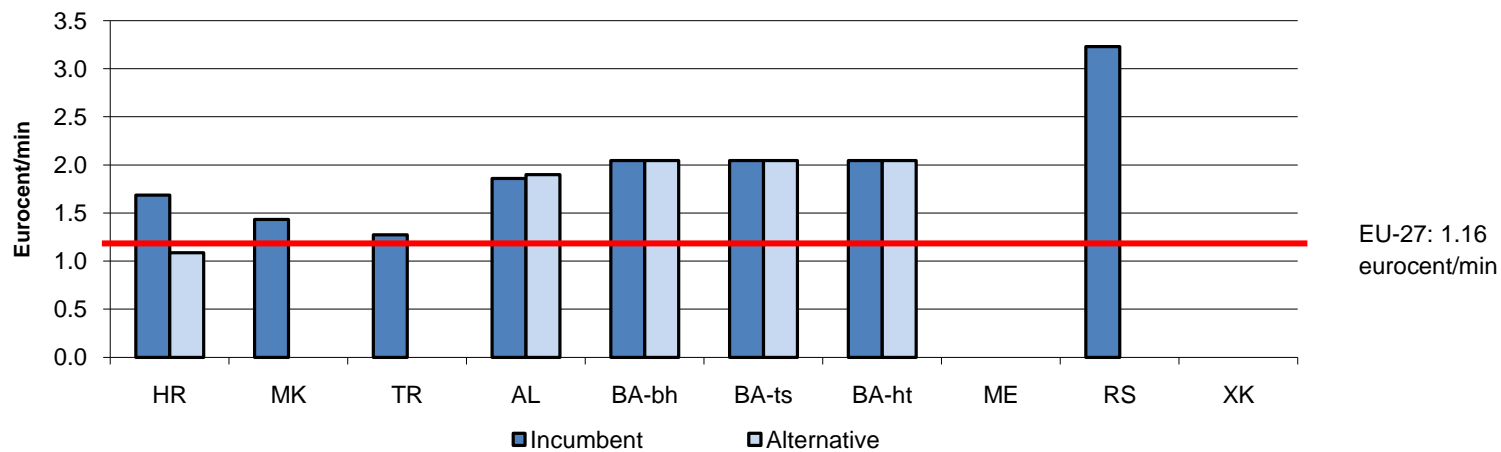


Figure 67 - Double transit call termination on the fixed incumbent and alternative network



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2. Call termination on mobile networks – all mobile operators

Table M.3 below presents the termination rates of the mobile operators for all countries where this information is available.

Country	Operator	Peak, €		Off-peak, €	
		Setup	Per min	Setup	Per min
Croatia	T-Mobile Hrvatska	0.0000	0.0913	0.0000	0.0913
	VIPnet	0.0000	0.0913	0.0000	0.0913
	Tele2	0.0000	0.0913	0.0000	0.0913
FYROM	T-Mobile	0.0000	0.0619	0.0000	0.0619
	Cosmofon	0.0000	0.0619	0.0000	0.0619
	VIP Operator	0.0000	0.0953	0.0000	0.0953
Turkey	Turkcell	0.0000	0.0429	0.0000	0.0429
	Vodafone	0.0000	0.0447	0.0000	0.0447
	Avea	0.0000	0.0527	0.0000	0.0527
Albania	AMC	0.0029	0.0965	0.0029	0.0965
	Vodafone Albania	0.0029	0.0965	0.0029	0.0965
	Eagle Mobile	0.0032	0.1076	0.0032	0.1076
Bosnia & Herzegovina	BH Telecom	0.0000	0.1565	0.0000	0.1565
	Telekom Srpske	0.0000	0.1478	0.0000	0.1478
	HT Mostar (Eronet)	0.0000	0.1565	0.0000	0.1565
Montenegro	ProMonte	0.0000	0.1000	0.0000	0.1000
	T-Mobile	0.0000	0.1000	0.0000	0.1000
	m:tel	0.0000	0.1000	0.0000	0.1000
Serbia	m:ts	0.0000	0.0586	0.0000	0.0586
	Telenor	0.0000	0.0586	0.0000	0.0586
	Vip mobile	0.0000	0.0586	0.0000	0.0586
Kosovo	Vala	0.0000	0.0400	0.0000	0.0240
	Ipko	0.0000	0.0400	0.0000	0.0240

Table M.3 - Call termination on all mobile networks

Notes:

Croatia: RIO 2009 charges, based on HAKOM decision of January 26, 2009, in force from March 1, 2009.

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Turkey: From May 1, 2009 new termination rates apply, approved by ICTA, as follows: Turkcell - €0.03085/min; Vodafone – €0.03179/min; Avea - €0.03650/min (no peak/off-peak differentiation and no call setup charges).

Bosnia & Herzegovina: The termination rates above are applied when a call originates in the fixed network different from the owner of the mobile network. Lower rates are applied when a call originates in the own fixed network: €0.1381/min (BH Telecom); €0.1304/min (Telekom Srpske); €0.1381/min (HT Mostar).

Kosovo: The termination rates above are applied when a call originates in the fixed network. Higher rates are applied when a call originates in another mobile network: €0.068/min peak and €0.06/min off-peak (Vala); €0.112/min peak and €0.099/min off-peak (Ipko). On April 30, 2009 the two mobile operators, Vala and Ipko, reached an agreement to reduce retail tariffs for calls from Vala to Ipko by 35%, from €0.28/min to €0.18/min. At the same time, mobile to mobile termination charges for calls from Vala to Ipko were reduced from €0.112/min to €0.0748/min peak and from €0.099/min to €0.066/min off-peak. New tariffs apply from May 1, 2009.

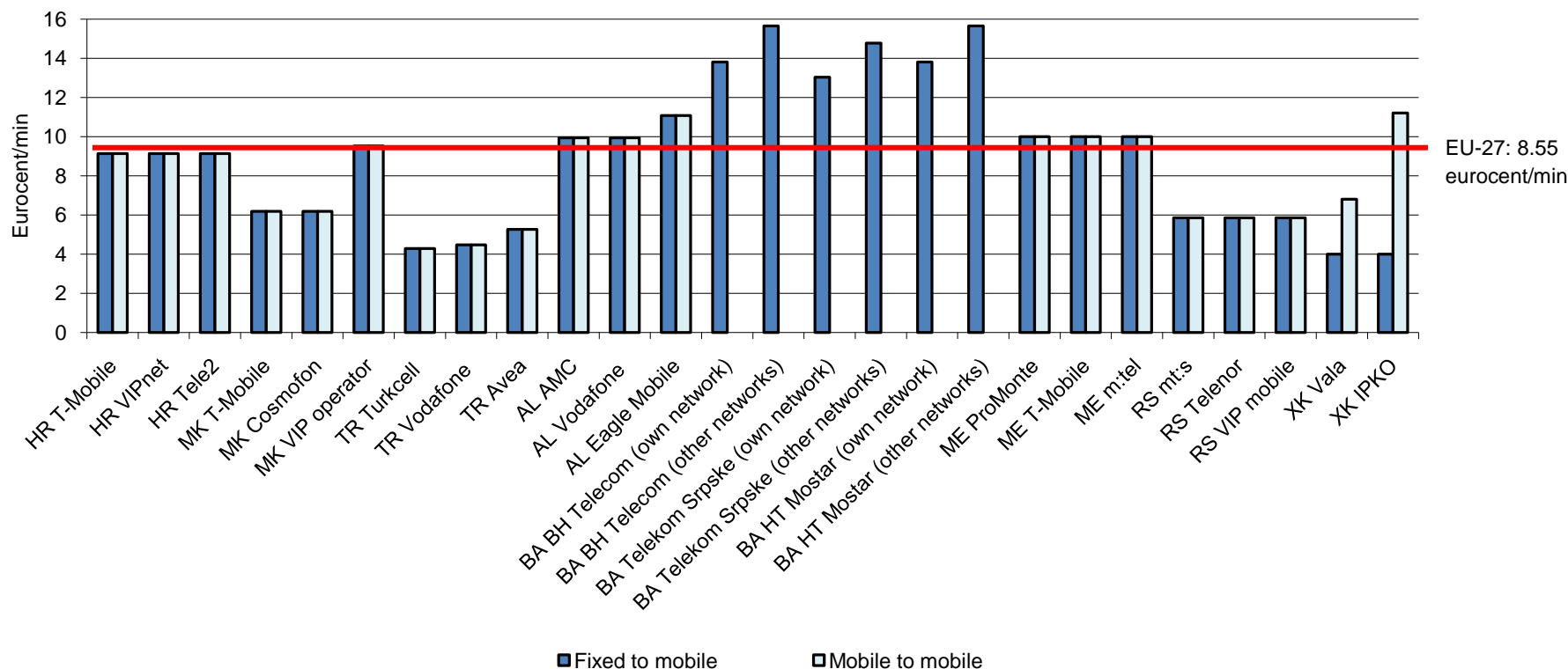


Figure 68 - Mobile termination rates as of January 1, 2009, peak time

3. LLU charges

Figure 69 and Figure 70 below compare the one-off connection charges and monthly rental prices for full and shared LLU access in the three monitored countries and the EU-27 averages according to the 14<sup>th</sup> Implementation report.

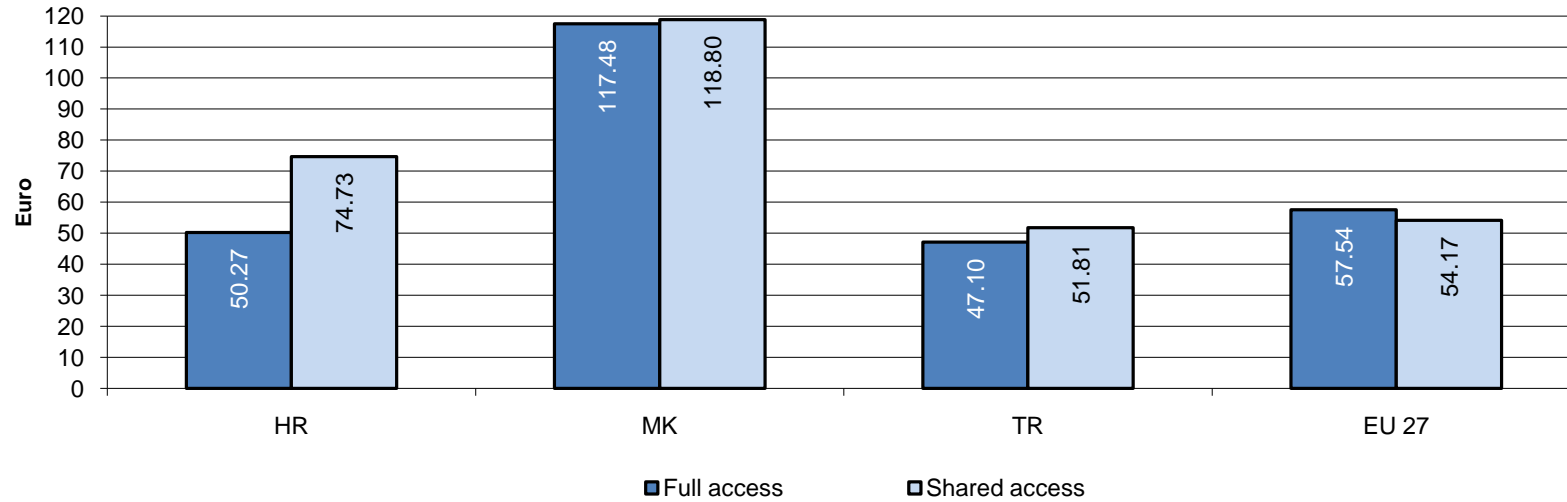


Figure 69 - Connection prices for fully unbundled loop and shared access

Notes:  
FYROM:

The connection prices as set per a block of 100 loops.

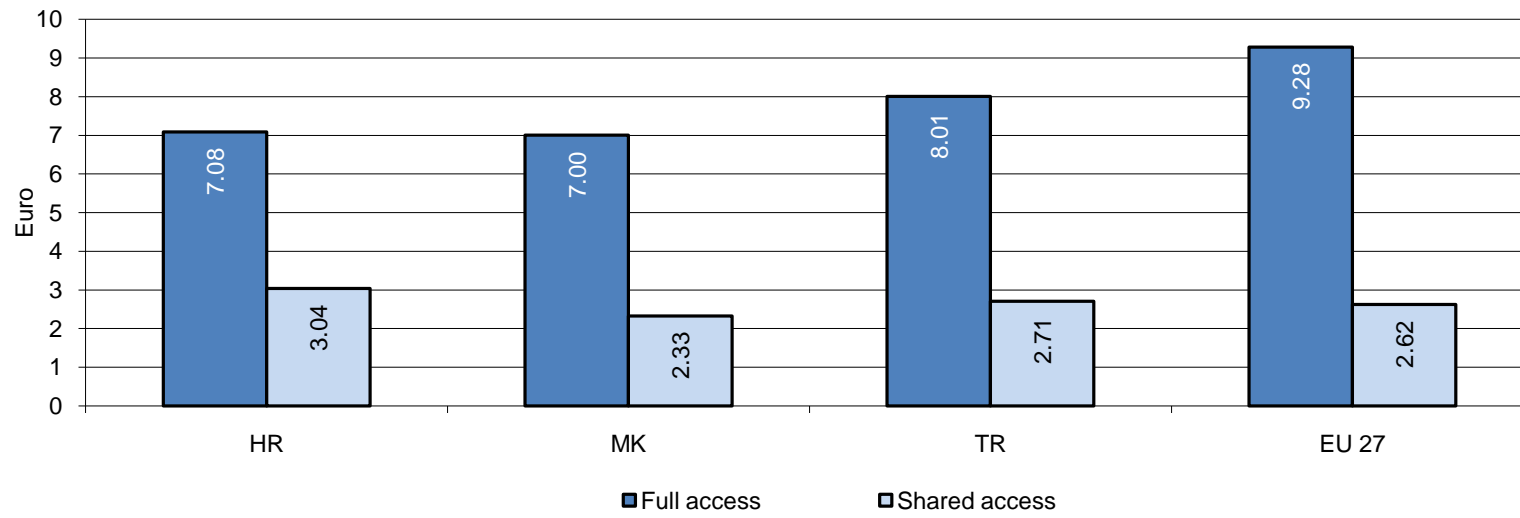


Figure 70 - Monthly rental prices for fully unbundled loop and shared access

N. Information society statistics

1. Computer and Internet usage by individuals

Table N.1 provides data on computer and Internet usage by individuals. The percentage of individuals regularly using the Internet is policy indicator A.2 of the eEurope 2005 benchmarking framework.

- population is defined as being from 16 to 74 years
- regularly is defined as at least weekly
- usage includes all locations and methods of access
- eEurope analyses used background variables of age, gender, employment status and education level
- i2010 benchmarking framework added bandwidth as a variable

Country	Percentage of individuals who used a computer in the last three months			Percentage of individuals regularly using the Internet			Comments (different data definition, date of survey)
	Total	Female	Male	Total	Female	Male	
Croatia	46	45	55	43	43	57	Survey first quarter 2008. Central Bureau of Statistics. <a href="http://www.dzs.hr/Eng/Publication/2008/2-1-9_1e2008.htm">http://www.dzs.hr/Eng/Publication/2008/2-1-9_1e2008.htm</a>
FYROM	50.00	45.70	54.40	41.50	36.60	46.50	Survey of April 2008. Based on Eurostat definition (a person who used a computer/the Internet at least once per week in the last three months).
Turkey	34.3	25.6	43.2	28.6	21.0	36.2	Survey of April 2008 “Percentage of individuals regularly using the Internet (in the last three months)” were calculated by following the formula that is the share of the sum of (In last 3 months, I accessed the Internet, on average, every day or almost every day) and (In the last 3 months, I accessed the Internet, on average, at least once a week (but not every day)) in total population (aged 16 to 74).
Albania	N/A	N/A	N/A	[14.98]	N/A	N/A	The figure is not based on a survey asking for regular usage, but on the estimated number of Internet users in 2007 (471,200) in relation to the whole population. INSTAT conducted a survey during 2008, which includes the number of PCs and using Internet. The data of this survey is not published yet.
Bosnia & Herzegovina	[36,47]*	N/A	N/A	[34]**	N/A	N/A	* Estimate based on various sources (statistical institutes in BiH, studies of WB, UNDP and EC and some NGOs, i.e. BAIT, BHIST) ** estimate by RAK as of January 2009

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Country	Percentage of individuals who used a computer in the last three months			Percentage of individuals regularly using the Internet			Comments (different data definition, date of survey)
	Total	Female	Male	Total	Female	Male	
Montenegro	57.5	53.5	61.8	40.7	36.9	44.7	Survey of Agency of electronic communications and postal services based on research of Centre for Monitoring (CEMI) in July 2008. The methodology is not comparable with Eurostat methodology.
Serbia	48.66	47.10	50.23	38.05	34.63	41.47	Survey of the Statistical Office in January and February 2008 (sample: 2000 individuals), see: <a href="http://webrzs.stat.gov.rs/axd/dokumenti/ict/2008/Naslovna/IKT2008s.zip">http://webrzs.stat.gov.rs/axd/dokumenti/ict/2008/Naslovna/IKT2008s.zip</a>
Kosovo	30	22	38	23	17	29	Estimation based on subscriber numbers of the main ISPs and surveys of the Riinvest Institute.

Table N.1 - Computer and Internet usage by individuals

### 2. Computer and Internet usage by enterprises

Table N.2 provides data on computer and Internet usage by enterprises, as collected by national statistics institutes and, where available, grouped by the size of the enterprises. Indicator B.1 of the eEurope 2005 benchmarking framework asks for the percentage of persons employed using computers connected to the Internet, in their normal work routine. However, these data are generally not collected in South-East Europe. Instead, the table includes:

- percentage of enterprises using computers;
- percentage of enterprises having access to the Internet (eEurope indicator B.2); and
- comments, in particular on the date of the survey and eventually different data definitions.

Country	Percentage of enterprises using computers (by number of employees)				Percentage of enterprises having access to the Internet (by number of employees)				Comments (different data definition, date of survey)
	Total (10+)	10-49	50-249	250+	Total (10+)	10-49	50-249	250+	
Croatia	98.0	98.0	99.0	99.0	97.0	97.0	99.0	98.0	Survey first quarter 2008. Central Bureau of Statistics. <a href="http://www.dzs.hr/Eng/Publication/2008/2-1-8_1e2008.htm">http://www.dzs.hr/Eng/Publication/2008/2-1-8_1e2008.htm</a>
FYROM	93.5	92.3	97.4	100.0	83.4	81.1	89.6	98.0	Survey of December 2008
Turkey	90.6	89.3	95.3	98.4	89.2	87.5	95.0	98.1	Survey of April 2008
Albania	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	A survey conducted by IDRA in 2008, found 87% of the 300 companies in the sample as having access to the Internet. INSTAT is planning to include such indicators in its periodic surveys of enterprises.

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Country	Percentage of enterprises using computers (by number of employees)				Percentage of enterprises having access to the Internet (by number of employees)				Comments (different data definition, date of survey)
	Total (10+)	10-49	50-249	250+	Total (10+)	10-49	50-249	250+	
Bosnia & Herzegovina	[85]	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Estimation based on several sources.
Montenegro	92.9	N/A	N/A	N/A	90.5	N/A	N/A	N/A	Data are based on ISSP ICT Survey, December 2007. No newer data available.
Serbia	98.6	96.9	98.9	100.0	94.27	89.9	96.1	96.8	Survey of the Statistical Office in January and February 2008 (sample: 1096 enterprises), see: <a href="http://webzrs.stat.gov.rs/axd/dokumenti/ict/2008/Naslovna/IKT2008s.zip">http://webzrs.stat.gov.rs/axd/dokumenti/ict/2008/Naslovna/IKT2008s.zip</a>
Kosovo	87.4	86.0	95.6	99.0	78.1	77	92.3	98.3	Survey made by Riinvest, April 2008. No recent data available.

Table N.2 - Computer and Internet usage by enterprises

### 3. Body responsible for Information society statistics

Table N.3 shows the body, whether the national statistics institute or another organisation, that collects and publishes data on information society indicators. The indicators were defined in the Council Resolution of February 18, 2003 on the implementation of the eEurope 2005 Action Plan and further developed under the i2010 Benchmarking Framework, in particular on:

- supply and demand of e-government, e-learning and e-health services;
- buying and selling online; and
- ICT skills and Internet users' experience regarding ICT security.

Country	Responsible body for information society statistics	Short description of available statistical data, URL
Croatia	Central Bureau of Statistics <a href="http://www.dzs.hr/">http://www.dzs.hr/</a>	Use of ICT in households and by individuals Use of ICT in enterprises Investments in ICT and research in enterprises
FYROM	State Statistical Office of the Republic of Macedonia <a href="http://www.stat.gov.mk/">http://www.stat.gov.mk/</a>	Use of ICT in households and by individuals Use of ICT in the financial sector Use of ICT in enterprises Use of ICT in the public sector <a href="http://www.stat.gov.mk/english/soopstenija_eng.asp?name=14.04">http://www.stat.gov.mk/english/soopstenija_eng.asp?name=14.04</a>
Turkey	Turkish Statistical Institute (TURKSTAT) <a href="http://www.turkstat.gov.tr/">http://www.turkstat.gov.tr/</a>	Use of information technologies in households (computer and Internet usage by gender and age group, by education level and by labour force status, also separately for rural and urban areas) Use of information technologies in enterprises (computer usage and Internet access)

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Country	Responsible body for information society statistics	Short description of available statistical data, URL
		grouped by economic activity and size of the company, data on the type of Internet connection, on the purpose of Internet usage and the proportion of enterprises which have a website) <a href="http://www.turkstat.gov.tr/VeriBilgi.do?tb_id=60&amp;ust_id=2">http://www.turkstat.gov.tr/VeriBilgi.do?tb_id=60&amp;ust_id=2</a>
Albania	Institute of Statistics (INSTAT) <a href="http://www.instat.gov.al/">http://www.instat.gov.al/</a>	No information society statistics available INSTAT conducted a survey use of ICT by individuals in 2008 (not published yet) and is planning to include use of ICT in its periodic surveys of enterprises. AKEP and MPPTT have some market data of the electronic communications markets.
Bosnia & Herzegovina	No dedicated public authority	No information society statistics available See comment below
Montenegro	Ministry for Information Society <a href="http://www.mid.gov.me/">http://www.mid.gov.me/</a>	The Ministry has been established recently. Information society statistics will be a task of the Department of promotion of Information Society.
Serbia	Statistical Office of the Republic of Serbia <a href="http://webrzs.stat.gov.rs/axd/index.php">http://webrzs.stat.gov.rs/axd/index.php</a>	Use of information technologies in households (computer and Internet usage by gender and age group, by education level and by labour force status, also separately for rural and urban areas) Use of information technologies in enterprises (computer usage and Internet access grouped by economic activity and size of the company, data on the type of Internet connection, on the purpose of Internet usage and the proportion of enterprises which have a Website) <a href="http://webrzs.stat.gov.rs/axd/dokumenti/ict/2008/Naslovna/IKT2008s.zip">http://webrzs.stat.gov.rs/axd/dokumenti/ict/2008/Naslovna/IKT2008s.zip</a>
Kosovo	Telecommunication Regulatory Authority (TRA) <a href="http://www.art-ks.org/">http://www.art-ks.org/</a> Statistical Office of Kosovo <a href="http://www.ks-gov.net/esk/">http://www.ks-gov.net/esk/</a>	No information society statistics available

Table N.3 - Body responsible for Information society statistics

**Notes:**

Bosnia & Herzegovina: According to strategic documents for the development of the information society of BiH (Policy for Development of the Information Society of BiH, Strategy for Development of the Information Society of BiH and Action Plan for Development of the Information Society of BiH), the responsible body for information society statistics shall be the Agency for Development of the Information Society of BiH (ARID). The law on ARID has not been adopted and ARID has not been established yet. The statistical institutes will be in charge for data collection, ARID will be focal point to distribute and follow up the final reports.

### O. Network and information security

To address security challenges to the information society, the European Union institutions have developed three main lines of action:

- the regulatory framework on electronic communications requires providers of publicly available electronic communications services to safeguard the security of their services and addresses specific questions such as spam and cookies (Directive on Privacy and Electronic Communications);



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- the fight against cybercrime, through the adoption of a framework decision (which echoes the Council of Europe Convention on Cybercrime) and initiatives specifically aimed at protecting minors; and
- specific network and information security measures.

This last line of action is achieved through the development of an EU strategy for a secure information society, a dialogue with stakeholders and the setting up of the European Network and Information Security Agency (ENISA) whose tasks include the collection of information, the analysis of current and emerging network risks, the development of common methodologies and the promotion of exchanges of best practices as well as methods of alert.

### 1. Network security obligations

Table O.1 shows the:

- legal provisions obliging providers to safeguard the security of their services (see Article 4, Privacy Directive);
- the classes of providers obliged by these provisions (publicly available electronic communications services – PECS, publicly available telephone services – PATS or other definition); and
- the national body or bodies responsible for supervision (for example the NRA, the data protection authority, a body responsible for disaster prevention, a body responsible for network security or several of such bodies).

Country	Legal provisions on security of electronic communications services	Scope of obliged providers	Body/bodies responsible for supervision
Croatia	Art. 99 Electronic communications act	Providers of public communications services	NRA
FYROM	Art. 110 Law on electronic communications Law on personal data protection	Operators of public communications networks and service providers of communications services	NRA is responsible for technical measures. Data privacy protection for end consumers is a responsibility of the Directorate for personal data protection.
Turkey	Art. 51 Electronic communications law	All operators	NRA
	Art. 6 and 7 Bylaw on personal information processing and protection of privacy in the telecommunications sector	Providers of telecommunications services for profit	NRA
	Bylaw on security of electronic communications	Equity companies which provide electronic communications networks and/or services	NRA
Albania	Art. 122 Law on electronic communications	Providers of public electronic communications networks and services	NRA
Bosnia & Herzegovina	Art. 5 Law on communications	Providers of public telecommunications services and networks	NRA
Montenegro	Art. 112 Law on electronic communications	Providers of public communications networks and services	NRA
Serbia	Art. 54 Telecommunications law	Public telecommunications operators	NRA

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Country	Legal provisions on security of electronic communications services	Scope of obliged providers	Body/bodies responsible for supervision
Kosovo	Art. 43 Law on telecommunications	Providers of public telecommunications services	NRA

Table O.1 - Network security obligations

Notes:

Turkey:

Art. 51 of the Electronic communications law entitles the authority to determine the procedures and principles for processing of personal data. See also Art. 12(2)(j) of that law. Art. 6 of the Bylaw on personal information processing obliges all operators (that is, providers of telecommunications services for profit) to have their technical and organisational measures of network security approved by the NRA. Art. 7 of this bylaw transposes art. 4 para. 2 of the Privacy Directive. The Bylaw on security of electronic communications came into force on July 20, 2008. It obliges equity companies which provide electronic communications networks and/or services to ensure the security of communication and to perform internal audits. The bylaw has been prepared considering ITU Recommendation X.1051 and the standard ISO/IEC 27001.

## 2. Cybercrime

The main EU actions on the fight against cybercrime have been:

- Council Framework Decision of February 24, 2005 on attacks against information systems that provides that committing, commissioning, attempting, instigating or abetting the following acts, intentionally and unlawfully, is a criminal offence:
    - accessing the whole or part of an information system (i.e. 'hacking');
    - interfering with an information system (such as the sending of viruses or 'denial of service attacks') seriously to interrupt or hinder its functioning;
    - interfering with computer data (e.g., alteration, deletion or damaging of data) on an information system (even in the absence of damage to a person).
- NB. This framework decision echoes the Council of Europe Convention on Cybercrime, which also covers other computer-related offences and some traditional offences that take place over networks as well as procedural measures and measures on international cooperation.
- other more specific regulatory initiatives, in particular to fight sexual exploitation of children and child pornography including through computer systems (Framework Decision 2004/68), and to fight fraud and counterfeiting of non-cash means of payment (Framework Decision 2001/413).
  - policy initiatives, for example, to address new forms of cybercrime (e.g., identity theft) and improve cross-border enforcement cooperation.

Table O.2 shows:

- whether the country has ratified and transposed into national legislation the Council of Europe Convention on Cybercrime;
- whether national legislation considers attacks against information systems as criminal offences;
- whether national legislation considers other computer related acts as criminal offences; and
- the policy framework on the fight against cybercrime, and the main lines of that policy.

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Country	Ratification of Council of Europe Convention on Cybercrime	Are the following attacks against information systems considered as criminal offences? Illegal access? Illegal interception? Data interference? System interference?	Are the following computer-related acts considered criminal offences? Computer-related forgery? Computer-related fraud? Offences related to child pornography? Offences related to infringements of copyright and related rights	Policy framework on the fight against cybercrime
Croatia	Yes, on July 8, 2002 (Official Gazette 9/2002) Ratification of the Protocol to the Convention on cyber crime concerning the criminalization of acts of racist and xenophobic nature committed through computer systems on May 9, 2008 (Official Gazette 4/2008)	Yes, in the Criminal Code: <ul style="list-style-type: none"> <li>• illegal access and interception (art. 223 para. 1)</li> <li>• systems interference (art. 223 para. 2)</li> <li>• data interference (art. 223 para. 3)</li> </ul>	Yes, in the Criminal Code: <ul style="list-style-type: none"> <li>• child pornography (art. 196)</li> <li>• computer forgery (art. 223a)</li> <li>• computer fraud (art. 224a)</li> <li>• the provisions on copyright do not explicitly refer to computer related acts but include all forms of communicating works to the public (art. 229ff).</li> </ul>	No explicit policy framework
FYROM	Yes, on June 16, 2004 Ratification of the Protocol to the Convention on cyber crime concerning the criminalization of acts of racist and xenophobic nature committed through computer systems on July 5, 2005	Yes The Criminal Code considers as criminal offences: <ul style="list-style-type: none"> <li>• illegal access to computer resources,</li> <li>• unauthorised use of computer data,</li> <li>• illegal use and multiplication of computer data,</li> <li>• illegal manipulation with computer data,</li> <li>• changing, damaging of data or programs,</li> <li>• introduction of viruses,</li> <li>• abuse of passwords.</li> </ul>	<ul style="list-style-type: none"> <li>• Computer fraud (Article 251b)</li> <li>• Issuance of a bad cheque and abuse of credit cards (Article 274)</li> <li>• Violation of copyright and similar rights (Article 157)</li> <li>• Violation of the right of the distributor of a satellite signal with special protection (Article 157a)</li> <li>• Piracy of audio and visual work (Article 157b)</li> <li>• Piracy of a phonogram (Article 157c)</li> <li>• Production and distribution of child's pornography through a computer system (Article 193a).</li> </ul>	No explicit policy framework
Turkey	No	Yes, in the Criminal Code: <ul style="list-style-type: none"> <li>• illegal access and interception (art. 243 para. 1, Art. 132 )</li> <li>• system interference (art. 244 para. 1)</li> <li>• data interference (art. 244 para. 2)</li> </ul>	Yes, in the Criminal Code: <ul style="list-style-type: none"> <li>• child pornography (art. 226 para. 3 to 5)</li> <li>• computer forgery (art. 244 para. 2)</li> </ul> <p>NB This provision does not explicitly refer to computer forgery but include all forms of offence (art. 204, 208)</p>	The Information Society Action Plan (2006–2010) includes an action on Internet security with the following direction:  “Enactment of necessary regulations for a safe Internet environment in order to increase the motivation of individuals towards ICT usage. With these

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Country	Ratification of Council of Europe Convention on Cybercrime	Are the following attacks against information systems considered as criminal offences? Illegal access? Illegal interception? Data interference? System interference?	Are the following computer-related acts considered criminal offences? Computer-related forgery? Computer-related fraud? Offences related to child pornography? Offences related to infringements of copyright and related rights	Policy framework on the fight against cybercrime
			<ul style="list-style-type: none"> <li>• computer fraud (art. 158 para. 1-f)</li> </ul> <p>The provisions in art. 71 to 75 of the Law on intellectual and artistic Works do not explicitly refer to computer related acts but include all forms of communicating works to the public.</p>	<p>regulations as well as training and awareness raising activities mental and physical healthcare of children, personal rights, family values and public order will be sustained.”</p> <p>Also, the Turkish national “Strategy Document for the Fight Against Organised Crime” (October 2006) includes the main principles dealing with all types of organised crime in Turkey such as Cybercrime (section 3.7). There is also an ongoing study for preparing an action plan in line with the strategy document.</p> <p>See also the comment below.</p>
Albania	Yes Law no. 8888 dated April 25, 2002	Yes, in the Criminal Code: <ul style="list-style-type: none"> <li>• Unauthorised access (art. 192/b)</li> <li>• Illegal interception of computer data (art. 293/a)</li> <li>• Data interference (art. 293/b)</li> <li>• System interference (art. 293/c)</li> <li>• Misuse of computer devices (art. 293/ç)</li> </ul>	Yes, in the Criminal Code: <ul style="list-style-type: none"> <li>• Child pornography (art. 117)</li> <li>• Computer fraud (art. 143/b)</li> <li>• Computer forgery (art. 186/a)</li> <li>• Stealing works of art or culture (art. 138)</li> </ul>	On January 9, 2008 the Government approved a sector strategy of public order, with the following main items on cybercrime: <ul style="list-style-type: none"> <li>• to establish a special organisational unit to deal with cybercrime;</li> <li>• to recruit officers with special knowledge on the field; and</li> <li>• to improve the legislation in the field of cyber crime.</li> </ul>
Bosnia & Herzegovina	Yes, in 2006	No provisions in the Criminal Code	No provisions in the Criminal Code	No explicit policy framework
Montenegro	Not ratified	Yes, in the Criminal Code: <ul style="list-style-type: none"> <li>• data interference (art. 349)</li> <li>• computer sabotage (art. 350)</li> <li>• distribution of viruses (art. 351)</li> <li>• unauthorised use (art. 353)</li> <li>• disturbing electronic processing (art. 354)</li> </ul>	Yes, in the Criminal Code: <ul style="list-style-type: none"> <li>• criminal offences against copyright (art. 234)</li> <li>• computer fraud (art. 352)</li> <li>• electronic distribution of child pornography covered by art. 211</li> </ul>	No explicit policy framework

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Country	Ratification of Council of Europe Convention on Cybercrime	Are the following attacks against information systems considered as criminal offences? Illegal access? Illegal interception? Data interference? System interference?	Are the following computer-related acts considered criminal offences? Computer-related forgery? Computer-related fraud? Offences related to child pornography? Offences related to infringements of copyright and related rights	Policy framework on the fight against cybercrime
		<ul style="list-style-type: none"> <li>illegal access (art. 355)</li> <li>preventing access to networks (art. 356)</li> </ul>		
Serbia	Yes, in April 2009	Yes, in the Criminal Code: <ul style="list-style-type: none"> <li>damaging computer data and programs (art. 298)</li> <li>computer sabotage (art. 299)</li> <li>creating and introducing computer viruses (art. 300)</li> <li>unauthorised access (art. 302)</li> <li>preventing or restricting access to a public computer network (art. 303)</li> <li>unauthorised use of a computer (art. 304)</li> </ul>	Yes, in the Criminal Code: <ul style="list-style-type: none"> <li>computer fraud (art. 301)</li> <li>child pornography (art. 185)</li> <li>criminal offences against intellectual property (art. 198 to 202)</li> </ul>	Law on organisation and competences of public authorities for fighting high technology crime (Official gazette of the Republic of Serbia, no. 61/05)
Kosovo	No, ratification is currently in first reading in Parliament	Yes <ul style="list-style-type: none"> <li>Intrusion into computer systems, data interference (Article 264, Criminal Code)</li> <li>Illegal access to information systems (Article 98, Law on information society services)</li> <li>Illegal interference with information systems (Article 99, Law on information society services)</li> </ul>	Child pornography will be addressed by a new law (Article 16, Draft law on prevention and fight of the cyber crime, June 2008) – see comment below	No explicit policy framework

Table O.2 - National measures to fight against cybercrime

Notes:

Turkey: Turkey introduced provisions against cybercrime in its Criminal Code by law 5237 of 2005. A separate law of 2007 (Law no. 5651 on regulating broadcast in Internet and combating crimes committed through such broadcast) introduced provisions on liability of content providers, host providers and access providers. According to law no. 5651 a court or the NRA can oblige providers to block access when the content of Internet broadcasts constitutes one of nine catalogue criminal offences.

Albania: Amendments to the Criminal Code related to cybercrime were approved by Parliament on November 27, 2008 (law no. 10023).

Kosovo: The draft law passed all government procedures. Kosovo asked the Council of Europe to organise a joint workshop with representatives of the government to finalise the draft before submitting it to the Parliament.

3. Bodies in charge for security policy

Table O.3 shows:

- the body (or bodies) responsible for network and information security policy, in particular for collection of information, the analysis of current and emerging network risks, the development of common methodologies and the promotion of exchanges of best practices as well as methods of alert;
- a short description of the body's responsibilities; and
- references to relevant policy documents, websites promoting security awareness or alert networks.

The table only list bodies that are responsible for policy making and for the network and information security in general (that is including commercial and private users). It does not include bodies that are solely responsible for governmental networks or solely responsible for the security of information exchange between governmental bodies.

Country	Body/bodies responsible for network and information security policy	Description of responsibilities	Policy documents, websites, alert networks
Croatia	Office of the Council on National Security (UVNS)	<ul style="list-style-type: none"> <li>• UVNS is the Croatian National Security Authority (NSA)</li> <li>• Coordinates and harmonises the adoption and controls the implementation of information security measures and standards in the areas of Security Vetting, Physical Security, Security of Information, INFOSEC and Industrial Security (Croatian DSA) and issues clearances for individuals and legal entities for access to national, NATO and EU Classified Information.</li> <li>• As Croatian NSA, UVNS carries out and coordinates international cooperation in the field of information security and based on the Government Decision concludes international security agreements for the protection of Classified Information on behalf of the Republic of Croatia.</li> </ul>	<a href="http://www.uvns.hr/">http://www.uvns.hr/</a> <ul style="list-style-type: none"> <li>• Instruction on information security measures and standards for the registry system (August 2008, UVNS, Unclassified)</li> <li>• Instruction on the procedure of determining security impediments and risks and for the issuance of PSC and FSC (November 2008, UVNS, Unclassified)</li> <li>• Instruction on security education on information security measures and standards (December 2008, UVNS, Unclassified)</li> <li>• Instruction on registry system security accreditation (February 2009, UVNS, Unclassified)</li> <li>• Instruction on the form and content of NATO and EU Certificate (April 2009, UVNS, Unclassified)</li> </ul>
	Institute for Information Systems Security (ZSIS) ZSIS CERT	<ul style="list-style-type: none"> <li>• Central state body responsible for information security activities of state authorities</li> <li>• ZSIS CERT provides assistance to state bodies with regard to prevention of computer security risks and incident removal</li> </ul>	<a href="http://www.zsis.hr/">http://www.zsis.hr/</a>

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Country	Body/bodies responsible for network and information security policy	Description of responsibilities	Policy documents, websites, alert networks
	CARNet CERT	<ul style="list-style-type: none"> <li>Provides assistance to the institutions connected to the Croatian Academic and Research Network for prevention and protection from computer threats</li> </ul>	<a href="http://www.cert.hr/">http://www.cert.hr/</a>
	National CERT	<ul style="list-style-type: none"> <li>Coordinates the activities of ZSIS CERT and CARNet CERT and deals with massive incidents.</li> </ul>	
FYROM	Ministry of Internal Affairs		
Turkey	TR-CERT	<ul style="list-style-type: none"> <li>Public information security awareness activities via national information security portal</li> <li>Technical trainings on information security (for public officials)</li> <li>Consultancy to state institutions for establishing Information Security Management System (ISMS)</li> <li>Performing penetration tests for information technology systems of state institutions</li> <li>Preparing the policy document of “minimum security requirements for government information and information systems” (in progress)</li> <li>Preparing the policy document of “security categorisation for government information and information systems” (in progress)</li> <li>Preparation of guidance documents on information security; prepared documents are hosted at <a href="http://www.bilgiguvenligi.gov.tr">www.bilgiguvenligi.gov.tr</a> (in Turkish)</li> <li>International cooperation: <ul style="list-style-type: none"> <li>Participation to biannual NATO-CERT (NCIRC) CyberDefense Workshops</li> <li>Co-operation with NCIRC based on MoU (Memorandum of Understanding)</li> <li>Participation to international CERT meetings and conferences (FIRST, TF-CSIRT)</li> <li>Participation to biannual OECD-WPISP (Working Party on Information Security and Privacy) meetings</li> </ul> </li> <li>Designing and implementing the information security projects of state bodies (Government, Military)</li> <li>Operating Turkish National CERT/CC (Coordination Center) (accredited by “Trusted Introducer for CSIRTs in Europe”)</li> </ul>	<a href="http://www.bilgiguvenligi.gov.tr/">http://www.bilgiguvenligi.gov.tr/</a> (National Information Security Portal)  <a href="http://www.tr-cert.gov.tr/">http://www.tr-cert.gov.tr/</a> (National CERT Coordination Center)

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Country	Body/bodies responsible for network and information security policy	Description of responsibilities	Policy documents, websites, alert networks
		<ul style="list-style-type: none"> <li>• Incident response coordination</li> <li>• Computer Security incident response teams (CSIRT) support</li> <li>• Alarm and alerting services</li> <li>• Leading government bodies for establishing government CERT organizations (Consultancy, Training, Exercise)</li> </ul>	
	Prime Ministry	Coordinates activities in developing policy principles regarding cyber security	The policy principles document is prepared by a working group and submitted to the Prime Ministry for approval
	Ministry of Justice	Prepares a law regarding information security	2009 annual programme, information society strategy
Albania	No dedicated body responsible. See comment below.		
Bosnia & Herzegovina	No dedicated body responsible		
Montenegro	Ministry for Information Society	Governmental body responsible for information security	Programme of information security, adopted in May 2008
Serbia	No dedicated body responsible		Strategy for telecommunications development 2006–2010 (item 6.9) Strategy on information society development in Serbia
Kosovo	The NRA and the Ministry of Transport and Communications for public and telecommunications networks Ministry of Public Services for governmental networks	<ul style="list-style-type: none"> <li>• Prepare policy documents for the government</li> <li>• Collect data on information security</li> <li>• Public awareness activities</li> <li>• Coordinate information security projects of state institutions</li> </ul>	

Table O.3 - Bodies responsible for network and information security policy

Notes:

Albania: Albania has two directorates that are responsible for network and information security policy, but only for governmental networks.

### P. Electronic commerce and electronic signatures

#### 1. Market access and liability

Table P.1 shows whether certain provisions of the Electronic Commerce Directive (2000/31/EC) have been transposed.



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- According to Art. 4 of the E-Commerce Directive Member States shall ensure that the taking up and pursuit of the activity of an information society service provider may not be made subject to prior authorisation or any other requirement having equivalent effect.
- Art. 12 to 14 of the E-Commerce Directive exempt certain activities of Internet service providers ('mere conduit', caching and hosting) from criminal and civil liability under certain conditions.
- According to art. 15 Member States shall neither impose on providers a general obligation to monitor the information they transmit or store nor a general obligation to actively seek facts or circumstances indicating illegal activity.

Country	Does a law explicitly state that information society services do not need prior authorisation?	Have the provisions on liability of intermediary service providers been transposed into national law?			
		'mere conduit' Art. 12 E-Commerce Directive	'caching' Art. 13 E-Commerce Directive	hosting Art. 14 E-Commerce Directive	no general obligation to monitor Art. 15 E-Commerce Directive
Croatia	Yes Art. 5 Electronic commerce act	Yes Art. 16, 20 Electronic commerce act	Yes Art. 17, 20 Electronic commerce act	Yes Art. 18, 20 Electronic commerce act	Yes Art. 21 Electronic commerce act
FYROM	Yes Art. 6 Law on electronic commerce	Yes Art. 15 Law on electronic commerce	Yes Art. 16 Law on electronic commerce	Yes Art. 17 Law on electronic commerce	Yes Art. 20 Law on electronic commerce
Turkey	No	No	No	Art. 5 of law no. 5651 contains a similar provision, but not as a transposition of the Electronic Commerce Directive	Art. 5 of law no. 5651 contains a similar provision, but not as a transposition of the Electronic Commerce Directive
Albania	Yes Law on electronic commerce	Yes Law on electronic commerce	Yes Law on electronic commerce	Yes Law on electronic commerce	Yes Law on electronic commerce
Bosnia & Herzegovina	Yes Art. 14 E-Commerce law	Yes Art. 24 E-Commerce law	Yes Art. 25 E-Commerce law	Yes Art. 26 E-Commerce law	Yes Art. 28 E-Commerce law
Montenegro	Yes Art. 6 Law on electronic commerce	Yes Art. 18 Law on electronic commerce	Yes Art. 19 Law on electronic commerce	Yes Art. 20 Law on electronic commerce	Yes Art. 22 Law on electronic commerce
Serbia	No	No	No	No	No
Kosovo	Yes Art. 17 Law on the information society services	Yes Art. 24 Law on the information society services	Yes Art. 25 Law on the information society services	Yes Art. 26 Law on the information society services	Yes Art. 27 Law on the information society services

Table P.1 - Market access and liability

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**Notes:**

- Turkey:** Works are underway regarding the alignment with the Electronic Commerce Directive under the responsibility of Ministry of Justice. In 2007, the “law no. 5651 on regulating broadcast in Internet and combating crimes committed through such broadcast” introduced provisions on liability of content providers, host providers and access providers. Law no. 5651 is not a transposition of the Electronic Commerce Directive, but the provision on liability of hosting providers is similar.
- Albania:** The law no. 10128 on electronic commerce was adopted by the Assembly on May 11, 2009. It has not been published in the official gazette by the cut-off date for this report. The law will come into force 15 days after publication. According to the draft law the articles relevant for this table are articles 6, 15, 16, 17 and 20. The draft law was prepared by a working group lead by the Ministry of Economy, Trade and Energy in collaboration with an expert team working with NAIS under a legal advice technical assistance project financed by EU.
- Serbia:** The Government has adopted the draft Law on electronic commerce and sent it to the National Parliament. Responsible institution is the Ministry of Trade and Services. The draft Law on electronic commerce is waiting for approval by the National Parliament.

### 2. Legal recognition of electronic contracts and electronic signatures

Table P.2 shows whether the legislation in South-East Europe has been adapted to recognise the conclusion of electronic contracts and whether electronic signatures are legally recognised. These questions are important pre-conditions to ensure the take-up of electronic commerce.

The Electronic Commerce Directive (2000/31/EC) requires Member States to remove any legal obstacles for the use of electronic contracts. This means that a contract cannot be deprived of legal validity on the ground that it has been made by electronic means. The table shows whether this general principle is recognised in the legal system. Art. 9 of the directive lists categories of contracts which would not automatically be legally valid and whose electronic conclusion could be restricted (such as contracts on real estate or contracts governed by family law). The table does not include details to what extent the countries made use of these exceptions.

The Electronic Signatures Directive (1999/93/EC) distinguishes between ordinary electronic signatures and ‘advanced electronic signatures’ that are based on ‘qualified certificates’ and created by a ‘secure signature-creation device’ (referred to in the table as ‘qualified electronic signatures’). The technical requirements of qualified electronic signatures are specified in the three annexes of the directive. They are based on public key cryptography, involving the intervention of ‘certification service providers’.

The Directive specifies that there is no automatic legal recognition of ordinary electronic signatures but that they cannot be denied legal effect or refused as evidence in courts solely on the grounds that they are in electronic format or because they are not ‘qualified signatures’.

Qualified electronic signatures on the other hand must be legally recognised as equivalent to hand-written signatures and be admissible in courts.

Country	Are there any regulatory obstacles to the conclusion of electronic contracts (if yes, specify type of problem)?	Are ordinary electronic signatures denied legal effect or refused as evidence in courts?	Are qualified electronic signatures recognised as equivalent to hand-written signatures?
Croatia	No	No Art. 6 Electronic signature act	Yes Art. 5 Electronic signature act
FYROM	No	No Art. 12 of Law on data in electronic form and electronic signatures	Yes Art. 13 of Law on data in electronic form and electronic signatures

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Country	Are there any regulatory obstacles to the conclusion of electronic contracts (if yes, specify type of problem)?	Are ordinary electronic signatures denied legal effect or refused as evidence in courts?	Are qualified electronic signatures recognised as equivalent to hand-written signatures?
Turkey	No	No The legal effect of ordinary electronic signatures is not explicitly regulated in the electronic signature law. Ordinary electronic signatures have legal effectiveness under the discretion of the judge according to art. 240, 287 and 367 of the Code of civil procedure.	Yes Art. 5 Electronic signature law Art. 295/A Code of civil procedure
Albania	No	No	Yes Art. 4 Law no. 9880 on electronic signature.
Bosnia & Herzegovina	No	No	Yes Art. 5 Law of electronic signature
Montenegro	No	No	Yes Art. 7 Law on electronic signature
Serbia	No	No	Yes Art. 10 Law on electronic signature
Kosovo	No	No	Yes Art. 86 Law on the information society services

Table P.2 - Legal recognition of electronic contracts and signatures

### 3. Market access, supervision and accreditation

According to Article 3 of the Electronic Signatures Directive, Member States:

- shall not make the provision of certification services subject to prior authorisation;
- may introduce voluntary accreditation schemes aiming on enhanced levels certification-service provision; and
- shall ensure the establishment of a supervision scheme for certification-service providers issuing qualified certificates.

Table P.3 shows whether prior authorisation, a voluntary accreditation scheme and/or supervision have been established and which institutions are responsible.

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Country	Are providers required to notify? Is prior authorisation required?	Voluntary accreditation scheme established?	Supervision established?
Croatia	Certification-service providers must notify to the ministry at least 8 days in advance. No prior authorisation required. Art. 13, 15 and 16 Electronic signature act	Yes Art. 34a to 34d Electronic signature act Croatian Accreditation Agency	Yes Ministry of the Economy, Labour and Entrepreneurship and State Inspectors' Office
FYROM	Certification-service provider is obligated to register its activity with the Ministry of Finance in the register of CAs at least 30 days prior beginning of its operation. In practice, prior authorisation required by secondary legislation on the registration process: Providers must be registered in the register of CAs before starting provision of certification services. Art. 16 Law on data in electronic form and electronic signatures	No	Yes Ministry of Finance <a href="http://www.finance.gov.mk/">http://www.finance.gov.mk/</a>
Turkey	Providers of qualified certificates must notify to the NRA two months in advance. No prior authorisation required. Art. 8 Electronic signature law	No	Yes Information and Communication Technologies Authority Art. 15 Electronic signature law
Albania	Certification-service providers must notify to the authority immediately at the beginning of their activities. No prior authorisation required. Art. 11 Law on electronic signature	No	Yes According to art. 10 of the Law on electronic signature, the national authority of electronic signature is depending on the Ministry of the Interior. The authority's chairman has been nominated, its structure is approved and its staff partly hired.
Bosnia & Herzegovina	Certification-service providers must notify to the supervision body immediately at the beginning of their activities. No prior authorisation required. Art. 7 Law on electronic signature	No	No According to art. 20 Law on electronic signature the office for accreditations and supervision (supervision body) shall be established in the Ministry of Communications and Transport.
Montenegro	Providers of non-qualified certificates must notify to the supervision body at least 8 days in advance. No prior authorisation required. Providers of qualified certificates must apply for registration. The supervision body must issue its decision within 15 days after the date on which a complete request is submitted. Art. 18, 19 and 22 Law on electronic signature	No	Yes Ministry of Information Society <a href="http://www.mid.gov.me/">http://www.mid.gov.me/</a>
Serbia	Providers of qualified certificates must notify to the Ministry of Telecommunication and Information Society 15 days in advance. Prior authorisation required for providers of qualified electronic signatures. Art. 15 Law on electronic signature	No	Yes Ministry of Telecommunication and Information Society <a href="http://www.mtid.gov.rs/">http://www.mtid.gov.rs/</a>

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Country	Are providers required to notify? Is prior authorisation required?	Voluntary accreditation scheme established?	Supervision established?
Kosovo	No obligation to notify under the chapter on electronic signatures in the Law on the information society services. No prior authorisation required.	No	No The chapter on electronic signatures in the Law on the information society services does not foresee a supervisory authority.

Table P.3 - Market access for providers of certification services

Notes:

FYROM

The Ministry of Finance considers amending the secondary legislation on the registration process, which currently requires providers to become registered before starting offering their services.

Montenegro:

The government of Montenegro plans to prepare in 2009 amendments to the Law on electronic signature.

#### 4. Electronic signature market data

Table P.4 shows:

- certification service providers, which issue qualified certificates in the respective country;

NB. The table shows certification service providers, which are established in the respective country, as well as certification service providers, which are established in another country, but are active on the respective national market, for example by establishing a network of registration services, or by gaining a voluntary accreditation.

- available market data on usage of electronic signatures, in particular: number of valid qualified certificates.

Country	Certification service provider(s) issuing qualified certificates Name(s) and URL(s)	Data on usage of electronic signatures
Croatia	Financial agency (Fina) <a href="http://www.fina.hr/">http://www.fina.hr/</a>	19,844 qualified electronic certificates
FYROM	KIBS AD Skopje <a href="http://ca.kibs.com.mk/">http://ca.kibs.com.mk/</a> Makedonski Telekom <a href="http://ca.mt.net.mk/">http://ca.mt.net.mk/</a>	No data available
Turkey	E – Güven Corp. <a href="http://www.e-guven.com/">http://www.e-guven.com/</a> TUBITAK UEKAE (NRIEC) <a href="http://www.kamusm.gov.tr/">http://www.kamusm.gov.tr/</a> TurkTrust Corp. <a href="http://www.turktrust.com.tr/">http://www.turktrust.com.tr/</a> E – Tuğra Corp. <a href="http://www.e-tugra.com.tr/">http://www.e-tugra.com.tr/</a>	December 2008: 44,777 traditional qualified electronic certificates 66,026 mobile qualified electronic certificates
Albania	No such providers. A national certificate authority is being established.	Not applicable
Bosnia & Herzegovina	No such providers	Not applicable

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Country	Certification service provider(s) issuing qualified certificates Name(s) and URL(s)	Data on usage of electronic signatures
Montenegro	No such providers	e-Mon ( <a href="http://www.emon24.net/">http://www.emon24.net/</a> ) issues non-qualified certificates that are used like qualified certificates, but only in closed systems of e-banking 3,250 certificates in use for e-banking.
Serbia	CA JP PTT Communications "Srbija", <a href="http://www.ca.posta.rs/">http://www.ca.posta.rs/</a>	PTT started issuing qualified certificates on December 15, 2008 Many banks offer e-banking services based on non-qualified certificates. In total, about 350,000 non-qualified certificates have been used.
Kosovo	No such providers	Not applicable

Table P.4 - Market data on electronic signatures

### Q. Data protection and data retention

#### 1. Protection of confidentiality of communications

According to Article 5 of the Privacy Directive, member states shall ensure the confidentiality of communications and the related traffic data through national legislation. In particular, they shall prohibit listening, tapping, storage or other kinds of interception or surveillance of communications and the related traffic data by persons other than users, without the consent of the users concerned, with the exception of lawful interception.

Table Q.1 shows:

- legal provisions for the protection of confidentiality of communications;
- the scope of the protected communications: content of the communications and/or related traffic and location data;
- whether the provisions only refer to interception by an operator and its staff or also to interception by third parties;
- which penalties are prescribed by the provision; and is interception considered a criminal offence, a misdemeanour or can intercepted persons only enforce the provision by a lawsuit under civil law.

Country	Legal provisions on confidentiality	Scope of protected communications: content and/or traffic data	Protection against interception by operator and/or interception by third parties	Penalties
Croatia	Art. 100 Electronic communications act	All data in telecommunication traffic	Interception by operator and interception by third parties	Misdemeanour (article 119) The head of the legal entity will be fined with an amount from 20,000 to 100,000 HRK (€2,717 to €13,587). The person who broke the law will be fined with an amount from 10,000 to 50,000 HRK (€1,359 to €6,793).

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Country	Legal provisions on confidentiality	Scope of protected communications: content and/or traffic data	Protection against interception by operator and/or interception by third parties	Penalties
				It is possible to penalise the legal entity with the protective measure of prohibiting practice for 3 months to one year and for the person or responsible person in the legal entity the same measure for one to six months.
	Art. 131 Criminal Code	All data in telecommunication traffic	Interception by anyone	Criminal offence The penalty can vary between a monetary fine and one year in prison. If the offence is done during performing official duties, the offender can be penalised with a sentence between one year and three years in prison.
FYROM	Art. 111 Law on electronic communications	<ul style="list-style-type: none"> <li>• Content of communications</li> <li>• Traffic data and location data relating to communications</li> <li>• Unsuccessful attempts to establish a connection.</li> </ul>	Interception by operator	Misdemeanour fines (Law on electronic communications): A fine in the amount of <ul style="list-style-type: none"> <li>• 7 to 10% for the legal entity which undertakes surveillance, tapping, interruption, recording, storage and diverting of communications and data in instances forbidden by the law; or</li> <li>• 4 to 7% for the legal entity which fails to protect the confidentiality of electronic communications</li> </ul> of the total annual revenue acquired during the commercial year prior the year when the misdemeanour was performed or of the total revenue acquired for a shorter period of the year preceding the misdemeanour.
	Art. 151 Criminal Code	This provision does not explicitly refer to communications data, it applies to everyone who taps or records <i>on audio</i> a conversation or statement that was not intended for him.	Interception by anyone	Criminal offence Imprisonment up to one year or a pecuniary fine Imprisonment up to three years, if the crime was committed by an official while performing his duty
Turkey	Art. 132, 135, 136 Turkish Criminal Code	<ul style="list-style-type: none"> <li>• Content of communications</li> <li>• Traffic data and location data relating to communications</li> </ul>	Interception by operator and interception by third parties	Criminal offence <ul style="list-style-type: none"> <li>• Imprisonment from 6 months to 2 years (Art. 132)</li> <li>• Imprisonment from 6 months to 3 years (Art. 135)</li> <li>• Imprisonment from 1 year to 4 years (Art. 136)</li> </ul> No penalty provided in the bylaw.

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Country	Legal provisions on confidentiality	Scope of protected communications: content and/or traffic data	Protection against interception by operator and/or interception by third parties	Penalties
	Art. 6 Law on regulating broadcast in Internet and combating crimes committed through such broadcast	Traffic data	Interception by operator and interception by third parties	Misdemeanour: 10,000 to 50,000 TRY (€4,717 to €23,585)
	Art. 8 Bylaw on personal information processing and protection of privacy in the telecommunications sector	Content data and traffic data	Interception by operator and interception by third parties	No penalty provided in the bylaw See comment below
Albania	Art. 123 Law on electronic communications	Content data and traffic data	Interception by operator and interception by third parties	Misdemeanour with a fine from 7% to 10% of annual revenue
Bosnia & Herzegovina	No explicit legislation, but operators and service providers ensure confidentiality (content data and traffic data) according to their licences.			
Montenegro	Art. 119 Law on electronic communications	<ul style="list-style-type: none"> <li>• Content of communications</li> <li>• Data of user</li> <li>• Traffic data and location data relating to communications</li> <li>• Unsuccessful attempts to establish a connection</li> </ul>	Interception by operator and interception by third parties	Misdemeanour, with a fine from the tenfold to the 250-fold of the minimal income in the country Art. 131, premise 1, point 38 Law on electronic communications
Serbia	Art. 54 and 55 Telecommunications law	Content data and traffic data	Interception by operator and interception by third parties	Misdemeanour, with a fine of at least 60,000 RSD (€677) Art. 97 Telecommunications law
	Art. 142, 143, 144, 146 Criminal Code	Content data and traffic data	Interception by operator and interception by third parties	Criminal offence Imprisonment of three months to five years or pecuniary fine
Kosovo	Art. 74 Law on telecommunications	Content data and traffic data	Interception by operator and interception by third parties	Misdemeanour TRA may impose fines according to the general provision in art. 15 Law on telecommunications. This provision does not specify the amount.
	Art. 74 and 98 Law on the information society services	Content data and traffic data	Interception by operator and interception by third parties	Criminal offence, imprisonment of a maximum of no less than one year in serious cases. Serious cases are defined as excluding cases where the conduct resulted in no damage or economic benefit. Art. 101 Law on the information society services

Table Q.1 - Protection of confidentiality of communications

Notes:

Turkey:

This bylaw is being reviewed. According to the draft of the new bylaw a fine in the amount of up to 3% of the total annual revenue acquired during the commercial year prior to the current year is foreseen.



## 2. Traffic and location data

According to Article 6 Privacy Directive, traffic data relating to subscribers and users must be erased or made anonymous when it is no longer needed for the purpose of a communication, for billing and interconnection payments, or for lawful interception. Some countries transpose this provision by defining a certain period of time (which is typically the same for all operators and subscribers), some refer to the period during which the bill may be lawfully challenged or payment can be pursued (which is typically dependent on the contract between the operator and the subscriber).

NB. See the separate table on data retention below. Data retention means that operators are obliged to retain traffic data for the purpose of lawful interception, for a longer period than needed by the operator for its own purposes, in particular billing. This table does not cover lawful interception or data retention. It only refers to legal provisions that specify the period for which the operator can store and use the data for its own purposes.

Article 6 para. 3 Privacy Directive requires the subscriber's informed consent before providers can use traffic data for marketing their own services or for the provision of value added services.

Article 9 Privacy Directive contains provisions to protect location data, in particular that the usage of location data typically needs informed consent by the user or subscriber and even where consent has been obtained, the user or subscriber must be able to temporarily refuse the processing of location data.

The table below shows:

- how the member state defines the maximum period for storage and processing of traffic data for purposes of the operator, e.g. billing (regardless of eventually longer periods defined in data retention legislation);
- whether informed consent is required before traffic data can be used for marketing purposes or for provision of value-added services;
- whether informed consent is required before location data can be used; and
- whether the user/subscriber can, even after giving consent, temporarily refuse the processing of location data.

Country	Traffic data		Location data	
	Maximum storage period	Informed consent required for marketing?	Informed consent required?	Possibility to temporarily refuse?
Croatia	As long as needed for billing (period of statute of limitation – 1 year) Art. 102 Electronic communications act	Yes	Yes Art. 104 Electronic communications act	Yes
FYROM	As long as needed for billing. Art. 112 Law on electronic communications	Yes	Yes Art. 114 Law on electronic communications	Yes

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Country	Traffic data		Location data	
	Maximum storage period	Informed consent required for marketing?	Informed consent required?	Possibility to temporarily refuse?
Turkey	<ul style="list-style-type: none"> <li>• 6 months – 2 years for Art. 6, Law no. 5651 on regulating broadcast in Internet and combating crimes committed through such broadcast (This storage period is obligatory for access providers)</li> <li>• 1 year – Draft bylaw on processing of personal data and protection of privacy in the telecommunications sector</li> </ul> See comments below	Yes Art. 9 Bylaw on personal information processing and protection of privacy in the telecommunications sector	Yes Art. 9 Bylaw on personal information processing and protection of privacy in the telecommunications sector	Yes Art. 9 Bylaw on personal information processing and protection of privacy in the telecommunications sector
Albania	As long as needed for billing Art. 124 Law on electronic communications	Yes	Yes Art. 126 Law on electronic communications	Yes
Bosnia & Herzegovina	Not regulated	Not regulated	Not regulated	Not regulated
Montenegro	All personal data must be deleted or made anonymous after five years or as soon as it is no longer needed. Art. 121 Law on electronic communications	Yes	Yes Art. 123 Law on electronic communications	Yes
Serbia	As long as needed for billing. Art. 54 Telecommunications law	Not regulated	Yes	Yes
Kosovo	As long as needed for billing. Art. 75 and 76 Law on telecommunications Art. 75 Law on the information society services	Yes	Yes Art. 78 Law on the information society services	Yes

Table Q.2 - Processing of traffic and location data

Notes:  
Turkey:

Access provider is the natural or legal person that provides access to the Internet to his users (Art. 2 Law no. 5651). The bylaw on personal information processing and protection of privacy in the telecommunications sector, as published in the official gazette on February 6, 2004 is currently in force. Works are underway to publish an amended version of the bylaw. The draft bylaw foresees 1 year as maximum storage period.

### 3. Data retention

According to the Privacy Directive, providers typically have to erase traffic data as soon as they do not need them any more for their legitimate purposes (in particular for billing, see the table above). However, Art. 15 (1) Privacy Directive establishes an exception to that principle and allows Member States to adopt legislation providing for the retention of data for a limited period where this constitutes a necessary, appropriate and proportionate measure in a democratic society to safeguard national security (i.e. State security), defence, public security, and the prevention, investigation, detection and prosecution of criminal offences or of unauthorised use of electronic communication systems.

Directive 2006/24/EC on Data Retention harmonises Member States' laws on the retention of traffic, location and identification data to ensure the investigation, detection and prosecution of 'serious crimes'. All categories of data covered by the directive must be retained for a minimum of six months and for a maximum of two years specifies the principles, the types of data to be retained and the retention periods.

The table below shows:

- the legal basis for an obligation to systematically retain traffic data;
- the types of data covered, in particular telephony data and/or Internet data (Internet access, Internet mail and/or Internet telephony);
- the retention periods (minimum and/or maximum); and
- who bears the costs of retaining data (in particular investments to set up a data retention system) and whether the operator has a right to being compensated.

Country	Legal basis for data retention obligations	Types of data covered (telephony data and/or Internet data)	Retention period (Min. or max.)	Who bears the costs? Right to compensation?
Croatia	Art. 109 and 110 Electronic Communications Act (these two articles will come into force on July 1, 2009)	Telephony data and Internet data	12 months	Operators bear the costs. No right to compensation.
FYROM	FYROM has data retention legislation, which does not however determine the types of data to be retained and the retention period. FYROM plans to change the legislation with the introduction of the types of data to be retained and the retention period in 2009.			
Turkey	No provisions on data retention in the legislation in force Draft bylaw on personal information processing and protection of privacy in the telecommunications sector (see comment below)	Draft bylaw: Telephony data and Internet data	Draft bylaw: 12 months	Draft bylaw: Operators bear the costs. No right to compensation.
Albania	Art. 101 Law on electronic communications	Telephony data Although art. 101 of the new law obliges all providers of public electronic communications networks and services, the list of retained data refers to telephony data; there is no specific requirement for Internet data.	Maximum 2 years	Operators bear the costs. No right to compensation.

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Country	Legal basis for data retention obligations	Types of data covered (telephony data and/or Internet data)	Retention period (Min. or max.)	Who bears the costs? Right to compensation?
Bosnia & Herzegovina	Law on legal interception of communications	Telephony data and Internet data	Maximum 12 months	Operators bear the costs. No right to compensation.
Montenegro	Art. 126 Law on electronic communications	Telephony data and Internet data	Minimum 6 months Maximum 2 years	Operators bear the costs. No right to compensation.
Serbia	No primary legislation on data retention. Data retention will be regulated by the Law on electronic communications. RATEL adopted three documents on technical conditions for Internet networks, fixed telecommunications networks and mobile telecommunications networks. This secondary legislation obliges operators to install equipment and software that enables them to intercept and retain data, but does not specify the types of data to be retained and the retention period.			
Kosovo	No legal provisions on data retention			

Table Q.3 - Data retention obligations

Notes:

Turkey: The Bylaw on personal information processing and protection of privacy in the telecommunications sector, as published in the official gazette on February 6, 2004 is currently in force. Works are underway to publish an amended version of the bylaw in order to transpose the Data Retention Directive.

### 4. Spam

Art. 13 of the Privacy Directive requires unsolicited commercial communications by e-mail to be subject to the individual's prior consent (opt-in), except for the sending of direct marketing emails to existing customers. For companies, Member States are free to require an opt-in or an opt-out.

NB. In addition to other requirements, Art. 7 of the Electronic Commerce Directive states that when unsolicited commercial communications by e-mail is allowed, it must be clearly identifiable and service providers who send such communications must respect opt-out registers.

The table below shows whether spam is authorised or prohibited in the countries and whether there is a dedicated public authority to fight the phenomenon.

Country	Is spam prohibited or allowed?			Authority to fight spam
	To companies	To individuals	Legal basis	
Croatia	Prohibited	Prohibited	Art. 107 Electronic communications act	No dedicated public authority
FYROM	Prohibited	Prohibited	Art. 117 Law on electronic communications Art. 17 Law on personal data protection	No dedicated public authority Directorate for personal data protection is responsible for individuals ( <a href="http://www.dzlp.mk">www.dzlp.mk</a> ) Agency for electronic communications for network operators and service providers ( <a href="http://www.aec.mk">www.aec.mk</a> )
Turkey	Prohibited	Prohibited	Art. 20 Bylaw on personal information processing and protection of privacy in the telecommunications sector	No dedicated public authority. TÜBİTAK-UEKAE (NRIEC) designs and implements awareness raising activities against security threats including spam. <a href="http://www.uekae.tubitak.gov.tr/">http://www.uekae.tubitak.gov.tr/</a> Turkish anti-spam organization (TASO) also fights against spam. <a href="http://www.spam.org.tr/">http://www.spam.org.tr/</a>

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Country	Is spam prohibited or allowed?			Authority to fight spam
	To companies	To individuals	Legal basis	
Albania	Prohibited	Prohibited	Art. 128 Law on electronic communications	No dedicated public authority AKEP inspectors can prosecute infringements by misdemeanour proceedings
Bosnia & Herzegovina	No explicit legislation	No explicit legislation	No explicit legislation or regulation on spam	No dedicated public authority
Montenegro	Prohibited	Prohibited	Art. 124 of Law on electronic communications	No dedicated public authority
Serbia	Prohibited	Prohibited	Art. 9 Law on advertising	No dedicated public authority
Kosovo	Allowed, under conditions	Allowed, under conditions	Art. 19 and 20 Law on the information society services: 20.1. Unsolicited commercial communications by electronic mail are permitted provided however that such communications by a service provider need to be clearly identifiable and unambiguously as such According to article 20.2 service providers must respect opt-out registers	No dedicated public authority

Table Q.4 - Legal provisions on spam

**Notes:**

Turkey: Despite the fight against spam, there is not a direct provision in primary legislation about it. The provisions in the Electronic Commerce Directive regarding spam are also planned to be covered by the E-Commerce Law for which the works are underway.

### 5. Itemised billing

Art. 10 and Annex I of the Universal Service Directive give subscribers the rights to receive itemised bills in order to allowing them verification and control of the charges, adequately monitor their usage and thereby exercise a reasonable degree of control over their bills. The details shall be laid down by the NRAs.

Art. 7 of the Privacy Directive addresses privacy concerns in relation to itemised billing, in particular the rights of calling users (because telephones are often used by persons other than the subscriber) and called subscribers. It also gives subscribers the right to receive non-itemised bills.

The table below shows:

- whether subscribers have the right to receive itemised bills;
- whether subscribers have the right to receive non-itemised bills;
- the applied methods for protection of privacy in itemised bills, e.g. anonymisation of last digits or that calls to toll-free numbers must not be included in the itemised bill;
- a reference to the relevant legislation.

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Country	Right to receive itemised bills	Right to receive non-itemised bills	Methods for protection of privacy	Reference to the relevant legislation
Croatia	Yes	Yes	Calls to toll free numbers, including emergency numbers, must not be included in the itemised bill	Art. 44 Electronic communications act
FYROM	Yes Subscribers have the right to receive itemised bills which show the cumulative number of accounting units separately for local calls, national calls, international calls, calls to mobile networks, data transfer and other services. In practice, subscribers receive free fully itemised bills on request.	No	Calls to toll free numbers, including emergency numbers, must not be included in the itemised bill	Art. 101 Law on electronic communications
Turkey	Yes	Yes	No	Art. 5 Bylaw on the protection of consumer rights
Albania	Yes	No	Calls to toll free numbers, including emergency numbers, must not be included in the itemised bill	Art. 106 Law on electronic communications
Bosnia & Herzegovina	Yes	Yes	No	Licenses for public telecommunications operators and providers of telecommunications services
Montenegro	Yes The law does not oblige operators to show details for every call; it only requires operators to show the number of accounting units accumulated for local calls, intercity calls, international calls, calls to mobile networks, calls to value added services and data transfer and other additional services.	Yes	Calls to toll free numbers, including emergency numbers, must not be included in the itemised bill	Art. 113 Law on electronic communication
Serbia	Yes	Yes	No	Art. 92 Telecommunications law
Kosovo	Yes	Yes	No	Art. 71 Law on telecommunications and Art. 76 Law on the information society services

Table Q.5 - Itemised billing

## R. Subscriber directories

Directory information and directory enquiry services constitute essential access tools for publicly available telephone services. Two types of activities can be distinguished:

- collecting directory information from different providers of publicly available telephone services, aggregating this information into a single database and maintaining this database;
- providing access to such aggregated directory information, in particular by printing directories and providing directory enquiry services which are accessible via phone or online.

The European legislation addresses directories in the Universal Service Directive and the Privacy Directive:

- The Universal Service Directive addresses directory access for end-users. According to Art. 5 of the Universal Service Directive, at least one comprehensive directory (printed or in electronic form) and at least one comprehensive telephone directory enquiry service shall be available to end-users. These directories shall comprise all subscribers of publicly available telephone services. Art. 25 (1) Universal Service Directive gives all subscribers the right to have a directory entry.
- The Privacy Directive addresses subscribers' privacy interests. According to Art. 12 (2) Privacy Directive subscribers shall be given the opportunity to determine whether their personal data are included in a public directory, and if so, which data, and to verify, correct or withdraw such data. Not being included in a public subscriber directory, verifying, correcting or withdrawing personal data from it shall be free of charge.

### 1. Legislation on directories

The table below shows the legislation on subscribers' rights to be included or not included in directories:

- Are operators obliged to inform new subscribers about the purposes of the directory before including them into the directory, or are operators obliged to ask new subscribers whether they want to be included in the directory?
- Do subscribers have the right to be included in the directory, free of charge?
- Do subscribers have the right to be not included in the directory, free of charge?
- Does the scope of these provisions include all subscribers of publicly available telephone services (in particular: including mobile subscribers, pre-paid subscribers)?

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Country	Obligation to inform or ask new subscribers Free of charge?	Right to be included? Free of charge?	Right to be not included? Free of charge?	Scope mobile subscribers? pre-paid subscribers?	Relevant legislation
Croatia	Yes, all subscribers must be informed before being included (free of charge)	Yes, all subscribers have the right to be included (free of charge)	Yes, all subscribers may request not to be included (free of charge)	All subscribers of publicly available telephone services (including mobile subscribers and pre-paid subscribers)	Art. 47 Electronic communications act
FYROM	Yes, all subscribers must be informed before being included (free of charge)	Yes, all subscribers have the right to be included (free of charge)	Yes, but not free of charge. Refusal to be included in a public directory, and verifying, altering or erasing personal data shall be charged on the basis of real costs.	All subscribers (including mobile subscribers and pre-paid subscribers)	Art. 34 and 119 Law on electronic communications
Turkey	Yes, all new subscribers must be asked whether they want to be included (free of charge).	Yes, all subscribers have the right to be included	Yes, all subscribers may request not to be included (free of charge)	All subscribers	Art.8 Bylaw on the protection of consumer rights Art.19 Bylaw on personal information processing and protection of privacy in the telecommunications sector
Albania	Yes, all subscribers must be informed before being included (free of charge)	Yes, all subscribers have the right to be included	Yes, but not free of charge. All subscribers have the right not to be included, based on real costs.	All telephony subscribers	Art. 104 and 130 Law on electronic communications
Bosnia & Herzegovina	No explicit obligation to inform subscribers or to ask new subscribers whether or not they want to be included.	Yes, all subscribers have the right to be included	Yes, all subscribers may request not to be included	All subscribers (including mobile subscribers and pre-paid subscribers)	Art. 9 Law on communications
Montenegro	Yes, all subscribers must be informed before being included (free of charge)	Yes, all subscribers have the right to be included (free of charge)	Yes, all subscribers may request not to be included (free of charge)	All subscribers	Art. 53 and 111 Law on electronic communications
Serbia	No explicit obligation in legislation. However the fixed incumbent asks when registering the subscriber for the first time whether the subscriber wants to be included.	Yes, all subscribers have the right to be included (free of charge)	Yes, all subscribers may request not to be included (free of charge).	Fixed subscribers only	No relevant legislation



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Country	Obligation to inform or ask new subscribers Free of charge?	Right to be included? Free of charge?	Right to be not included? Free of charge?	Scope mobile subscribers? pre-paid subscribers?	Relevant legislation
Kosovo	Art. 76 para. 3 Law on telecommunications states that subscriber data may only be included in directories if the subscriber consents in writing. Art. 81 Law on the information society services states that service providers must give subscribers the opportunity to decide whether they want to be included.	Yes, all subscribers have the right to be included (free of charge)	Yes, all subscribers may request not to be included (free of charge)	All subscribers (including mobile subscribers and pre-paid subscribers)	Art. 76 Law on telecommunications Art. 81 Law on the information society services

Table R.1 - Subscriber inclusion in directories

### 2. Availability of comprehensive directories

The table below shows:

- Whether a comprehensive directory is available in practice and how it is made available to end-users (in particular: in printed form, telephone directory enquiry service).
- Whether somebody (in particular a universal service provider) is obliged to provide a comprehensive directory or comprehensive directory enquiry service.
- Whether a provider of a directory or directory enquiry service can request access to subscriber data of operators and could enforce such access. Please refer to legal provisions and to case-law (decisions of the NRA or of courts) if available.

This table only asks for comprehensive directories or comprehensive directory enquiry services. “Comprehensive” means that the directory includes subscribers of all publicly available telephone services (PATS), or at least that it aims to include subscribers of all PATS providers.

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Country	Is a comprehensive directory or directory enquiry service available in practice? Form (printed, telephone enquiry, online)	Legal obligation to provide a comprehensive directory or directory enquiry service?	Legal provisions by which the provider of a directory or a directory enquiry service can request access to subscriber data of operators?
Croatia	Yes Currently, the directory includes subscribers of all fixed operators. In the future also the subscribers of mobile operators.	Art. 35 Electronic communications act defines access of end-users to a comprehensive directory and directory enquiry service as universal services. HT – Hrvatske Telekomunikacije is currently obliged to provide the service as a designated universal service provider.	Art. 47 para. 9 Electronic communications act Art. 4 para. 1 Ordinance on directories and directory enquiry services Both provisions oblige all operators of publicly available telephone services to enable access to subscriber data under non-discriminatory and cost-oriented conditions.
FYROM	No comprehensive directory available in practice	Art. 33 and 34 Law on electronic communications defines the single directory and directory enquiry service as universal service. No undertaking is obliged to provide the service. A procedure of designating a universal service provider for comprehensive telephone directory and directory enquiry services is pending due to necessary amendments in the Law on electronic communications.	Art. 34 para. 6 Law on electronic communications obliges operators providing public telephone services to make subscriber data available to providers of the universal service. It also foresees a dispute settlement procedure. Some amendments of the Law for electronic communications are planned to be done in 2009, related with the comprehensive directory, directory enquiry service and the exchange of subscriber data between the authorised provider(s) for comprehensive directory and directory enquiry service with the operators.
Turkey	No comprehensive directory available in practice	No relevant legislation. No undertaking is obliged to provide the service.	Operators of directory enquiry service can request access to subscriber databases of all operators. Annex A-13 point 4.2 of the Bylaw on authorisation of telecommunications services and infrastructure
Albania	No comprehensive directory available in practice	Art. 25 Law on electronic communications defines the general telephone directory as universal service. No undertaking is obliged to provide the service.	Art. 25 point 3 Law on electronic communications obliges providers of public telephone services to submit subscriber data to providers of universal services.
Bosnia & Herzegovina	No comprehensive directory available in practice	No relevant legislation. No undertaking is obliged to provide the service.	Art. 9 Law on communications obliges telecommunications operators to make their subscriber directory available to other providers for the purpose of publishing directories.
Montenegro	No comprehensive directory available in practice	Art. 52 Law on electronic communications defines the universal phone directory and universal directory enquiry as universal services. No undertaking is obliged to provide the service.	Art. 53 Law on electronic communications
Serbia	No comprehensive directory available in practice	No relevant legislation No undertaking is obliged to provide the service.	No relevant legislation

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Country	Is a comprehensive directory or directory enquiry service available in practice? Form (printed, telephone enquiry, online)	Legal obligation to provide a comprehensive directory or directory enquiry service?	Legal provisions by which the provider of a directory or a directory enquiry service can request access to subscriber data of operators?
Kosovo	No comprehensive directory available in practice	No relevant legislation. No undertaking is obliged to provide the service.	Art. 76 para. 5 and 6 Law on telecommunications oblige service providers to submit subscriber data to persons that wish to publish a directory at reasonable prices and under non-discriminatory conditions.

Table R.2 - Availability of comprehensive directories

### S. Internet backbone infrastructure

Table S.1 provides data on the Internet backbone infrastructure in the monitored countries.

- An Internet exchange point (IXP) is a node where different Internet service providers (ISPs) exchange Internet traffic. An IXP typically consists of several network switches to which all participating ISPs connect. Often, the provider of the IXP is not an ISP itself, but a commercial data centre or a non-profit organisation like a university data centre. Many European IXPs are organised in the European Internet Exchange Association (Euro-IX). The table shows the IXPs in the monitored countries.
- The second column shows the total capacity of international Internet bandwidth in Mbps. If the capacity is asymmetric (more incoming than outgoing), the incoming capacity is provided.

Country	Internet exchange points (name, URL)	International Internet bandwidth (Gbps)
Croatia	CIX (Croatian Internet eXchange) <a href="http://www.cix.hr/">http://www.cix.hr/</a>	55.1 Gbps (December 2008)
FYROM	The Macedonian Academic Research Network (MARNet) intends to become a Macedonian IXP in the near future. Several local ISPs are already connected. <a href="http://anal.marnet.net.mk/mrtgwebcfg/index.php?gid=9&amp;mode=view&amp;page">http://anal.marnet.net.mk/mrtgwebcfg/index.php?gid=9&amp;mode=view&amp;page</a>	11 Gbps (February 2009)
Turkey	No	206.5 Gbps (December 2008)
Albania	No	1.2 Gbps (December 2008)
Bosnia & Herzegovina	No	Not available
Montenegro	No	1.9 Gbps (2007)
Serbia	No	35 Gbps
Kosovo	No	4 Gbps (December 2008)

Table S.1 - Internet backbone infrastructure

## T. Management of Internet domains

### 1. National domain name registry

Table T.1 shows:

- The name and website of the national registry in charge of the country codes Top Level Domains (ccTLD). The registry is the body which manages the central database and the domain name servers.
- The legal basis of to the registry in the national legislation, for example a body could be given the responsibility to act as the national registry by law, by an ordinance, by a contract with the government, or it could not have a formal legal basis.
- The legal basis of the national domain name policy, in particular the rules on who can register a domain name, rules on accrediting registrars and dispute settlement provisions. For example, such rules could be defined by an ordinance of a minister or the registry could have the legal power to adopt such rules.

Country	Name and website of the national registry	Legal basis of the national registry	Legal basis of the national domain name policy
Croatia	CARNet DNS služba <a href="http://www.dns.hr/">http://www.dns.hr/</a>	Contract with Internet Assigned Number Authority (IANA), Art. 79 Electronic communications act	Currently: Regulations of CARNet In future: ordinance of the minister responsible for the information society, based on art. 79 Electronic communications act
FYROM	<a href="http://dns.marnet.net.mk/">http://dns.marnet.net.mk/</a>	Operates within the Macedonian Academic Research Network (MARNet). MARNet was established in 1994 as department of the “Ss Cyril and Methodious” University (biggest national university) by endorsement of the Ministry of Sciences and decision of the University Board. At the same time MARNet was ordered to manage the domain name service.	MARNet, in cooperation with the legal department of the University and the major national ISPs and other affected parties from the internet community have elaborated General Terms and Conditions (a Statute) as an instrument for regulating for national domain name policy. This Statute is adopted by the MARNet Board, University Board and published in National official gazette. It has no formal recognition as a national law. In April 2008 the Statute has been changed in a way that registration of domains directly under the ccTLD has been allowed, provided that the domain name has not been registered in the hierarchical part of the DNS. This was done with consent of the major ISPs and the wider Internet community. The change was passed by the management bodies of MARNet and published in the National Official Gazette.
Turkey	Nic.tr - ".tr" Domain Names Administration Middle East Technical University <a href="https://www.nic.tr/">https://www.nic.tr/</a>	Nic.tr is an organisational unit of Middle East Technical University (METU), operating since 1991 when the first worldwide Internet connection of the country was established by METU. Currently there is no explicit legislation on domain name	General Terms and Conditions, as adopted by the DNS Working Group of Internet Council that has been formed under the auspices of Ministry of Transport and Communication. According to art. 5 of the new Electronic communications law the Ministry is competent for

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Country	Name and website of the national registry	Legal basis of the national registry	Legal basis of the national domain name policy
		management except the contract with ICANN. According to art. 35 of the new Electronic communications law the Ministry of Transport and Communications shall regulate the principles and procedure for selecting the registry and for managing domain names.	domain name strategy and policy.
Albania	Authority of Electronic and Postal Communications (AKEP) <a href="http://www.akep.gov.al/">http://www.akep.gov.al/</a>	Under article 8 point k) of Law no. 9918 on electronic communications, AKEP is the responsible authority for the administration of ccTLD .al and other sub-domains.	Regulation "On the registration and administration of the domain names under .al and sub-domains .gov.al, .mil.al, .edu.al, .com.al, .org.al and .net.al", adopted by AKEP's predecessor TRE on February 21, 2008.
Bosnia & Herzegovina	University Teleinformatic Centre (UTIC) <a href="http://www.utic.ba/">http://www.utic.ba/</a>	From 1996 UTIC has been authorised by IANA. Also in 1996 the government of Bosnia & Herzegovina authorised UTIC. No explicit legislation on domain name management.	Regulations regarding the registration and use of the domain name under the Bosnia & Herzegovina country Internet .BA domain, adopted by UTIC. The Ministry of Communications and Transport intends to adopt a policy on management and usage of the .BA top level domain in 2009.
Montenegro	.ME Register (doMEn) <a href="http://www.domen.me/">http://www.domen.me/</a>	On the basis of article 7(1) of the Law on the property of the Republic of Montenegro the government adopted a decision establishing the Council for ".me" domain. This council announced a public invitation for selection of the Agent for domain registration. GoDaddy.com won this public tender.	Decision of the Council for „me“ domain of July 14, 2007.
Serbia	Register of National Internet Domain of Serbia (RNIDS) <a href="http://www.rnids.rs/">http://www.rnids.rs/</a>	RNIDS is a non-governmental and non-profit association of Internet Service Providers and university institutions, established as a fund in July 2006. On September 25, 2007 ICANN decided to delegate the .rs domain registry to RNIDS and also designated RNIDS as temporary caretaker of the .yu registry until its closure. ICANN will decide on the future of .yu by end of September 2009. Public registration of .rs started on March 10, 2008. No explicit legislation on domain name management	General Terms and Conditions, as adopted by the General Assembly of RNIDS on October 26, 2007
Kosovo	N/A	N/A	N/A

Table T.1 - National domain name registry

### 2. Registrars of domain names

The management of Internet domain names consists of two different functions, which can be performed by different bodies:

- administrating the registry, in particular a central database and domain name servers (registry function); and
- registering individual domain names, customer contact and billing (registrar function).

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For some top-level domains, the registry is the only registrar. In many countries, the registrar function is performed by many different registrars in a competitive environment. Usually, such registrars are accredited (and to some extent supervised) by the registry and have access to the registry's central database by means of an electronic interface.

Table T.2 shows:

- whether the registry itself is the only registrar or competition between registrars has been established;
- whether foreign registrars become accredited and, if yes, if accreditation of foreign registrars is restricted to certain countries;
- whether registrars are accredited by the registry or by a different body;
- whether an electronic interface between registrars and registry exists; and
- the number of active registrars.

Country	Competition between registrars exists?	Can foreign registrars become accredited?	Who accredits registrars?	Electronic interface exists?	Number of active registrars
Croatia	No	No	-	-	1
FYROM	No	No	-	-	1
Turkey	Yes	No (for the time being)	The registry	Yes	13 (end of 2008)
Albania	No	No	-	-	1
Bosnia & Herzegovina	Yes	No	The registry	Yes	19 (January 2009)
Montenegro	Yes	Yes	The registry	Yes	103 (end of 2008)
Serbia	Yes	Yes, but local legal presence is required (e.g. a company registered in Serbia with 100% foreign ownership)	The registry	Yes	36 (February 2009)
Kosovo	N/A	N/A	N/A	N/A	N/A

Table T.2 - Registrars of domain names

### 3. Cybersquatting and dispute resolution

Cybersquatting is registering, trafficking in, or using a domain name with intent to profit from the goodwill of a trademark belonging to someone else. The cybersquatter then offers to sell the domain to the person or company who owns a trademark contained within the name at an inflated price.

Table T.3 describes the national policies against cyber squatting, including the availability of alternative dispute resolution mechanisms.

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Country	Policies against cybersquatting	Dispute resolution mechanism
Croatia	Regulations regarding organisation of the top-level 'hr' Internet domain and the principles of managing the top-level 'hr' domain and Arbitrage rules made by national DNS service (www.dns.hr)	Arbitrage provided by national DNS service
FYROM	There are certain general statements in the registry's Statute that the registrants shall not use the domain names for impersonating third party identity and use the domain name in bad faith but there are no instruments for enforcing such policy apart from the dispute resolution policy.	A dispute resolution policy has been stipulated in the Statute that offers three mechanisms for resolution of disputes: <ul style="list-style-type: none"> <li>• mutual negotiation and resolution between the affected parties;</li> <li>• by means of an independent Arbitrage Committee; or</li> <li>• by means of an of authoritative court resolution.</li> </ul>
Turkey	As it is stated in the ".tr" Domain Names Policies, Rules and Procedures' document, domain names under ".tr" are not to be sold, rented or transferred. In the case of violation, all domain names registered to the owner of the relevant domain name will be subject to deletion. Domain names may only be transferred on the condition that certified rights are also transferred (trademark and patent rights etc.).	Domain name disputes can be ultimately resolved by court proceedings or by the DNS Working Group. The Ministry of Transportation established the "DNS Working Group" in 2000 which functions under the authority of the Internet Council and consists of eleven corporate members of sector representatives, as a means to apply the division of legislative, executive and judicial powers for ".tr" Domain Names. In this context, DNS Working Group operates as the pre-legislative authority and is in charge of determining policies, rules and procedures.
Albania	Regulation on the registration and administration of domain names under .al (article 4 point 2 and 3, article 18, point 2/d, article 34 point 3)	Domain name disputes can be resolved in court proceedings or by arbitration.
Bosnia & Herzegovina	WIPO's ccTLD best practices for the prevention and resolution of Intellectual Property disputes No explicit legislation on cybersquatting or domain name disputes	ICANN's Uniform Domain Name Dispute Resolution Policy
Montenegro	Art 27 of the Rules on registration and use of domain below the national internet Domain ".me": „In case of any litigation regarding the right to use the name of the domain between the user of a domain registered according to this Rulebook and third person, international standards, usual rules, and Uniform Domain-Name Dispute-Resolution Policy (UDRP) will be applied.”	.ME Uniform Domain Name Dispute Resolution Policy (based on ICANN's Uniform Domain Name Dispute Resolution Policy) The World Intellectual Property Organization (WIPO) is assigned as dispute resolution provider. All claims have to be filed with WIPO.
Serbia	No explicit legislation on cybersquatting or domain name disputes	Rules on Arbitration Proceedings for Settling Disputes Arising out of Registration of .rs Domains, as adopted by the General Assembly of RNIDS on October 26, 2007. Each registrant must in advance give his consent to participate in arbitration proceedings and to comply by the final decision (Art. 18 of the General Terms and Conditions). Domain name disputes can be resolved by arbitration or in court proceedings.
Kosovo	No explicit legislation on cybersquatting or domain name disputes.	TRA has approved a regulation on procedures for dispute resolution based on Art. 4 and 11 of the Law on telecommunications, This also applies to domain name disputes. In case that TRA cannot resolve domain name disputes, they can be resolved in court proceedings or by arbitration.

Table T.3 - Policies against cybersquatting and dispute resolution mechanism

## 4. Domain market data

Table T.4 shows:

- the number of registered sub domains of the relevant ccTLD;
- the price charged by the registry per sub domain and year (excluding VAT);
- whether this price covers solely the registry functions (for countries with separated functions of registry and registrars) or if it also includes registrar functions (for countries where the registry is the only registrar).

	Number of domains	Price per domain and year (excl. VAT)	Services covered by this price
Croatia	63,190 (end of 2008)	Every legal and physical person is entitled to register one domain without a fee. The price for additional domains is 180 HKR (€24.46)	Registrar functions included
FYROM	About 14,000 (Jan. 2009)	<ul style="list-style-type: none"> <li>• 525 MKD (€8.55) for the first year, half that price yearly subscription afterwards for local registrants.</li> <li>• Doubled price for foreign registrants.</li> </ul>	Registration and 3 free of charge updates within the subscription period. Further changes are charged 160 MKD (€2.61) per change. Registrar functions included
Turkey	180,773 (end of 2008)	<ul style="list-style-type: none"> <li>• com.tr, net.tr: 20.50 TRY (€9.67)</li> <li>• namesurname.com.tr, namesurname.net.tr: 9.84 TRY (€4.64)</li> <li>• biz.tr, info.tr, tv.tr, org.tr, web.tr, gen.tr, av.tr, bbs.tr, dr.tr: 12.30 TRY (€5.80)</li> <li>• k12.tr, name.tr, tel.tr, bel.tr: 4.10 TRY (€1.93)</li> <li>• gov.tr, edu.tr, pol.tr, mil.tr, tsk.tr: free of charge</li> </ul>	Annual registration for a ".tr" domain and any other operation regarding this domain (contact change, DNS server change etc.) Registrar functions not included
Albania	1,370 (end of March 2009)	The price is \$75 per 2 years; \$37.5 (€25.15) per year	Registrar functions included
Bosnia & Herzegovina	About 8,770 (end of 2008)	44 BAM (€22.45)	.ba domain name registration by the registry (includes yearly maintenance for the first year). Registrar functions not included
Montenegro	183,232 (end of 2008) Includes reserved and premium names, but doesn't include sub-domains of .gov.me, .edu.me and .ac.me	€10 (for domains registered in open registration after the sunrise phases in 2008)	Registry services. Registrar functions not included
Serbia	> 50,000 .rs domains (Feb. 2009) On May 5, 2009 more than 38,000 .yu domains were deleted because their owners decided not to renew them. About 4,100 .yu domains remain active until Sept. 30, 2009.	<ul style="list-style-type: none"> <li>• .rs: 1,500 RSD (€16.93)</li> <li>• .co.rs, .edu.rs, .org.rs: 500 RSD (€5.64)</li> <li>• .in.rs: 300 RSD (€3.39)</li> </ul>	Annual registration for .rs domain by the registry Registrar functions not included
Kosovo	N/A	N/A	N/A

Table T.4 - Domain market data



## U. Information society legislation

The table lists the titles and sources of the relevant legislation on information society topics. The first two columns provide the title of the law or ordinance in the original language and in English translation and the third column references to the official gazette number of the original version and later amendments (eventually only the last amendment or amendments relevant in the context of this study). Links are provided if texts are available online in original language or English translation.

The scope of the covered primary legislation includes:

- law on electronic communications (or law on telecommunications) and special laws on certain topics of electronic communications regulation, such as law on universal service, law on digital switchover, law on wireless communications, law on data retention etc.;
- laws on broadcasting or electronic media, law on the public service broadcaster;
- law on competition;
- laws on electronic signature, e-commerce and electronic documents;
- law on data protection;
- the Criminal Code;
- other laws relevant for the sector (for example Law on the information society services, laws containing special provisions for Internet service providers etc.) or other laws that are referred to in other tables of this study.

With regard to secondary legislation, contributing authorities were asked to include the most important items of secondary legislation, in particular on the following topics (if these topics are addressed by secondary legislation and not by individual decisions of the NRA):

- network access and interconnection, joint use of infrastructure;
- authorisation and licensing framework (including most relevant provisions on fees);
- universal service;
- tariff regulation;
- data protection in electronic communications, network security; and
- other secondary legislation that you refer to in other tables of this questionnaire.

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Country	Title of the law (original language) Link to full text, if available online	Title of the law (in English) Link to full text of translation, if available	Publication of original version and last amendment (official gazette number)
Croatia	Zakon o elektroničkim komunikacijama <a href="http://narodne-novine.nn.hr/clanci/sluzbeni/2008_06_73_2420.html">http://narodne-novine.nn.hr/clanci/sluzbeni/2008_06_73_2420.html</a>	Electronic communications act <a href="http://www.mmpi.hr/UserDocImages/ECActOG73-2008.pdf">http://www.mmpi.hr/UserDocImages/ECActOG73-2008.pdf</a>	73/08
	Zakon o zaštiti tržišnog natjecanja <a href="http://narodne-novine.nn.hr/clanci/sluzbeni/2003_07_122_1730.html">http://narodne-novine.nn.hr/clanci/sluzbeni/2003_07_122_1730.html</a>	Competition protection act	122/03
	Zakon o elektroničkoj trgovini <a href="http://narodne-novine.nn.hr/clanci/sluzbeni/2003_10_173_2504.html">http://narodne-novine.nn.hr/clanci/sluzbeni/2003_10_173_2504.html</a> <a href="http://narodne-novine.nn.hr/clanci/sluzbeni/2008_06_67_2228.html">http://narodne-novine.nn.hr/clanci/sluzbeni/2008_06_67_2228.html</a> <a href="http://narodne-novine.nn.hr/clanci/sluzbeni/2009_03_36_796.html">http://narodne-novine.nn.hr/clanci/sluzbeni/2009_03_36_796.html</a>	Electronic commerce act	137/03, 67/08, 36/09
	Zakon o elektroničkoj ispravi	Electronic document act	150/05
	Zakon o elektroničkom potpisu <a href="http://narodne-novine.nn.hr/clanci/sluzbeni/2002_01_10_242.html">http://narodne-novine.nn.hr/clanci/sluzbeni/2002_01_10_242.html</a> <a href="http://narodne-novine.nn.hr/clanci/sluzbeni/2008_07_80_2604.html">http://narodne-novine.nn.hr/clanci/sluzbeni/2008_07_80_2604.html</a>	Electronic signature act	10/02, 80/08
	Zakon o tajnosti podataka <a href="http://narodne-novine.nn.hr/clanci/sluzbeni/2007_07_79_2483.html">http://narodne-novine.nn.hr/clanci/sluzbeni/2007_07_79_2483.html</a>	Data secrecy act	79/07
	Zakon o informacijskoj sigurnosti <a href="http://narodne-novine.nn.hr/clanci/sluzbeni/2007_07_79_2483.html">http://narodne-novine.nn.hr/clanci/sluzbeni/2007_07_79_2483.html</a>	Information security act	79/07
	Zakon o elektroničkim medijima	Electronic media Act	122/03, 79/07, 32/08
	Zakon o Hrvatskoj radioteleviziji	Croatian radio-television act	362/03
	Zakon o zaštiti osobnih podataka	Personal data protection act	103/03, 118/06, 41/08
	Zakon o pravu na pristup informacijama	Act on free access to public information	172/03
	Zakon o autorskom pravu i srodnim pravima	Act on copyright and related rights	167/03, 79/07
	Zakon o patentu	Patent act	173/03, 87/05, 30/09
	Zakon o tehničkim zahtjevima za proizvode i ocjeni sukladnosti	Act on technical requirements on products and certification	158/03, 79/07
	Zakon o osobnom identifikacijskom broju	Act on personal identification number	60/08
	Zakon o institucijama za elektronički novac	Act on institutions for electronic money	117/08

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Country	Title of the law (original language) Link to full text, if available online	Title of the law (in English) Link to full text of translation, if available	Publication of original version and last amendment (official gazette number)
	Zakon o zaštiti potrošača	Consumer protection act	79/07, 125/07
	Kazneni zakon	Criminal code	110/97, 27/98, 50/00, 129/00, 51/01, 111/03, 190/03, 105/04, 84/05, 71/06, 110/07, 152/08
	Uredba o mjerama informacijske sigurnosti <a href="http://narodne-novine.nn.hr/clanci/sluzbeni/2008_04_46_1547.html">http://narodne-novine.nn.hr/clanci/sluzbeni/2008_04_46_1547.html</a>	Regulation on information security measures	46/08
	Pravilnik o namjeni radiofrekvencijskog spektra <a href="http://narodne-novine.nn.hr/clanci/sluzbeni/2008_11_136_3838.html">http://narodne-novine.nn.hr/clanci/sluzbeni/2008_11_136_3838.html</a>	Ordinance on the radio frequency spectrum allocation	136/08
	Pravilnik o uvjetima dodjele i uporabe radiofrekvencijskog spektra <a href="http://narodne-novine.nn.hr/clanci/sluzbeni/2008_11_136_3839.html">http://narodne-novine.nn.hr/clanci/sluzbeni/2008_11_136_3839.html</a>	Ordinance on conditions for assignment and use of radiofrequency spectrum	136/08
	Pravilnik o prelasku s analognog na digitalno odašiljanje radijskih i televizijskih programa te pristupu položajima u multiplexu u zemaljskoj digitalnoj radiodifuziji <a href="http://narodne-novine.nn.hr/clanci/sluzbeni/2008_12_148_4074.html">http://narodne-novine.nn.hr/clanci/sluzbeni/2008_12_148_4074.html</a>	Ordinance on the switching from analogue to digital broadcasting of radio and television programs and access to the multiplex positions in terrestrial digital broadcasting	148/08
	Pravilnik o plaćanju naknada za pravo uporabe adresa, brojeva i radiofrekvencijskog spektra <a href="http://narodne-novine.nn.hr/clanci/sluzbeni/2008_12_154_4201.html">http://narodne-novine.nn.hr/clanci/sluzbeni/2008_12_154_4201.html</a> <a href="http://narodne-novine.nn.hr/clanci/sluzbeni/2009_03_28_642.html">http://narodne-novine.nn.hr/clanci/sluzbeni/2009_03_28_642.html</a>	Ordinance on the payment of fees for the right to use the addresses, numbers and the radio frequency spectrum	154/08, 28/09
	Pravilnik o načinu i uvjetima obavljanja djelatnosti elektroničkih komunikacijskih mreža i usluga <a href="http://narodne-novine.nn.hr/clanci/sluzbeni/2008_12_154_4202.html">http://narodne-novine.nn.hr/clanci/sluzbeni/2008_12_154_4202.html</a>	Ordinance on manner and conditions for providing electronic communication networks and services	154/08
	Pravilnik o načinu i uvjetima pristupa i zajedničkog korištenja elektroničke komunikacijske infrastrukture i povezane oprema <a href="http://narodne-novine.nn.hr/clanci/sluzbeni/2008_12_154_4203.html">http://narodne-novine.nn.hr/clanci/sluzbeni/2008_12_154_4203.html</a>	Ordinance on manner and conditions of access and shared use of electronic communications infrastructure and associated facilities	154/08
	Pravilnik o plaćanju naknada za obavljanje poslova Hrvatske agencije za poštu i elektroničke komunikacije <a href="http://narodne-novine.nn.hr/clanci/sluzbeni/2008_12_154_4204.html">http://narodne-novine.nn.hr/clanci/sluzbeni/2008_12_154_4204.html</a>	Ordinance on the payment of the fees for the carrying out of tasks of the HAKOM	154/08

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Country	Title of the law (original language) Link to full text, if available online	Title of the law (in English) Link to full text of translation, if available	Publication of original version and last amendment (official gazette number)
	Pravilnik o dodjeli adresa i brojeva <a href="http://narodne-novine.nn.hr/clanci/sluzbeni/2008_12_154_4205.html">http://narodne-novine.nn.hr/clanci/sluzbeni/2008_12_154_4205.html</a>	Ordinance on assignment of addresses and numbers	154/08
	Pravilnik adresiranja <a href="http://narodne-novine.nn.hr/clanci/sluzbeni/2008_12_154_4206.html">http://narodne-novine.nn.hr/clanci/sluzbeni/2008_12_154_4206.html</a>	Ordinance on Addressing plan	154/08
	Pravilnik numeriranja <a href="http://narodne-novine.nn.hr/clanci/sluzbeni/2008_12_154_4207.html">http://narodne-novine.nn.hr/clanci/sluzbeni/2008_12_154_4207.html</a>	Ordinance on Numbering plan	154/08
	Pravilnik o načinu rada unutarnje ustrojstvene jedinice za zaštitu prava korisnika <a href="http://narodne-novine.nn.hr/clanci/sluzbeni/2009_01_10_239.html">http://narodne-novine.nn.hr/clanci/sluzbeni/2009_01_10_239.html</a>	Ordinance on the work of the internal customer protection unit of HAKOM	10/09
	Pravilnik o univerzalnim uslugama u elektroničkim komunikacijama <a href="http://narodne-novine.nn.hr/clanci/sluzbeni/2009_02_23_516.html">http://narodne-novine.nn.hr/clanci/sluzbeni/2009_02_23_516.html</a>	Ordinance on universal services in electronic communications	23/09
	Pravilnik o imeniku i službi davanja obavijesti o pretplatnicima <a href="http://narodne-novine.nn.hr/clanci/sluzbeni/2009_02_23_517.html">http://narodne-novine.nn.hr/clanci/sluzbeni/2009_02_23_517.html</a>	Ordinance on subscriber directory and directory enquiry services	23/09
	Pravilnik o potvrdi i naknadi za pravo puta <a href="http://narodne-novine.nn.hr/clanci/sluzbeni/2009_03_31_699.html">http://narodne-novine.nn.hr/clanci/sluzbeni/2009_03_31_699.html</a>	Ordinance on the right-of-way certificate and payment of fees for the right of way	31/09
	Pravilnik o standardnim ponudama <a href="http://narodne-novine.nn.hr/clanci/sluzbeni/2009_03_37_829.html">http://narodne-novine.nn.hr/clanci/sluzbeni/2009_03_37_829.html</a>	Ordinance on the reference offer	37/09
	Pravilnik o načinu i uvjetima sprječavanja i suzbijanja zlouporaba i prijevara u pružanju usluga elektroničke pošte <a href="http://narodne-novine.nn.hr/clanci/sluzbeni/2009_04_42_952.html">http://narodne-novine.nn.hr/clanci/sluzbeni/2009_04_42_952.html</a>	Ordinance on the prevention and suppression of abuse and fraud in the provision of electronic mail services	42/09
	Pravilnik o načinu i uvjetima određivanja zone elektroničke komunikacijske infrastrukture i povezane opreme, zaštitne zone i radijskog koridora te obveze investitora radova ili građevine <a href="http://narodne-novine.nn.hr/clanci/sluzbeni/2009_04_42_953.html">http://narodne-novine.nn.hr/clanci/sluzbeni/2009_04_42_953.html</a>	Ordinance on the determination of zone of the electronic communication infrastructure and associated facilities, and of the protected zone and the radio corridor, and the obligations of the construction work or building investor in that zone	42/09

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Country	Title of the law (original language) Link to full text, if available online	Title of the law (in English) Link to full text of translation, if available	Publication of original version and last amendment (official gazette number)
	Pravilnik o prenosivosti broja <a href="http://narodne-novine.nn.hr/clanci/sluzbeni/2009_04_42_954.html">http://narodne-novine.nn.hr/clanci/sluzbeni/2009_04_42_954.html</a>	Ordinance on number portability	42/09
FYROM	Zakon za elektronske komunikacije	Law on electronic communications	13/05, 14/2007, 55/2007 and 98/2008
	Zakon za radiodifuzna dejnost	Broadcasting law	100/05, 19/07, 103/08
	Zakon za zashtita na konkurencijata	Law on protection of competition	04/05, 70/06, 22/07
	Zakon za zashtita na lichnite podatoci	Law on personal data protection <a href="http://www.dzlp.mk/files/uploads/global/LAW%20ON%20PERSONAL%20DATA%20PROTECTION-CLEARED%20VERSION.pdf">http://www.dzlp.mk/files/uploads/global/LAW%20ON%20PERSONAL%20DATA%20PROTECTION-CLEARED%20VERSION.pdf</a>	07/05, 103/08
	Zakon za elektronska trgovija	Law on electronic commerce <a href="http://mio.gov.mk/?q=node/220">http://mio.gov.mk/?q=node/220</a>	133/07
	Zakon za pravna zashtita na uslugite koi se zasnovaat na ili opfakaat usloven pristap	Law on legal protection of services that are based on or concern conditional access <a href="http://mio.gov.mk/files/pdf/na_angliski/Law_on_Interception_of_Communications_%21.pdf">http://mio.gov.mk/files/pdf/na_angliski/Law_on_Interception_of_Communications_%21.pdf</a>	127/08
	Zakon za podatoci vo elektronski oblik I elektronski potpies	Law on data in electronic form and electronic signatures	34/01, 06/02, 98/08
	Krivichen zakon na republika Makedonija	Crime Code of the Republic of Macedonia	37/96, 7/08, 139/08
	Zakon za sledenje na komunikacii	Law on interception of communications <a href="http://mio.gov.mk/files/pdf/na_angliski/Law_on_Interception_of_Communications_%21.pdf">http://mio.gov.mk/files/pdf/na_angliski/Law_on_Interception_of_Communications_%21.pdf</a>	121/06, 110/08, 05/09
	Zakon za avtorsko pravo I srodnite prava	Law on copyright and related rights	47/96, 3/98, 98/02, 4/05, 23/05, 131/07
Zakon za sloboden pristap do informacii od javen karakter	Law of free access to information of public character	13/06	
Turkey	5809 sayılı Elektronik Haberleşme Kanunu	Electronic communications law <a href="http://www.tk.gov.tr/eng/duzenmaineng2.html">http://www.tk.gov.tr/eng/duzenmaineng2.html</a>	Official gazette 27050 dated 10.11.2008
	5369 sayılı Evrensel Hizmet Kanunu	Universal service law <a href="http://www.tk.gov.tr/eng/pdf/5369.pdf">http://www.tk.gov.tr/eng/pdf/5369.pdf</a>	Official gazette 25856 dated 25.06.2005, last amendment by law 5809, official gazette 27050 dated 10.11.2008
	5070 sayılı Elektronik İmza Kanunu	Electronic signature law <a href="http://www.tk.gov.tr/eng/pdf/Electronic_Signature_Law.pdf">http://www.tk.gov.tr/eng/pdf/Electronic_Signature_Law.pdf</a>	Official gazette 25355 dated 23.01.2004
	5237 sayılı Türk Ceza Kanunu	Turkish Criminal Code	Official gazette 25611 dated 12.10.2004
	5651 sayılı İnternet Ortamında Yapılan Yayınların Düzenlenmesi ve Bu Yayınlar Yoluyla İşlenen Suçlarla Mücadele Edilmesi Hakkında Kanun	Law No. 5651 on regulating broadcast in Internet and combating crimes committed through such broadcast	Official gazette 26530 dated 23.05.2007

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Country	Title of the law (original language) Link to full text, if available online	Title of the law (in English) Link to full text of translation, if available	Publication of original version and last amendment (official gazette number)
	4054 sayılı Rekabetin Korunması Hakkında Kanun	Law on the protection of competition <a href="http://www.rekabet.gov.tr/index.php?Sayfa=sayfaicerik&amp;icld=165">http://www.rekabet.gov.tr/index.php?Sayfa=sayfaicerik&amp;icld=165</a>	Official gazette 22140 dated 13.12.1994, last amendment by law 5728, official gazette 26781 dated 08.02.2008
	3984 sayılı Radyo ve Televizyonların Kuruluş ve Yayınları Hakkında Kanun	Law on establishment and broadcasting of television enterprises	Official gazette 21911 dated 20.04.1994, last amendment by law 5785, official gazette 26945 dated 23.07.2008
	2954 sayılı Türkiye Radyo ve Televizyon Kanunu	Law on Turkish Radio and Television Corporation	Official gazette 18221 dated 14.11.1983, last amendment by law 5767, official gazette 26918 dated 26.06.2008
	3093 sayılı Türkiye Radyo-Televizyon Gelirleri Kanunu	Law on revenues of Turkish Radio and Television Corporation	Official gazette 18606 dated 15.12.1984, last amendment by law 5784, official gazette 26948 dated 26.07.2008
	5846 sayılı Fikir ve Sanat Eserleri Kanunu	Law on intellectual and artistic works	Official gazette 7981 dated 13.12.1951, last amendment by law 5571, official gazette 26402 dated 13.01.2007
	Telekomünikasyon Sektöründe Kişisel Verilerin İşlenmesi ve Gizliliğinin Korunmasına Dair Yönetmelik	Bylaw on personal information processing and protection of privacy in the telecommunications sector <a href="http://www.tk.gov.tr/eng/pdf/data_protection.pdf">http://www.tk.gov.tr/eng/pdf/data_protection.pdf</a>	Official gazette 25365 dated 06.02.2004
	Elektronik Haberleşme Güvenliği Yönetmeliği	Bylaw on security of electronic communications	Official gazette 26942 dated 20.07.2008
	Tüketici Haklarının Korunması Yönetmeliği	Bylaw on the protection of consumer rights <a href="http://www.tk.gov.tr/eng/pdf/Ordinance%20On%20The%20Consumer%20Rights%20In%20The%20Telecommunications%20Sector.pdf">http://www.tk.gov.tr/eng/pdf/Ordinance%20On%20The%20Consumer%20Rights%20In%20The%20Telecommunications%20Sector.pdf</a>	Official gazette 25678 dated 22.12.2004
	Telekomünikasyon Hizmet ve Altyapılarına İlişkin Yönetmelik <a href="http://www.tk.gov.tr/Duzenlemeler/Hukuki/yonetmelikler/2008/konsolide.pdf">http://www.tk.gov.tr/Duzenlemeler/Hukuki/yonetmelikler/2008/konsolide.pdf</a>	Bylaw on authorisation of telecommunications services and infrastructure <a href="http://www.tk.gov.tr/eng/pdf/yy_ing2.pdf">http://www.tk.gov.tr/eng/pdf/yy_ing2.pdf</a>	Official gazette 25565 dated 26.08.2004, last amendment official gazette 27060 dated 20.11.2008
	Erişim ve Arabağlantı Yönetmeliği	Bylaw on access and interconnection <a href="http://www.tk.gov.tr/pdf/ordinance_access_interconnection.pdf">http://www.tk.gov.tr/pdf/ordinance_access_interconnection.pdf</a>	Official gazette 26552 dated 14.06.2007
	Numara Taşınabilirliği Yönetmeliği <a href="http://www.tk.gov.tr/Duzenlemeler/Hukuki/yonetmelikler/2007/numara_tasinabilirligi_yonetmeliği_01_02_2007.doc">http://www.tk.gov.tr/Duzenlemeler/Hukuki/yonetmelikler/2007/numara_tasinabilirligi_yonetmeliği_01_02_2007.doc</a>	Number portability bylaw <a href="http://www.tk.gov.tr/eng/duzenmaineng2.html">http://www.tk.gov.tr/eng/duzenmaineng2.html</a>	Official gazette 26421 dated 01.02.2007
	Tarife Yönetmeliği <a href="http://www.tk.gov.tr/Duzenlemeler/Hukuki/yonetmelikler/Yonetmelikler.htm">http://www.tk.gov.tr/Duzenlemeler/Hukuki/yonetmelikler/Yonetmelikler.htm</a>	Tariff bylaw <a href="http://www.tk.gov.tr/pdf/TARIFF_ORDINANCE.pdf">http://www.tk.gov.tr/pdf/TARIFF_ORDINANCE.pdf</a>	Official gazette 24507 dated 28.08.2001

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	Telekomünikasyon Sektöründe Hizmet Kalitesi Yönetmeliği <a href="http://www.tk.gov.tr/Duzenlemeler/Hukuki/yonetmelikler/Tel ekomunikasyon-Sektorunde-Hizmet-Kalitesi-Yonetmeli.pdf">http://www.tk.gov.tr/Duzenlemeler/Hukuki/yonetmelikler/Tel ekomunikasyon-Sektorunde-Hizmet-Kalitesi-Yonetmeli.pdf</a>	Bylaw on quality of service in the telecommunications sector <a href="http://www.tk.gov.tr/eng/pdf/Ordinance%20On%20Quality%20f%20Service%20In%20The%20Telecommunication%20Sector.pdf">http://www.tk.gov.tr/eng/pdf/Ordinance%20On%20Quality%20f%20Service%20In%20The%20Telecommunication%20Sector.pdf</a>	Official gazette 25744 dated 03.03.2005
	Etkin Piyasa Gücüne Sahip İşletmecilerin Belirlenmesine İlişkin Usul ve Esaslar Hakkında Yönetmelik	Bylaw on principles and procedures for determination of the operators with significant market power <a href="http://www.tk.gov.tr/eng/duzenmaineng2.html">http://www.tk.gov.tr/eng/duzenmaineng2.html</a>	Official gazette 26396 dated 07.01.2007
	Numaralandırma Yönetmeliği <a href="http://www.tk.gov.tr/Duzenlemeler/Hukuki/yonetmelikler/Numaralandırma_Yonetmeli.pdf">http://www.tk.gov.tr/Duzenlemeler/Hukuki/yonetmelikler/Numaralandırma_Yonetmeli.pdf</a>	Bylaw on numbering <a href="http://www.tk.gov.tr/eng/Numbering_Regulation.pdf">http://www.tk.gov.tr/eng/Numbering_Regulation.pdf</a>	Official gazette 25385 dated 26.02.2004
	Elektronik Belge Standartları Konulu Başbakanlık Genelgesi	Prime Ministry circular regarding the electronic documents standards	Official gazette 26938 dated 16.07.2008
	<a href="http://rega.basbakanlik.gov.tr/">http://rega.basbakanlik.gov.tr/</a> is the website of the official gazette. Legal documents can be searched from the “Gelişmiş arama” option of this website using the date and number of the publication.		
Albania	Ligji nr. 9918 datë 19.05.2008 “Për komunikimet elektronike në Republikën e Shqipërisë”	Law no. 9918 dated 19.05.2008 “On electronic communications in the Republic of Albania”	84/2008
	Ligji nr.9742 datë 28.05.2007 "Për transmetimet numerike në Republikën e Shqipërisë”	Law no. 9742 dated 28.05.2007 “On digital transmission in the Republic of Albania”	74/2007
	Ligji nr. 8410 datë 30.09.1998 "Për Radion dhe Televizionin Publik e Privat ne Republiken e Shqiperise" ndryshuar me ligjin nr. 8655 date 31.07.2000, me ligjin nr. 8794 datë 10.05.2001, me ligjin nr. 9016 datë 20.02.2003, me ligjin nr. 9124 datë 29.07.2003, me ligjin nr. 9531 datë 11.05.2006, me ligjin nr. 9584 datë 17.07.2006, me ligjin nr. 9677 datë 13.01.2007, me ligjin nr. 9262 datë 21.07.2008	Law no. 8410 dated 30.09.1998 “On public and private radio and television in Republic of Albania” amended by law no. 8655 dated 31.07.2000, amended by law no. 8794 dated 10.05.2001, amended by law no. 9016 dated 20.02.2003, amended by law no. 9124 dated 29.07.2003, amended by law no. 9531 dated 11.05.2006, amended by law no. 9584 dated 17.07.2006, amended by law no. 9677 dated 13.01.2007, amended by law no. 9262 dated 21.07.2008	24/1998 24/2000 34/2001 18/2003 71/2003 65/2006 84/2006 2/2007 125/2008
	Ligji nr. 9121 datë 28.07.2003 “Per mbrojtjen e konkurrences” amenduar me Ligjin nr. 9499, date 03.04.2006, me Ligjin nr. 9584, date 17.07.2006	Law no. 9121 dated 28.07.2003 “On competition”, amended by law no. 9499 dated 03.04.2006 and by law no. 9584 dated 17.07.2006.	71/2003, 37/2006 and 84/2006
	Ligji nr. 9880 datë 25.02.2008 “Per nenshkrimin elektronik”	Law no. 9880 dated 25.02.2008 “On electronic signature”	40/2008
	Ligji nr. 9887 datë 10.3.2008 “Per mbrojtjen e te dhenave personale”	Law no. 9887 dated 10.03.2008 “On personal data protection”	43/2008

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	Ligji nr. 7895 datë 27.01.1995 “Kodi Penal” i ndryshuar Ligji nr. 9859 datë 21.01.2008, Ligji nr. 10023 datë 27.11.2008	Law no. 7895 dated 27.01.1995 “Criminal code”, amendments on cybercrime by law no. 9859 dated 21.01.2008 and law no. 10023 dated 27.11.2008	2/1995 (original version) 10/2008 and 190/2008 (amendments on cybercrime) Other amendments not included
	Ligji nr. 10128 datë 11.05.2009 “Për tregtinë elektronike”	Law no. 10128 dated 11.05.2009 “On electronic commerce”	to be published
	Vendim i Keshillit të Ministrave Nr. 329 dt. 31.5.2001: “Per miratimin e Planit Kombëtar të Frekuencave”	Council of Minister’s Decision no. 329 dated 31.05.2001 “On the approval of the national plan of radio frequencies”	
	Vendim i Keshillit të Ministrave Nr. 288 dt. 18.6.1999 “Per miratimin e dokumentit të politikës së zhvillimit të sektorit të telekomunikacioneve në Republikën e Shqipërisë”, amenduar me VKM nr. 311, dt. 5.7.1999, VKM Nr. 615 dt. 2.11.2001, VKM nr. 692 dt. 27.12.2002 dhe VKM nr. 464 dt. 3.7.2003	Council of Minister’s Decision no. no. 288 dated 18.06.1999 “On the approval of the telecommunications development policy paper in the Republic of Albania”, amended by decisions no. 311 dated 05.07.1999, no. 615 dated 02.11.2001, no. 692 dated 27.12.2002 and no. 464 dated 03.07.2003	
	VKM nr. 59 datë 21.01.2009 “Per Miratimin e Strategjise Ndersektoriale të Shoqërisë së Informacionit”	Council of Ministers’ Decision no. 59 dated 21.01.2009 “On the approval of crosscutting strategy on information society”	25/2008
	Rregullore mbi Aksesin dhe Interkoneksionin miratuar me Vendim të Keshillit Drejtues të ERT-se, nr. 416 date 7.12.2007	Regulation “On access and interconnection”, adopted by the Governing Council of TRE, approved by the Governing Council of TRE, decision no. 416 dated 07.12.2007	<a href="http://www.akep.gov.al/">http://www.akep.gov.al/</a>
	Rregullore mbi shpalljen e operatorëve me fuqi të ndjeshme në tregun e operatorëve në tregun e telekomunikacioneve, miratuar me vendimin e Keshillit Drejtues të ERT-se nr. 159 të datës 18.2.2004	Regulation “On declaring significant marked power operators in the telecommunications market”, approved by the Governing Council of TRE, decision no. 159 dated 18.02.2004	<a href="http://www.akep.gov.al/">http://www.akep.gov.al/</a>
	Rregullore mbi “Njoftimin e autorizimit të Pergjithshëm” miratuar nga Keshilli Drejtues i AKEP, me vendimin nr.495 dt. 19.9.2008	Regulations “On general authorisation notification”, approved by the Governing Council of AKEP, decision no. 495 dated 19.09.2009	<a href="http://www.akep.gov.al/">http://www.akep.gov.al/</a>
	Rregullore mbi regjistrimin e domain name nën .al dhe nëndomaineve .gov.al, .mil.al, .edu.al, .com.al, .org.al dhe net.al, miratuar me vendimin e Keshillit Drejtues të ERT-se nr. 437 dt. 21.2.2008	Regulation “On the registration and administration of the domain names under .al and sub-domains .gov.al, .mil.al, .edu.al, .com.al, .org.al and .net.al”, approved by the Governing Council of TRE, decision no. 437 dated 21.02.2008	<a href="http://www.akep.gov.al/">http://www.akep.gov.al/</a>
Bosnia & Herzegovina	Zakon o komunikacijama <a href="http://www.mkt.gov.ba/bos/dokumenti/zakoni/BS-01-kom.pdf">http://www.mkt.gov.ba/bos/dokumenti/zakoni/BS-01-kom.pdf</a> Zakon o dopunama zakona o komunikacijama <a href="http://www.mkt.gov.ba/bos/dokumenti/zakoni/BS-02-kom.pdf">http://www.mkt.gov.ba/bos/dokumenti/zakoni/BS-02-kom.pdf</a>	Law on communications <a href="http://www.rak.ba/en/legal/?cid=2427">http://www.rak.ba/en/legal/?cid=2427</a>	31/03, last amendment 14/03
	Zakon o konkurenciji Bosne i Hercegovine <a href="http://www.bihkonk.gov.ba/">http://www.bihkonk.gov.ba/</a>	Law on competition <a href="http://www.bihkonk.gov.ba/en/">http://www.bihkonk.gov.ba/en/</a>	18/06, last amendment 76/07



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	Zakon o javnom radiotelevizijskom sistemu Bosne i Hercegovine <a href="http://www.mkt.gov.ba/bos/dokumenti/zakoni/BS-01-rtvsist.pdf">http://www.mkt.gov.ba/bos/dokumenti/zakoni/BS-01-rtvsist.pdf</a>	Law on the public broadcasting system of BiH	78/05
	Zakon o javnom radiotelevizijskom servisu Bosne i Hercegovine <a href="http://www.mkt.gov.ba/bos/dokumenti/zakoni/BS-01-rtvserv.pdf">http://www.mkt.gov.ba/bos/dokumenti/zakoni/BS-01-rtvserv.pdf</a>	Law on the public broadcasting service of BiH	92/05
	Zakon o elektronskom potpisu <a href="http://www.mkt.gov.ba/bos/dokumenti/zakoni/BS-01-elepot.pdf">http://www.mkt.gov.ba/bos/dokumenti/zakoni/BS-01-elepot.pdf</a>	Law on electronic signature	91/06
	Zakon o elektronskom pravnom i poslovnom prometu <a href="http://www.mkt.gov.ba/bos/dokumenti/zakoni/BS-01-elepravpot.pdf">http://www.mkt.gov.ba/bos/dokumenti/zakoni/BS-01-elepravpot.pdf</a>	Law on electronic legal and business transactions	88/07
	Pravilo 16/2002 o interkonekciji <a href="http://www.rak.ba/bs/legal/rules-codes/telecom/rules/default.aspx?cid=1403">http://www.rak.ba/bs/legal/rules-codes/telecom/rules/default.aspx?cid=1403</a>	Interconnection rule <a href="http://www.rak.ba/en/legal/rules-codes/telecom/rules/default.aspx?cid=699">http://www.rak.ba/en/legal/rules-codes/telecom/rules/default.aspx?cid=699</a>	36/02
	Pravilo 35/2008 o pristupu izdvojenoj lokalnoj petlji <a href="http://www.rak.ba/bs/legal/rules-codes/telecom/rules/default.aspx?cid=4934">http://www.rak.ba/bs/legal/rules-codes/telecom/rules/default.aspx?cid=4934</a>	Rule 35/2008 on unbundled access to the local loop <a href="http://www.rak.ba/en/legal/rules-codes/telecom/rules/default.aspx?cid=4975">http://www.rak.ba/en/legal/rules-codes/telecom/rules/default.aspx?cid=4975</a>	54/08
	Pravilo 20/2003 o utvrđivanju graničnih cijena iznajmljenih linija u BiH <a href="http://www.rak.ba/bs/legal/rules-codes/telecom/rules/default.aspx?cid=2927">http://www.rak.ba/bs/legal/rules-codes/telecom/rules/default.aspx?cid=2927</a>	Rule 20/2003 on determining ceiling prices for leased circuits in Bosnia & Herzegovina <a href="http://www.rak.ba/en/legal/rules-codes/telecom/rules/default.aspx?cid=2929">http://www.rak.ba/en/legal/rules-codes/telecom/rules/default.aspx?cid=2929</a>	41/03, last amendment 105/08
	Pravilo 24/2005 o modelu rebalansa cijena govornih telefonskih usluga u BiH <a href="http://www.rak.ba/bs/legal/rules-codes/telecom/rules/default.aspx?cid=3842">http://www.rak.ba/bs/legal/rules-codes/telecom/rules/default.aspx?cid=3842</a>	Rule 24/2005 on the model of tariff rebalance of voice telephone services in Bosnia & Herzegovina <a href="http://www.rak.ba/en/legal/rules-codes/telecom/rules/default.aspx?cid=3940">http://www.rak.ba/en/legal/rules-codes/telecom/rules/default.aspx?cid=3940</a>	50/05, last amendment 105/08
Montenegro	Zakon o elektronskim komunikacijama <a href="http://www.gov.me/files/1227718289.pdf">http://www.gov.me/files/1227718289.pdf</a>	Law on electronic communications	50/08
	Zakon o elektronskom potpisu <a href="http://www.vlada.cg.yu/files/1198662448.pdf">http://www.vlada.cg.yu/files/1198662448.pdf</a>	Law on electronic signature	55/03, 31/05
	Zakon o elektronskoj trgovini <a href="http://www.vlada.cg.yu/files/1198662564.pdf">http://www.vlada.cg.yu/files/1198662564.pdf</a>	Law on electronic commerce <a href="http://www.gov.me/eng/rsr/vijesti.php?akcija=vijesti&amp;id=7839">http://www.gov.me/eng/rsr/vijesti.php?akcija=vijesti&amp;id=7839</a>	80/04
	Zakon o elektronskom dokumentu <a href="http://www.vlada.cg.yu/files/1221489506.pdf">http://www.vlada.cg.yu/files/1221489506.pdf</a>	Law on electronic document	5/08

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	Zakon o primjeni propisa kojima se uređuje zaštita prava intelektualne svojine <a href="http://www.pkcg.org/zakonodavstvo/intelektualna_svojina/dok_1.pdf">http://www.pkcg.org/zakonodavstvo/intelektualna_svojina/dok_1.pdf</a>	Law on application of legal acts for protection of intellectual property rights	45/05
	Zakon o medijima	Media law	51/02, 56/04
	Zakon o radio difuziji	Broadcasting law	51/02, 62/02, 46/04, 77/06, 50/08, 79/08
	Zakon o javnim radio-difuznim sredstvima Crne Gore <a href="http://www.rtcg.cg.yu/docs/zakon_o_JRDS_2008.pdf">http://www.rtcg.cg.yu/docs/zakon_o_JRDS_2008.pdf</a>	Law on public broadcasting services of Montenegro	79/08
	Zakon o digitalnoj radio difuziji	Digital broadcasting law	Planned to be adopted
	Zakon o slobodnom pristupu informacijama <a href="http://www.skupstina.cg.yu/index1.php?module=17&amp;akt=608&amp;sub=13">http://www.skupstina.cg.yu/index1.php?module=17&amp;akt=608&amp;sub=13</a>	Law on free access to information	68/05
	Zakon o tajnosti podataka <a href="http://www.mup.vlada.cg.yu/vijesti.php?akcija=vijesti&amp;id=157346">http://www.mup.vlada.cg.yu/vijesti.php?akcija=vijesti&amp;id=157346</a>	Information security law <a href="http://www.gov.me/eng/minunutr/vijesti.php?akcija=vijesti&amp;id=157346">http://www.gov.me/eng/minunutr/vijesti.php?akcija=vijesti&amp;id=157346</a>	14/08
	Zakon o zaštiti neobjavljenih podataka <a href="http://www.skupstina.cg.yu/index1.php?module=17&amp;akt=261&amp;sub=13">http://www.skupstina.cg.yu/index1.php?module=17&amp;akt=261&amp;sub=13</a> Zakon o izmjeni zakona o zaštiti neobjavljenih podataka <a href="http://www.skupstina.cg.yu/index1.php?module=17&amp;akt=861&amp;sub=13">http://www.skupstina.cg.yu/index1.php?module=17&amp;akt=861&amp;sub=13</a>	Law on protection of unpublished data Law on modification of law on protection of unpublished data	16/07 73/08
	Zakon o zaštiti podataka o ličnosti <a href="http://www.skupstina.cg.yu/index1.php?module=17&amp;sub=13&amp;akt=895">http://www.skupstina.cg.yu/index1.php?module=17&amp;sub=13&amp;akt=895</a>	Law on personal data protection	79/08
	Pravilnik o uslovima za izgradnju telekomunikacionih mreža	Rulebook on conditions of construction of telecommunication networks	10/06
	Pravilnik o zajedničkom korišćenju telekomunikacione infrastrukture <a href="http://www.agentel.cg.yu/regulativa/pravilnik%20o%20zajednickom%20koriscenju%20telekomunikacione%20infrastrukture.pdf">http://www.agentel.cg.yu/regulativa/pravilnik%20o%20zajednickom%20koriscenju%20telekomunikacione%20infrastrukture.pdf</a>	Rulebook on common usage of telecommunication infrastructure	65/05
	Pravilnik o pristupu i interkonekciji <a href="http://www.agentel.cg.yu/konsultacije/2006/Interkonekcija/Nacrt_Pravilnika.pdf">http://www.agentel.cg.yu/konsultacije/2006/Interkonekcija/Nacrt_Pravilnika.pdf</a>	Rulebook on access and interconnection	4/06
Serbia	Zakon o telekomunikacijama <a href="http://www.mtid.gov.rs/dokumenta/zakoni,_uredbe_i_pravilnici.49.html">http://www.mtid.gov.rs/dokumenta/zakoni,_uredbe_i_pravilnici.49.html</a>	Telecommunications law <a href="http://www.ratel.rs/index.php?page=regulativa&amp;target=r_zakon&amp;item=38&amp;get_treeroot=9&amp;lang=eng">http://www.ratel.rs/index.php?page=regulativa&amp;target=r_zakon&amp;item=38&amp;get_treeroot=9&amp;lang=eng</a>	44/03 and 36/06

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	Zakon o elektronskom potpisu	Law on electronic signature	135/2004
	Zakon o informacionom sistemu Republike Srbije	Law on information systems in Republic of Serbia	12/1996
	Zakon o organizaciji i nadležnosti državnih organa za borbu protiv visokotehnološkog kriminala <a href="http://www.arii.sr.gov.yu/?view_doc_legislation">http://www.arii.sr.gov.yu/?view_doc_legislation</a>	Law on organisation and competences of public authorities for fighting high technology crime	61/2005
	Zakon o oglašavanju	Law on advertising	79/2005
	Krivični zakonik <a href="http://www.arii.sr.gov.yu/?view_doc_legislation">http://www.arii.sr.gov.yu/?view_doc_legislation</a>	Criminal code	85/2005
	Zakon o zaštiti podataka o ličnosti	Law on personal data protection	97/2008
	Uredba o obezbeđivanju i zaštiti informacionih sistema državnih organa	Act of securing and protecting information systems in government institutions	41/1990
	Uputstvo za izradu i usvajanje projekata informacionih sistema organa uprave	Guidelines for development and acceptance projects related to information systems in government institutions	49/1989
	Pravilnik o blizim uslovima za izdavanje kvalifikovanog elektronskog potpisa	Regulation on conditions for issuing qualified electronic signatures	26/2008
	Pravilnik o tehnicko-tehnoloskim postupcima za formiranje kvalifikovanog elektronskog potpisa i kriterijumima koje treba da ispune sredstva za formiranje elektronskog potpisa	Regulation on technical and technological steps for creating qualified electronic signature and criteria that need to be fulfilled by the means for creating qualified digital signatures	26/2008
	Pravilnik o Registru sertifikacionih tela koja izdaju kvalifikovane elektronske sertifikate u Republici Srbiji <a href="http://www.arii.sr.gov.yu/?view_doc_legislation">http://www.arii.sr.gov.yu/?view_doc_legislation</a>	Regulation on register of certification bodies for issuing qualified electronic certificates in the Republic of Serbia	26/2008
	Pravilnik o vođenju evidencije sertifikacionih tela <a href="http://www.arii.sr.gov.yu/?view_doc_legislation">http://www.arii.sr.gov.yu/?view_doc_legislation</a>	Regulation on record keeping of certification bodies	No. 48/2005, 82/2005 and 116/2005
Kosovo	Ligji nr. 2002/7 për telekomunikacionin <a href="http://www.unmikonline.org/regulations/unmikgazette/03albanian/A2003regs/RA2003_16.pdf">http://www.unmikonline.org/regulations/unmikgazette/03albanian/A2003regs/RA2003_16.pdf</a> Ligji Nr. 03/L-085 <a href="http://www.assembly-kosova.org/common/docs/ligjet/2008_03-L085_al.pdf">http://www.assembly-kosova.org/common/docs/ligjet/2008_03-L085_al.pdf</a>	Law no. 2002/7 on telecommunications <a href="http://www.unmikonline.org/regulations/unmikgazette/02english/E2003regs/RE2003_16.pdf">http://www.unmikonline.org/regulations/unmikgazette/02english/E2003regs/RE2003_16.pdf</a> Amended by law no. 03/L-085 <a href="http://www.assembly-kosova.org/common/docs/ligjet/2008_03-L085_en.pdf">http://www.assembly-kosova.org/common/docs/ligjet/2008_03-L085_en.pdf</a>	No official gazette numbers. Laws are cited by the number of the law (see left columns).
	Ligji nr. 02/L-23 për shërbimet e shoqërisë <a href="http://www.unmikonline.org/regulations/unmikgazette/03albanian/A2006regs/RA2006_32_ALA02_L23.pdf">http://www.unmikonline.org/regulations/unmikgazette/03albanian/A2006regs/RA2006_32_ALA02_L23.pdf</a>	Law no. 02/L-23 on the information society services <a href="http://www.unmikonline.org/regulations/unmikgazette/02english/E2006regs/RE2006_32_ALE02_L23.pdf">http://www.unmikonline.org/regulations/unmikgazette/02english/E2006regs/RE2006_32_ALE02_L23.pdf</a> NB This law includes laws on electronic commerce, distance contracts, electronic invoicing, electronic payment, data protection, electronic signatures and protection of information systems.	

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Country	Title of the law (original language) Link to full text, if available online	Title of the law (in English) Link to full text of translation, if available	Publication of original version and last amendment (official gazette number)
	Ligji nr. 02/L-15 për komisionin e pavarur te mediave dhe transmetimin <a href="http://www.unmikonline.org/regulations/unmikgazette/03albanian/A2005regs/RA2005_34_ALA02L_15.pdf">http://www.unmikonline.org/regulations/unmikgazette/03albanian/A2005regs/RA2005_34_ALA02L_15.pdf</a>	Law no. 02/L-15 on the independent media commission and broadcasting <a href="http://www.unmikonline.org/regulations/unmikgazette/02english/E2005regs/RE2005_34_ALE02L_15.pdf">http://www.unmikonline.org/regulations/unmikgazette/02english/E2005regs/RE2005_34_ALE02L_15.pdf</a>	
	Ligji nr. 2004/36 per konkurrencën <a href="http://www.unmikonline.org/regulations/unmikgazette/03albanian/A2004regs/RA2004_44_ALA2004_36.pdf">http://www.unmikonline.org/regulations/unmikgazette/03albanian/A2004regs/RA2004_44_ALA2004_36.pdf</a>	Law no. 2004/36 on competition <a href="http://www.unmikonline.org/regulations/unmikgazette/02english/E2004regs/RE2004_44_ALE2004_36.pdf">http://www.unmikonline.org/regulations/unmikgazette/02english/E2004regs/RE2004_44_ALE2004_36.pdf</a>	
	RA 2003/25 Kodi i përkohshëm penal i Kosovës	RE 2003/25 Provisional criminal code of Kosovo Amended by UNMIK/REG/2004/19 Promulgated by Decree No. DL-059-2008, dated 27.11.2008, of the President <a href="http://www.md-ks.org/?page=2,95">http://www.md-ks.org/?page=2,95</a>	
	Udhëzimi administrativ nr. 2004/3 mbi caktimin e dënimeve për kundërvajtjet nga telekomunikacioni <a href="http://www.art-ks.org/docs/Law/MTPT-Admin-Instruction-2004_3.pdf">http://www.art-ks.org/docs/Law/MTPT-Admin-Instruction-2004_3.pdf</a>	Administrative instruction no. 2004/3 onto charges definition for infractions from telecommunication <a href="http://www.art-ks.org/docs/Law/MTPT-Admin-Instruction-2004_3.pdf">http://www.art-ks.org/docs/Law/MTPT-Admin-Instruction-2004_3.pdf</a>	
	Plani i numeracionit për rrjetat e telekomunikacionit në Kosovë <a href="http://www.art-ks.org/docs/Law/Plani%20i%20numeracionit%20për%20rrjetat%20e%20telekomunikacionit%20në%20Kosovë.pdf">http://www.art-ks.org/docs/Law/Plani%20i%20numeracionit%20për%20rrjetat%20e%20telekomunikacionit%20në%20Kosovë.pdf</a>	Numbering plan for telecommunication networks in Kosovo <a href="http://www.art-ks.org/docs/Law/Regulation%20on%20National%20Numbering%20Plan.pdf">http://www.art-ks.org/docs/Law/Regulation%20on%20National%20Numbering%20Plan.pdf</a>	
	Udhëzim administrativ nr. 180/07 mbi tarifën për procesim të aplikacionit <a href="http://www.art-ks.org/docs/Applications/Udhëzim%20Administrativ%20mbi%20Tarifën%20për%20Procesim%20të%20Aplikacionit.pdf">http://www.art-ks.org/docs/Applications/Udhëzim%20Administrativ%20mbi%20Tarifën%20për%20Procesim%20të%20Aplikacionit.pdf</a>	Administrative instruction on tariffs for application processing <a href="http://www.art-ks.org/docs/Applications/ADMINISTRATIVE%20INSTRUCTION%20ON%20TARIFFS%20FOR%20APPLICATION%20PROCESSING.pdf">http://www.art-ks.org/docs/Applications/ADMINISTRATIVE%20INSTRUCTION%20ON%20TARIFFS%20FOR%20APPLICATION%20PROCESSING.pdf</a>	
	Rregullore për dhënien e licencës për akordimin e së drejtës për shfrytëzimin e radio frekuencave, nr. 008/08 <a href="http://www.art-ks.org/docs/regulation/Rregullore_per_Dhenien_e_Licences_per_Akordimin_e_se_Drejte_per_Shfrytezimin_e_Radio_Frekuencave.pdf">http://www.art-ks.org/docs/regulation/Rregullore_per_Dhenien_e_Licences_per_Akordimin_e_se_Drejte_per_Shfrytezimin_e_Radio_Frekuencave.pdf</a>	Regulation on granting license for the right to use radio frequencies <a href="http://www.art-ks.org/docs/regulation/Regulation_on_Granteeing_the_License_for_the_Right_to_Use_Radio_Frequenciesfull111.pdf">http://www.art-ks.org/docs/regulation/Regulation_on_Granteeing_the_License_for_the_Right_to_Use_Radio_Frequenciesfull111.pdf</a>	

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Country	Title of the law (original language) Link to full text, if available online	Title of the law (in English) Link to full text of translation, if available	Publication of original version and last amendment (official gazette number)
	Rregullorës për licenca dhe autorizime <a href="http://www.art-ks.org/docs/regulation/Rregullore_per_Licenca_dhe_Autorizime.doc">http://www.art-ks.org/docs/regulation/Rregullore_per_Licenca_dhe_Autorizime.doc</a> Ndryshimi dhe plotësimi i rregullorës për licenca dhe autorizime, nr. 182/07-B <a href="http://www.art-ks.org/docs/regulation/Ndryshimi_dhe_Plotesimi_i_Rregullore_per_Licenca_dhe_Autorizime.pdf">http://www.art-ks.org/docs/regulation/Ndryshimi_dhe_Plotesimi_i_Rregullore_per_Licenca_dhe_Autorizime.pdf</a>	Regulation on licensing and authorisations <a href="http://www.art-ks.org/docs/regulation/Regulation_on_Licenses_and_Authorisations.doc">http://www.art-ks.org/docs/regulation/Regulation_on_Licenses_and_Authorisations.doc</a> Amendments to the regulation on licensing and authorisations	
	Rregullore për mbrojtjen e konsumatorit dhe fshehtësisë së përdoruesve të shërbimeve telekomunikuese, nr. 222/08 <a href="http://www.art-ks.org/docs/regulation/Rregullore%20Per%20Mbrojtjen%20e%20Konsumatorit%20dhe%20Fshehtesis%20se%20Per%20doruesve%20te%20Sherbimeve%20Telekomunikuese.pdf">http://www.art-ks.org/docs/regulation/Rregullore%20Per%20Mbrojtjen%20e%20Konsumatorit%20dhe%20Fshehtesis%20se%20Per%20doruesve%20te%20Sherbimeve%20Telekomunikuese.pdf</a>	Regulation on consumer protection and telecommunications services consumer privacy <a href="http://www.art-ks.org/docs/regulation/REGULATION%20ON%20CONSUMER%20PROTECTION%20AND%20TELECOMMUNICATIONS%20SERVICES%20CONSUMER%20PRIVACY.pdf">http://www.art-ks.org/docs/regulation/REGULATION%20ON%20CONSUMER%20PROTECTION%20AND%20TELECOMMUNICATIONS%20SERVICES%20CONSUMER%20PRIVACY.pdf</a>	
	Rregullore për tarifim të spektrit Ndryshimi dhe plotësimi i rregullorës për tarifim të spektrit, nr. 028/09 <a href="http://www.art-ks.org/docs/regulation/Ndryshimi_dhe_Plotesimi_i_Rregullore_per_Tarifim_te_Spektrit.pdf">http://www.art-ks.org/docs/regulation/Ndryshimi_dhe_Plotesimi_i_Rregullore_per_Tarifim_te_Spektrit.pdf</a>	Regulation on spectrum tariffs plan <a href="http://www.art-ks.org/docs/regulation/Regulation_on_Spectrum_Tariffs_Plan.pdf">http://www.art-ks.org/docs/regulation/Regulation_on_Spectrum_Tariffs_Plan.pdf</a> Amendments to the regulation on spectrum tariffs <a href="http://www.art-ks.org/docs/regulation/Amendments_to_the_Regulation_on_Spectrum_Tariffs.doc">http://www.art-ks.org/docs/regulation/Amendments_to_the_Regulation_on_Spectrum_Tariffs.doc</a>	
	Rregullore për procedurën e zgjidhjes së konflikteve , nr. 183/07 <a href="http://www.art-ks.org/docs/Law/RregulloreperProcedureneZgjidhjessëKonflikteve.pdf">http://www.art-ks.org/docs/Law/RregulloreperProcedureneZgjidhjessëKonflikteve.pdf</a>	Regulation on procedures for dispute resolution <a href="http://www.art-ks.org/docs/Law/RegulationonDisputeResolution.pdf">http://www.art-ks.org/docs/Law/RegulationonDisputeResolution.pdf</a>	

Table U.1 - Information society legislation