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### **RIO 2001 ALTERATIONS**

The *Instituto das Comunicações de Portugal* (ICP) has approved a project for decision on changes to introduce in the Reference Interconnection Offer (RIO 2001) submitted by *PT Comunicações* (PTC) and has proceeded with prior hearings of the interested parties, under terms of article 100 and following of the Code of Administrative Procedure.

The document indicates that PTC should change its RIO 2001 to bring it into line with the document titled "Minimum Items to Include in the RIO 2001" and with the "Alterations to the RIO 2001" (ICP deliberation of 19 January 2001).

This draft decision reiterates various aspects previously been subject to ICP deliberation, particularly, as above, with regard to interconnection circuits and the process of planning future tasks.

The Institute specifically studied the prices and conditions applicable to the three groups of services: the services of management, operation and maintenance; transit service with invoicing in series and access to audiotext services; and, lastly, the service of co-installation of interconnection equipment.

Regarding the first group, the ICP ruled that the applicable prices must be revised to bring them more into line with costs. This implies a reduction of prices for most services.

For the second group, the ICP set an additional price of 1\$00 (1 escudo) per call, applicable to transit services with invoicing in series and access to audiotext services.

Finally, with regard to the co-installation of interconnection services, the ICP decided that the criteria used to set prices for the various services included in the offer should be compatible with the criteria applied in the co-installation offer presented in the context of the Reference Offer for Unbundling of the Local Loop (ORALL 2001), taking into account the Institute's deliberation of 28 June 2001 concerning changes to introduce

in that instrument.

The Institute also granted PTC an extension, until 31 October 2001, of the deadline for submitting a proposal to revise the interconnection structure and the list of geographic interconnection points.

### **INTERCONNECTION AGREEMENTS**

In accordance with paragraph 2 of article 14 of Decree-Law 415/98, the ICP also approved the general and prior conditions for negotiation of interconnection agreements in 2001, with no changes to those approved and valid in 2000.

The Institute likewise approved a determination on the conclusion of negotiations concerning interconnection agreements between Land Mobile Service Operators and interested parties in 2001.

It was noted, however, that in some cases it was not possible to set prices based on free negotiations between operators. For of the 21 agreements reported to the Institute, only 7 definitively set the termination price for mobile network traffic in effect from 1 October 2001. There was also a lack of consensus, at least tangibly, on call origination on the Land Mobile Service operators' network.

Thus, and under terms of paragraph 1 of article 16 of Decree-Law 415/98, the ICP determined that *TMN - Telecomunicações Móveis Nacionais, Telecel - Comunicações Pessoais, S.A.*, and *Optimus - Telecomunicações, S.A.*, should conclude negotiation of the interconnection accords with the interested parties within 30 days' time, submitting to the Institute a complete copy of the finalised accords within 10 days counting from the respective signing dates.

SEE www.icp.pt/interligacao/uk/interligacao\_221.html

### Internet Access Conditions

The *Instituto das Comunicações de Portugal* (ICP) approved on 31 July a deliberation determining the year 2001 rules for finalising interconnection accords between *PT Comunicações* (PTC) and interested parties, with regard to internet access traffic.

The rules in question cover various aspects, among them the following: invoicing, collection, risk of non-collection (the maximum price of 1\$60 per call for the invoicing and collection service does not include the risk of non-collection, which should be assumed by the internet access provider); invoicing procedures (namely the time limits for settling accounts between PTC and the internet access providers); nature of the accord (interconnection accords applicable to internet access traffic are governed by Decree-Law 415/98); means of transmission (the ICP has ruled on the time limits for the supply, service quality and discounts of ISDN primary accesses used by internet access providers to interconnect their POPs to PTC switchboards); complementary services (the prices proposed by PTC having been revised); procedures to follow in case of service interruption; aggregation points outside the areas of Lisbon and Oporto (having set 31 October as the date for PTC to submit a plan to restructure the network in those areas); flat rate numbering (it has been established that flat rate internet access services should be included at level 67 of the National Numbering Plan); alternative internet access options; and, lastly, the date for migration of internet traffic to the interconnection system (which should take place from the date when the necessary conditions for transition to the new regime are either in place or verified to have been so). (Continued on page 2)

## Communications in Portugal

### **CURRENT EVENTS**

#### **ULL Reference Offer**

In wake of the deliberation by the Instituto das Comunicações de Portugal (ICP) dated 28 June and concerning changes to introduce to the Reference Offer for Unbundling of the Local Loop (ORALL 2001), a revised version of the ORALL was received from PT Comunicações on July 16 and is currently under study.

### **Prices of fixed Telephone Service Calls**

The ICP approved by deliberation dated 6 June the price proposal submitted by PT Comunicações and concerning the rate table for subscriber phones in effect until 5 February 2001, the same in effect from 6 February 2001 and also the rate table for public telephones in effect during the current year. PT Comunicações should divulge, in accordance with the law, the conditions for offer of the said telephone calls.

### Audit of PT analytical accounting

The conclusions of the audit report on the analytic accounting system of Portugal Telecom, S.A., the respective description and the declarations of the system's conformity with the applicable regulations have been approved.

The conclusions, determinations and recommendations resulting from this process, undertaken by Deloitte & Touche and concerning financial year 1999, were subsequently transmitted to that operator. Also approved was the launch of a limited consultation, with the aim of choosing a company to carry out the audit of the year 2000 analytical accounting system of PT Comunicações, S.A.

### Audit of CTT analytical accounting

Conclusions of the Deloitte & Touche company's audit of the analytical accounting system of CTT - Correios de Portugal, S.A. (Portuguese postal service) for the year 1999 were likewise approved by the ICP, as well as a system conformity declaration and the results achieved. The conclusions, determinations and recommendations resulting from the audit were reported to CTT. The conclusions indicated that the system was in all materially relevant aspects in accordance with applicable law, namely Directive 97/67/EC of 15 December and Law 102/99 of 26 July, despite the Institute's having determined the need to improve some situations identified during the audit. A limited consultation was also launched with regard to an audit of the analytical accounting system of CTT - Correios de Portugal, S.A., for the year 2000. More information at www.icp.pt/info/ noticia.asp?id=1733&ida=182.

#### New postal system takes effect

Decree-Law 150/2001 of 7 May, which approves the system governing

access by competition to the activity of postal services provider, took effect on August 6. The measure establishes a licensing system applicable to the provision of non-reserved postal services encompassed by universal service. However, authorisation must be obtained to provide non-reserved postal services that are not within the scope of universal service.

#### Postal section on ICP website

The ICP website now contains a new section on the postal sector, at www.icp.pt/post/, along with a questionnaire aiming to determine the profiles and needs of site users at www.icp.pt/indexuk.html .

### Commemorations of the Infrastructure Ministry's 150th anniversary

The ICP is on the advisory board of the working group set up to prepare the Programme of Commemorations for the 150th Anniversary of the Infrastructure Ministry. Born from the then Ministry of the Kingdom in 1852, the Ministry has in the past encompassed areas now outside its jurisdiction, among them trade, industry, geology, mines and even teaching.

#### **Evaluation of the online State**

The Minister of Science and Technology, Mariano Gago, announced on July 13 that in accordance with Resolution 22/2001 of the Council of Ministers, the nearly 500 websites of bodies directly or indirectly part of state administration will in the future be subject to periodic evaluation by an independent body. On the same day a public tender was launched for acquisition of the services needed for outside evaluation of the websites in question (see www.cisi.mct.pt). The evaluation criteria (presentation and updating of contents, interactivity, navigability, operations for citizens with special needs) will be compiled in an internet guide to be made available at the same address.

#### **Dicon 2001**

In the context of the eContent programme, the European Commission is co-financing the European Digital Contents Competition (Dicon 2001), a competition for business ideas in the area of digital contents, which aims to bring entrepreneurs and creators closer together and to energise the European digital contents industry. The competition was launched in June throughout the European Union, with a September 15 deadline for submission of individual or company candidacies via the online application form. A Dicon Days event has been scheduled for 22-23 November and will count the presence of the 12 best competitors.

More information at www.icp.pt/info/noticia.asp?id=1728&ida=182 and www.dicon2001.com.

### INTERNET ACCESS (Continued from page 1)

... The ICP adds in its decision that under terms of paragraph c) of article 22 of Decree-Law 415/98 of 31 December, the complete copies of finalised accords should be sent to the Institute within a 10 day time period, counting from the date of the respective signing.

Also set was a supplementary period after the transition, to end on 31 October, for internet traffic to be removed from the model of shared revenues based on fixed telephone service and to shift to the interconnection regime. Internet service providers (ISPs) may nevertheless join the new model at any time before the stipulated date.

Finally, the ICP recommended that PTC revise and adjust the agreements to bring them into line with the rules now established.

## Communications in Portugal

### Appraisal Commission announces results of DTT

The *Plataforma de Televisão Digital Portuguesa* (PTDP) is first on the list prepared by the Commission to appraise candidacies for operation of the Digital Terrestrial Television (DTT) platform and released on July 17. *Oni Plataformas - Infocomunicações* was classified in second place.

Evaluation of the two candidacies' proposals has since been in the hands of Infrastructure Minister Ferro Rodrigues, who is responsible for making the final decision. The two contestants were meanwhile given 10 days to submit any complaints or suggestions regarding the Commission's appraisal.

The analysis report and provisional classification list were elaborated by a government-appointed Commission chaired by Vítor Gonçalves (of the *Instituto Superior de Economia e Gestão*), with the other members being Luís Filipe de Menezes, Luísa Mendes, António Vassalo (from the *Instituto das Comunicações de Portugal*) and Lino Fernandes (Innovation Agency of

the Ministry of Science and Technology).

DTT will be implemented through adoption of the pan-European DVB-T (Digital Video Broadcasting Television) technological norm and replace the current analogue system with a sophisticated digital network enabling television reception of new services (internet access, electronic mail, video-conferencing, video on demand, among others). Beyond the potentials of so-called interactive television, consumers will also enjoy access to more television channels, with better sound and image quality. The current national and regional channels will remain free in mainland Portugal and the Azores and Madeira autonomous regions. The definitive switch-off from the analogue system is expected to take place in 2007.

Also in the context of the DTT platform: a tender for the licensing of new digital television channels is due to be launched by the end of the year.

SEE http://www.icp.pt/info/noticia.asp?id=1710&ida=183

### UMTS POSTPONEMENT

In wake of requests for postponement of the operational start of third generation mobile systems, the *Instituto das Telecomunicações de Portugal* (ICP) asked the parties licensed to operate UMTS/IMT-2000 systems to provide grounds for same, given that such delays are admissible only for reasons of justifiable force majeure duly recognised by the Institute. The ICP also recognised the possible admission of shared use of network infrastructures, via roaming accords in areas of greater population density, for a limited period of time. The Institute also decided to undertake a consultation of infrastructure and terminal manufacturers in order to determine the amount of time needed to overcome the difficulties in question.

After reviewing the data, the ICP will determine the length of an eventual postponement.

### ICP INVESTIGATES DISCONNECTION

A week after asking *PT Comunicaç*ões to resume the supply of leased circuits to Maxitelcom, the *Instituto das Comunicaç*ões *de Portugal* (ICP) decided in a deliberation dated 31 July to file a countermanding suit against the historic operator. The reason was that the disconnection was apparently illegal, as it was neither reported to nor previously authorised by the Institute.

The ICP nevertheless considers that there may have been grounds for motives that justified PTC's denial of the service in question.

The ICP will carry out two verification processes during the case. The first aims to determine the reasons Maxitelcom failed to comply with its legal obligation to inform customers about a possible interruption of service. The goal of the second is to determine why PTC did not comply with the ICP's ruling that it should immediately resume the supply of circuits.

### POSI WITH 14 BILLION ESCUDOS

The Information Society Operational Programme (POSI) stimulated during the first semester of 2001 associated investments on the order of 14 billion escudos, according to information from the Ministry of Science and Technology. Notable among the ongoing projects is that accounting for the largest share of investment, i.e., the Internet Spaces (Measure 2.1, Accessibility, concerning Axis 2, Digital Portugal, of POSI) set up by municipalities and associations thereof. Preparations are currently under way to open 51 Internet Spaces nation-wide. Under terms of Axis 3-Open State, projects worth up to 2 billion escudos were approved. Examples include the so-called PREXT - Electronic Information Articulation with Outside Entities and Management of the Health subsystem, the Information System of the Instituto Marítimo Portuário and the Integrated and Geographic System of Interurban Transports Information of the Directorate General of Land Transports. At <a href="https://www.posi.mct.pt/">www.posi.mct.pt/</a>.

## **NEWLY ENACTED LEGISLATION**

- Infrastructure Ministry Administrative Rule no. 667-A/2001 (Supplement of I Series-B of the *Diário da República* of 2 July) Approves the rates applicable to radiocommunications.
- Council of Ministers Resolution no. 77/2001 (I Series-B of the D.R. of 5 July) Establishes the working group whose task will be to present by 31 December the actions to be carried out by the various involved ministries, in order to finalise the common citizenship card that will replace the current identity card and include information now contained on the taxpayer card, voter registration card and social security card. The experimental period for the new card is planned for January 2003.

## Communications around the World

### IRG IN DEBATE

#### TARIFF TRANSPARENCY WG

The second meeting of the Working Group (WG) on Tariff Transparency of the Independent Regulators Group (IRG) was held in Copenhagen on July 16. The main goal was to consider the various contributions by participating regulatory authorities, on topics such as diagnosis of situations needing attention in order to safeguard transparency, particularly roaming, portability and inter-network calls.

Participants also discussed various efforts to implement measures to promote transparency. One example concerned the presentation of the observed methodology in a publication on rate comparisons by the Danish regulator (Prisguide). Another referred to a roaming technology applied in Sweden that before a call is made provides comparative information on prices offered by different operators.

Lastly, the conclusions of studies carried out by the Industrial Economy Centre of the University of Copenhagen were presented, raising questions about the encouragement of transparency as a contribution to the healthy development of competition.

#### REGULATORY ACCOUNTING WG

The IRG Working Group on Regulatory Accounting met on 5-6 July in Dublin, with the aim of formulating principles of implementation and best practice (PIBs) and the sharing of information among group members.

In line with these objectives, the ICP presented a document on local loop unbundling, which focused specifically on expense methodologies, cutting margins, costs recovery, narrow and wide band costs, co-installation costs and shared access.

Other items on the agenda included the results of a British study on leased circuits, the relevance of the existence of a common database on Long Run Incremental Costs (LRIC), a number of European Commission Initiatives, the elaboration of PIBs for accounting separation, the updating of PIBs for LRIC models, various issues related to internet access and a document on mobile terminations in Austria.

## MARKET ANALYSIS/STATISTICAL INDICATORS WG

The replacement of the group's presidency, analysis of regulators' questionnaires and the definition of telecommunications service price

baskets were the focus of the fourth meeting of the IRC's Working Group on Market Analysis and Statistical Indicators, held in Paris on 18 June. Following a vote, the presidency was transferred from the French regulator (ART) to the British regulator (OFTEL).

Regarding the telecommunications baskets, the previous IRG plenary had welcomed the group's proposal to begin a study of telecommunications service prices and international comparisons. The group was given the task of defining the price baskets for fixed and mobile telecommunications services and for internet access. An OECD/Teligen document on this issue was accordingly discussed. Agreement was reached on the price indicator PIBs to present at the next IRG plenary meeting. Also discussed were the models and methodology to be used by the working group.

#### **SMP WG**

The ICP participated on 20 July in a presentation by the German regulator (RegTP) held in Bonn, in the context of a study on dominant position in the mobile network market. An explanation was given of RegTP's methodology in an investigation, which concluded that there was no dominance of the market in question.

### European Union

#### "REASONED OPINION" AGAINST BELGIUM

The European Commission has granted Belgium two months' time to respond to its so-called "reasoned opinion" concerning postal services and the transposition of Directive 97/67/EC.

#### **DEUTSCHE POST CONDEMNED**

Deutsche Post AG was on July 25 condemned by the European Commission for abuse of its dominant position in the German postal market, namely by intercepting, surcharging and delaying incoming international mail. However, Deutsche Post will only pay a "symbolic fine" of one thousand euros, due to legal uncertainty in the respective area at the time the infractions were committed. More information at <a href="http://europa.eu.int/rapid/start/cgi/guesten.ksh?p\_action.gettxt=gt&doc=IP/01/1068|0|RAPID&lg=EN">http://europa.eu.int/rapid/start/cgi/guesten.ksh?p\_action.gettxt=gt&doc=IP/01/1068|0|RAPID&lg=EN</a>.

#### POSTE ITALIANE ABIDES BY COMMISSION DECISION

The Italian government has implemented the European Commission decision of December 2000, thus granting general authorisation to all operators that provide hybrid electronic mail services. The Commission had considered that the exclusive provision of such service by Poste Italiane was against community competition rules. See <a href="http://europa.eu.int/rapid/start/cgi/guesten.ksh?p">http://europa.eu.int/rapid/start/cgi/guesten.ksh?p</a> action.gettxt=gt&doc=IP/01/1057 | 0 | RAPID&lg=EN .

#### **EUROPEAN PARLIAMENT APPROVES RADIO SPECTRUM**

The European Parliament approved on July 5 an altered proposal for a decision, and at first reading a legislative resolution on a proposal for decision. Both concern the regulatory framework for radio spectrum policy in the European Community.

At <a href="http://www3.europarl.eu.int/omk/omnsapir.so/pv2?APP=PV2&PRG">http://www3.europarl.eu.int/omk/omnsapir.so/pv2?APP=PV2&PRG</a> = CALEND&FILE=010705&TPV=PROV&LANGUE=EN .

## ROAMING UNDER INVESTIGATION IN GERMANY AND THE UNITED KINGDOM

The headquarters of new mobile operators in Germany and the United Kingdom were in mid-July targeted by surprise investigations carried out by European Commission services seeking evidence of re-invoicing practices in roaming situations.

#### CONFERENCE ON EGOVERNMENT

The European Commission and the Belgian Presidency of the European Union have announced preparations for a conference on eGovernment (online administration), scheduled for 29-30 November in Brussels. It will follow an Information Day event focusing on this issue, to be held on 10 July, also in the Belgian capital.

More information at <a href="http://europa.eu.int/rapid/start/cgi/guesten.ksh?p\_action.gettxt=gt&doc=IP/01/976|0|RAPID&lg=EN">http://europa.eu.int/rapid/start/cgi/guesten.ksh?p\_action.gettxt=gt&doc=IP/01/976|0|RAPID&lg=EN">http://europa.eu.int/rapid/start/cgi/guesten.ksh?p\_action.gettxt=gt&doc=IP/01/976|0|RAPID&lg=EN">http://europa.eu.int/rapid/start/cgi/guesten.ksh?p\_action.gettxt=gt&doc=IP/01/976|0|RAPID&lg=EN">http://europa.eu.int/rapid/start/cgi/guesten.ksh?p\_action.gettxt=gt&doc=IP/01/976|0|RAPID&lg=EN">http://europa.eu.int/rapid/start/cgi/guesten.ksh?p\_action.gettxt=gt&doc=IP/01/976|0|RAPID&lg=EN">http://europa.eu.int/rapid/start/cgi/guesten.ksh?p\_action.gettxt=gt&doc=IP/01/976|0|RAPID&lg=EN">http://europa.eu.int/rapid/start/cgi/guesten.ksh?p\_action.gettxt=gt&doc=IP/01/976|0|RAPID&lg=EN">http://europa.eu.int/rapid/start/cgi/guesten.ksh?p\_action.gettxt=gt&doc=IP/01/976|0|RAPID&lg=EN">http://europa.eu.int/rapid/start/cgi/guesten.ksh?p\_action.gettxt=gt&doc=IP/01/976|0|RAPID&lg=EN">http://europa.eu.int/rapid/start/cgi/guesten.ksh?p\_action.gettxt=gt&doc=IP/01/976|0|RAPID&lg=EN">http://europa.eu.int/rapid/start/cgi/guesten.ksh?p\_action.gettxt=gt&doc=IP/01/976|0|RAPID&lg=EN">http://europa.eu.int/rapid/start/cgi/guesten.ksh?p\_action.gettxt=gt&doc=IP/01/976|0|RAPID&lg=EN">http://europa.eu.int/rapid/start/cgi/guesten.ksh?p\_action.gettxt=gt&doc=IP/01/976|0|RaPID&lg=EN">http://europa.eu.int/rapid/start/cgi/guesten.ksh?p\_action.gettxt=gt&doc=IP/01/976|0|RaPID&lg=EN">http://europa.eu.int/rapid/start/cgi/guesten.ksh?p\_action.gettxt=gt&doc=IP/01/976|0|RaPID&lg=EN">http://europa.eu.int/rapid/start/cgi/guesten.ksh?paction.gettxt=gt&doc=IP/01/976|0|RaPID&lg=EN">http://europa.eu.int/rapid/start/cgi/guesten.ksh?paction.gettxt=gt&doc=IP/01/976|0|RaPID&lg=EN">http://eu.int/rapid/start/cgi/guesten.ksh?paction.gettxt=gt&doc=IP/01/976|0|RaPID&lg=EN">http://eu.int/Rapid/start/cgi/guesten.ksh?paction.gettxt=gt&doc=IP/01/976|0|RaPID&lg=EN">http://eu.int/Rapid/start/cgi/guesten.ksh?paction.gettxt=gt&doc=IP/01/976|0|RaPID&lg=EN">http:/

# Communications around the World

### **CEPT MEETINGS**

#### **ERC PLENARY**

The 31st and last meeting of the European Radiocommunications Committee (ERC) was held in Bratislava from July 2 to 6. The ongoing reorganisation of the European Conference of Post and Telecommunications Administrations (CEPT) will next September lead the Plenary Assembly to approve a new structure. The ERC and the European Committee for Telecommunications Regulatory Affairs (ECTRA) thus merge to form one single body, the Electronic Communications Committee (ECC). Approved at the meeting, for public consultation, was a proposal for decision on the "Frequency Information System (EFIS) of the European Radiocommunications Office (ERO)". It aims to constitute a centralised database within the ERO. containing all information on frequencies from the various CEPT administrations. Constantly updated, it will be jointly maintained by the ERO and the administrations. The project for decision remains in the public consultation phase until mid-October.

The last joint meeting of the ERC and ECTRA Committees was also held, which basically served to approve results of work on satellite issues.

#### **ERC/CPG PT1**

The second meeting of PT1 (Regulatory Questions) of the Conference Preparatory Group (CPG) of the European Radiocommunications Committee (ERC) was held in Paris on 12-13 July, with the aim of preparing for the 2003 World Radiocommunications Conference (WRC-2003). In order to facilitate the administrations' work and improve the transparency of the procedure adoption process, PT1 proposed that the current procedural practice of the Radiocommunications Bureau of the International Telecommunications

Union (ITU) be published as an annex to the volume on Procedural Rules. PT1 also suggested that the consolidated version of the Procedural Rules in electronic format should be freely and regularly made available to the administrations. France will present to the Bureau's director a proposal to this end.

With the aim of facilitating co-ordination of future preparatory activities for WRC 2003, PT1 elaborated a work plan, including all conference items concerning regulations, which will be updated during the course of preparations for the conference.

PT1 also drew up a package of measures, due to Resolution 1182 of the 2001 session of the ITU Council and given that the Council and other ITU bodies such as the Plenipotentiaries Conferences (PP-94 and PP-98) and the World Radiocommunications Conferences (WRC-97 and WRC-98) had expressed concern over the backlog situation. The measures were included in a work proposal for discussion of the mechanisms and procedures to adopt in order to overcome the delays affecting all Radiocommunications Bureau work related to the process of prior publication, co-ordination and notification of frequencies for networks of geo-stationary satellite systems. This proposal will be submitted by Sweden to the Bureau's director, for action by the Radio Regulations Board (RRB).

#### PT ERC/ECTRA FOR THE ITU

Lucerne was the setting on 9-11 July for meetings of this Project Team set up in the CEPT context to prepare for the March 2002 World Telecommunications Development Conference (WTDC-2002) and the September-October 2002 Plenipotentiaries Conference (PP-02).

The aim of the meeting was basically to evaluate the effective need within the CEPT context

for joint preparation of the Conference and to define a working plan to that effect. The need to launch a consultation for other regional organisations was also highlighted.

Priority topics for the next WTDC's agenda were held to be universal access and information and communication technologies (ICTs), along with regulatory issues, infrastructure development (network and services) and human resources development.

The issues chosen for the development of European common proposals (ECPs) included convergence and regulation, internet access conditions, including tariffs and ITU action to reduce the digital gap, the Union's role in the relationship with other partners involved in the division, the authority of the Telecommunications Development Advisory Group (TDAG), development of the concept of the Project Management Groups (PMGs) and basic working methods, the specific needs of the European countries and the involvement of regional offices in preparing the conference.

Participants in the meeting subsequently debated a number of issues concerning the need to define strategy and the working methods to follow in co-ordinating European positions, including topics related to the rules for European co-ordination and ECPs.

The report of the Council Reform Group, namely its recommendations, and the report of the Joint Inspection Unit were considered to be vital working documents that should underlie the preparation of European common proposals.

Eventual European co-ordination on candidacies to submit to the 2002 Plenipotentiaries Conference was one issue amply discussed by participants.







### NATO-FMSC AND PWG

The Polish city of Krakow hosted on 25-26 June the meeting of the Frequency Management Subcommittee (FMSC) of NATO, in a joint civilian/military session. The meeting of NATO's Policy Working Group (PWG) met on 27-29 June, also in a joint civilian/military session.

Participants in the first meeting decided to involve the partner countries in the process of preparing NATO's position for the next World Radiocommunications Conference (WRC-2003), as means to ensure those countries better alignment with the positions to co-ordinate.

The position previously taken by the FMSC on NATO spectrum policy for the Joint Tactical Information Distribution System/Multifunctional Information Distribution System (JTIDS/MIDS) was also confirmed in the document titled "NATO FMSC Position on Spectrum Support for JTIDS/MIDS", although with reservations from the United States delegation present at the meeting.

The PWG meeting saw the beginning of revision of NATO's civilian/military frequency-sharing accord, the NJFA (NATO Joint Frequency Agreement), which currently dates to 1994. The revision should take into account the decisions taken by the World Radiocommunications Conferences in 1995, 1997 and 2000.

The next meeting of the FMSC/PWG is scheduled for 8-12 October at NATO headquarters in Brussels.

### ITU COUNCIL

As reported in the previous edition of *Spectru*, the Council of the International Telecommunications Union (ITU) held between 18 and 29 June at the organisation's Geneva headquarters paid particular attention to discussing reform of the ITU and approval of its budget for the 2002-2003 biennium.

The Council's working group on reform, a result of the last Plenipotentiaries Conference (1998 in Minneapolis, United States), saw its recommendations to the Council considered in three sections, based on whether the latter did or did not have the power to make a decision: recommendations for immediate appraisal by the Council; recommendations for appraisal by the sector in question; and recommendations that, by implying alteration of the Convention or Constitution, should be submitted to the next Plenipotentiaries Conference, scheduled for 2002 in Marrakesh, Morocco (PP-02). Still within the context of ITU reform, the Council decided to set up a group to edit and draw up resolutions and eventual changes to the ITU Convention and the Constitution, for submission at PP-02.

This editorial group, which will play a decisive role in development of the Union's reform process, should be constituted by a number proportional to the representation of member-states from the different regions, according to the criteria applied by the ITU.

The representatives of Region B - Western Europe - indicated from among the Council members are Denmark, France, Italy and Portugal.

The Council also approved the budget for the 2002-2003 biennium, insisting on the need to rein in administrative spending, which is particularly high due to the costs resulting from effective use of the six official ITU languages: English, French, Spanish, Russian, Chinese and Arabic.

The Council meeting also covered the ITU's participation in the upcoming World Summit on Information Society, to be split between Geneva (Switzerland) in December 2003 and Tunis (Tunisia) in 2005. The ITU's commitment to this

summit should work to spread the spirit of encouraging development - the concept behind this special organisation of the United Nations system.

In the same political line, and given the role the ITU should play as a major forum for communications development at the global level, the theme "Information technology and communication for all: enabling people to overcome the digital gap" was chosen to accompany commemorations of World Communications Day in 2002.

Other future ITU events worth highlighting include the March 2002 World Telecommunications Development Conference in Istanbul (WTDC-2002) and the mid-2003 start, in the context of the Regional Radiocommunications Conference, of the process of revising the Regional Accord for the European Radio Zone (Stockholm, 1961) to cover digital land broadcasting, as well as the World Radiocommunications Conference scheduled for June 2003 in Caracas, Venezuela (WRC-2003).

SEE www.itu.int

### SATELLITE ACTION PLAN PLENARY MEETING

The definition of a strategic policy for the satellite communications sector, based on the provision of broadband services (internet, multimedia services and interactive services, among others), was the main point on the agenda of the annual plenary meeting of the Satellite Action Plan (SAP) in Brussels on 9-10 July.

Organised by the European Commission, the meeting counted the participation of 130 representatives of industry, satellite network service operators, providers of communications services via satellite, the European Space Agency (ESA) and regulatory authorities from the member-states.

The European Commissioner for Enterprise and Information Society, Erkki Liikanen, stressed the importance of satellite communications in development of the Information Society and recalled the competitive advantages that Europe holds and which it should fight to maintain in this area.

The proceedings, in panel format, were spread over five sessions focusing on the topics of "Exploiting the potential of satellite communication"; "Regulation of networks and content"; "Overall management of scarce resources frequencies and orbital slots"; "Free circulation of satellite terminals and services" and "New technologies and applications". The meeting's conclusions indicated the need for co-operation between the private sector and the European Union, at a time when satellite communications play an increasingly strategic role, particularly as a favoured means of communication in less populous areas

The occasion was also marked by the launch of the European Association of Satellite Operators.

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HEADQUARTERS:

Av. José Malhoa, 12 - 1099-017 Lisboa

WEB ADDRESS: www.icp.pt

E-MAIL ADDRESS: info@icp.pt

DIRECTOR Luís Nazaré

PRODUCTION MANAGER:
Companhia dos Riscos, DESIGN LDA
www.companhia-riscos.pt
geral@companhia-riscos.pt

where land networks are not commercially viable.

### News from Other Countries

#### SPAIN - Comisión del Mercado de las Telecomunicaciones (CMT)

- On July 5, the Commission adopted urgent precautionary measures concerning ADSL services provided by the incumbent Telefonica for high-debit access to the internet. At <a href="https://www.cmt.es/cmt/centro\_info/c\_prensa/pdf/c20010705\_adsl.pdf">www.cmt.es/cmt/centro\_info/c\_prensa/pdf/c20010705\_adsl.pdf</a>. CMT also defined, at <a href="https://www.cmt.es/cmt/centro\_info/c\_prensa/pdf/c20010621\_preseleccion.pdf">www.cmt.es/cmt/centro\_info/c\_prensa/pdf/c20010621\_preseleccion.pdf</a>, the operator pre-selection obligations. The regulatory authority likewise approved (see <a href="https://www.cmt.es/cmt/centro\_info/c\_prensa/pdf/c20010621\_oba.pdf">www.cmt.es/cmt/centro\_info/c\_prensa/pdf/c20010621\_oba.pdf</a>) a precautionary measure aiming to stimulate the local telephone supply of the new operators, namely regulating for the first time in Europe the sharing of spaces in Telefonica buildings and exchanges, to enable the installation of the new operators' equipment in those same spaces at sustainable prices.

**GREECE - Hellenic Republic National Telecommunications and Post Commission (EETT)** - The auction for attribution of three third generation mobile licences ended on July 13. Three additional GSM licences were also assigned on July 17. The first phase of the new Greek Numbering Plan, to use 10 digits, took effect in July, with the fourth and last implementation phase planned for October 2002. See <a href="https://www.eett.gr/eng\_pages/index2.htm">www.eett.gr/eng\_pages/index2.htm</a>.

**IRELAND - Office of the Director of Telecommunications Regulation** (**ODTR**) - The ODTR announced on July 27 that the Significant Market Power designations had been revised. See <a href="https://www.odtr.ie/docs/pres270701a.doc">www.odtr.ie/docs/pres270701a.doc</a> . On July 4, the regulator launched a public consultation on the future of the internet in Ireland. The consultation ends on August 27. At <a href="https://www.odtr.ie/docs/pres040701.doc">www.odtr.ie/docs/pres040701.doc</a> .

FRANCE - Autorité de Régulation des Télécommunications (ART) - France Telecom was on July 23 condemned by the Competition Council to pay a fine of 40 million francs for abusing its dominant position in telecommunications markets. At <a href="https://www.art-telecom.fr/communiques/communiques/2001/28-2001.htm">www.art-telecom.fr/communiques/communiques/2001/28-2001.htm</a>. On July 16, ART released results of a May-June consultation on the ENUM protocol, which allows the creation of internet domain names based on telephone numbers and their association with various communications services. Additional information at <a href="https://www.art-telecom.fr/communiques/pressrelease/2001/26-2001.htm">www.art-telecom.fr/communiques/pressrelease/2001/26-2001.htm</a>. On July 6, the authority published results of its first study of mobile network coverage in France. At <a href="https://www.art-telecom.fr/communiques/pressrelease/2001/25-2001.htm">www.art-telecom.fr/communiques/pressrelease/2001/25-2001.htm</a>. In June, ART ruled on the new France Telecom ISP tariffs. At <a href="https://www.art-telecom.fr/textes/avis/01/01-548.htm">www.art-telecom.fr/textes/avis/01/01-548.htm</a>.

LUXEMBOURG - Institut Luxembourgeois de Régulation (ILR) - The former Institut Luxembourgeois de Télécommunications (ILT) has given way to the more comprehensive Institut Luxembourgeois de Régulation (ILR). Besides jurisdiction over telecommunications and postal service, the ILR has taken on added responsibilities in the electricity and gas markets. The aim is to optimise powers and have one single regulatory authority for the different sectors undergoing liberalisation. At <a href="https://www.etat.lu/ILR/">www.etat.lu/ILR/</a>. The regulator released on July 28 its decisions concerning the reference offer for local loop unbundling and the reference interconnection offer. At <a href="https://www.etat.lu/ILT/co/decisions/0144.htm">www.etat.lu/ILT/co/decisions/0144.htm</a> respectively.

**THE NETHERLANDS - Commission of the Independent Post and Telecommunication Authority (OPTA)** - The interconnection tariffs set by OPTA and in effect from 1 July 2001 to 1 July 2002 may be consulted at www.opta.nl/download/besl tarieven ibt uk 290601.pdf.

AUSTRIA - Austrian Regulatory Authority for Telecommunications and Broadcasting (RTR GmbH) - After three and a half years of activity, the Telecommunications Regulatory Authority (TKC) formally ceased to exist on 31 March, giving way to RTR GmbH, which besides inheriting the previous jurisdiction over telecommunications, also assumed a new function as operating arm of the Austrian Communications Authority (KommAustria), which regulates broadcasting. At <a href="https://www.tkc.at/">www.tkc.at/</a>. In late June, the Austrian regulator adopted (at <a href="https://www.tkc.at/www/tkc\_main.nsf/">www.tkc.at/www/tkc\_main.nsf/</a> frameset?OpenAgent&Kat=E\_AxX&Content=http://www.tkc.at/www/tkc\_main.nsf/pages/willkommen-e) the interconnection tariffs for 2001, with effects retroactive to 1 April.

**UNITED KINGDOM - Office of Telecommunications (OFTEL)** - OFTEL published on July 26 information on the timetable for establishment of the new position of Telecoms Ombudsman, which should become operational in the first semester of 2002. Details at <a href="https://www.oftel.gov.uk/press/releases/2001/pr52\_01.htm">www.oftel.gov.uk/press/releases/2001/pr52\_01.htm</a>.

UNITED KINGDOM - Postal Services Commission (Postcomm) - The postal sector regulator has launched a public consultation concerning the grant to Hays DX of a temporary licence to provide niche postal services, as well as two additional consultations, on the opening to competition and on the costs of universal service. Information at <a href="https://www.psc.gov.uk/">www.psc.gov.uk/</a>.

**MOZAMBIQUE - Ministry of Transports and Communications (MCT)** - The Mozambican government plans in September to grant a second GSM mobile licence. At <a href="https://www.mtc.gov.mz/">www.mtc.gov.mz/</a>.

BRAZIL - Agência Nacional de Telecomunicações (ANATEL) - The proposal to regulate the use of radio-frequencies for Personal Mobile Service in the bands from 907.5 MHz to 960 MHz is subject to public consultation from 17 July until 13 August. At <a href="https://www.anatel.gov.br/biblioteca/Releases/2001/release\_17\_07\_2001%282%29.pdf">www.anatel.gov.br/biblioteca/Releases/2001/release\_17\_07\_2001%282%29.pdf</a> . On July 13, the Agency approved the Regulation for Application of Resources of the Fund for the Universalisation of Telecommunications Services (FUST), as well as the call for bids on the first programme planned by FUST - the Education Programme. Details at <a href="https://www.anatel.gov.br/biblioteca/Releases/2001/release\_13\_07\_2001%283%29.pdf">www.anatel.gov.br/biblioteca/Releases/2001/release\_13\_07\_2001%283%29.pdf</a> . ANATEL also announced that at the end of the first six months of this year some 60.6 million telephone accesses were registered in Brazil, of which 43.3 million were fixed and 25.8 million mobile. See <a href="https://www.anatel.gov.br/biblioteca/Releases/2001/release\_17\_07\_2001.pdf">www.anatel.gov.br/biblioteca/Releases/2001/release\_17\_07\_2001.pdf</a> .

### HONG KONG - Office of the Telecommunications Authority (OFTA)

- The pre-qualification period for the auction for attribution of four third generation mobile licences opened on July 18. Contestants have until September 18 to submit their candidacies; the auction should be held later that same month. Details at <a href="http://www.ofta.gov.hk/frameset/">http://www.ofta.gov.hk/frameset/</a> home index eng.html .

### PRIORITIES OF THE BELGIAN PRESIDENCY

Belgium's Presidency of the European Union (1 July to 31 December 2001) coincides with a crucial period of European integration, at a time when planning is under way to expand the Union to include a total of 25 or even 27 member-states, given the recent adoption of the Nice Treaty. The introduction of the European single currency (euro) at the beginning of 2002 makes this imminent reality even more evident. With this panorama in mind, the Belgian government chose six priority themes for the ongoing Presidency: more thorough debate on the future of Europe; improvement of labour quality, promotion of equal opportunity and the fight against exclusion and poverty; promotion of sustainable economic growth and a common economic policy; establishment of a European area of freedom, security and justice; encouragement of sustainable development and improved quality of life; and enhancement and strengthening of external aspects of the European Union.

The establishment of a European area for investigation and innovation is likewise a concern formally recognised by Belgium in the document that sets the priorities of its Presidency. The Belgian government wants to make up for the European Union being behind the USA and Japan in this area, and to see approved a common Council position on the 6th framework-programme for research and development. It also aims to obtain political consensus on the issue of the so-called "community patent".

Two Councils of Telecommunications Ministers have been scheduled for the Belgian Presidency. At the first, on 15-16 October, representatives of the 15 will seek to reach political agreement on the management structure of the GALILEO satellite communications system. The 99 Review package will also be subject to debate, namely the adoption of common positions concerning the draft Directive on the processing of Personal Data and the Protection of Privacy, the proposed Decision on the regulatory framework for radio spectrum policy, the altered Postal Directive proposal and the proposal for a Regulation to set up an .eu domain. Also foreseen is the vote on a resolution concerning the Commission Communication on the security of information networks. The Commission is also expected to present two new communications, one on access to the web (eEurope 2002) and the other accompanied by a proposal for Directive, on development of the Green Book on public sector access to information. At the second sectorial Council, scheduled for 6-7 December, the Commission will present a report containing the financial profitability plan for GALILEO. But the high point of the encounter will centre on final approval of the entire regulatory package for telecommunications (99 Review), including the framework-Directive and five new Directives for the sector and the regulation on the .eu domain. The Commission is at the same time expected to present the 7th report on implementation of telecommunications legislation. Other agenda items include the eventual adoption of changes to Directive 97/67/EC, which will enable liberalisation of the postal sector; the holding of an orientation debate on trans-European telecommunications networks; and the Commission's presentation of a Communication on promotion of the regulation for on-line litigation; and a

The Brussels-Laken European Council will be held at the end of the Presidency term in December 2001. The occasion should result in adoption of a Declaration defining the parameters of debate on the future of the Union, namely the powers it will have, the way it will be financed, the institutions it will encompass and the future decision-making process.

proposed Directive on mutual recognition of information product security

SEE www.ue2001.be

## ONP COMMITTEE

The Open Network Provision (ONP) Committee met in Brussels on July 4, with attention focusing on issues related to unbundling of the local loop and particularly the Commission's presentation of a document that lists various reflection topics concerning local network opening prices.

Also worthy of note was the United Kingdom's presentation on its activities in the area of Electronic Numbering (ENUM), with special reference to a seminar on this issue organised by the Department of Trade and Industry (DTI) last June. More information on the seminar is available at <a href="https://www.dti.gov.uk/cii/regulatory/enum/index.shtml">www.dti.gov.uk/cii/regulatory/enum/index.shtml</a>.

evaluation certificates.

### **OECD**

### - Trade Committee

The last internal report on barriers to the harmonisation and liberalisation of trade with regard to the telecommunications sector prepared by the Organisation for Economic Co-operation and Development (OECD) indicates areas where uniting forces in the regulatory field is a priority. The areas in question are electronic security, electromagnetic compatibility, radiocommunications interference, health, environment, public network protection, inter-operability and service quality. The study, prepared by the OECD Secretariat for subsequent debate in the Trade Committee, sought to analyse the costs/benefits of international harmonisation of diverse telecommunications terminal equipment, as a way to encourage liberalisation of the sector.

#### - Internet Debate

An OECD workshop on Internet Traffic Exchange was held in Berlin on 7-8 June, with debate focusing on matters related to Internet access traffic, ISP and network interconnection and comprehensive connections. Documents concerning this meeting are available at <a href="https://www.oecd.org/dsti/sti/it/cm/">www.oecd.org/dsti/sti/it/cm/</a> index.htm .

### **EVENTS IN AUGUST 2001**

- Broadcast & Cable 2001 1 to 3, São Paulo
- Jupiter Online Advertising Forum 7 to 9, New York
- Financing 3G: Delivering Return on Investment29 to 30, London
- IFA Berlim 2001 25/8 to 2/9, Berlin