

### **3 INTERNATIONAL PARTICIPATION**

ICP-ANACOM develops an intense activity in the international field. According to its statutes, it is responsible for assuring the technical representation of the Portuguese State and international bodies of the same nature, when otherwise is not determined, to accompany the activity of similar regulatory bodies and the of foreign communications regulation experiences, and to establish relationships with other regulatory bodies.

For the purpose of the current Report, the option was to mention the international participation more directly connected to ICP-ANACOM's regulation activity, highlighting the growing importance that the works undertaken at the level of community structures and of the European Regulators' groups (ERG/IRG) have in modelling and harmonizing regulation policies at the national level, which they clearly influence. On the other hand, these bodies are important centres for the exchange of experiences and the development of benchmarks and common orientations on the most diverse aspects of sectoral regulation.

In any case, it should be stressed that issues related to numbering and addressing, and network architectures and inter-operation, continue to be dealt with mainly at ITU and ETSI, on working groups where ICP-ANACOM also participates.

#### **3.1 European Union**

In 2006, ICP-ANACOM participated actively on the committee activities foreseen in the community framework, specially in the following bodies, more directed to the regulation of markets and of the radio spectrum: Communications Committee (COCOM); Radio Spectrum Committee (RSC) and Radio Spectrum Policy Group (RSPG); Postal Directive Committee.

##### **3.1.1 Communications Committee (COCOM)**

COCOM was created by the Framework Directive (2002/21/EC). ICP-ANACOM was present at all COCOM meetings held in 2006, assuring the national representation and actively participating in all the debates that occurred. Regarding the most relevant issues under debate, the highlight goes to the EC's draft Decision on the "116" numbering range, the review of the electronic communications regulatory framework, and the USP's denomination. Other issues with regulatory importance were also approached, such as the notifications under the terms of article 7 of the Framework Directive (2002/21/EC), the list of reviewed standards, the implementation of the "112" emergency numbers and, also,

issues related with specially challenged users, VoIP and communications through the electric transmission network (power line communications).

Five subgroups operate in the scope of COCOM: the inclusive communications group (INCOM), the group dedicated to standardization, the group regarding Digital TV (CBISS), the group for safety and emergency communications, and the work group on authorizations (created in 2006). Also in 2006 an ad-hoc group was created, with experts from COCOM and the Spectrum Committee (RSC), to discuss the regulatory issues associated to the uses of the 2 GHz frequency band by mobile satellite services.

From COCOM's activity in 2006, its participation in the approval of the following EC decisions stands out:

- Decision on the list of standards and/or specifications for electronic communications networks and services and associated resources and networks, which replaces the previous versions;
- Decision regarding the reserve of the numbering range started with "116" for numbers and harmonized services with social value for the European Citizens.

### **3.1.2 Radio Spectrum Committee**

RSC (Radio Spectrum Committee), created by the Decision no. 676/2002/EC, continued its activity in 2006 with the development of several draft decisions, namely the EC draft decision on the harmonization of the information available regarding the use of radio spectrum in the Community, with the creation of a common point for information and for the harmonization of the format and contents of that information, and with the draft Decision on the 900 and 1800 MHz frequency bands.

From this Committee's activity in 2006, its participation in the approval of the following five EC draft decisions stands out:

- Decision changing point 1 of article 4 of Commission's Decision 2005/513/EC, on the harmonized use of spectrum in the 5 GHz frequency band for the implementation of wireless access systems, including radio local area networks (WAS/RLAN);
- Decision on the harmonization of the Community's spectrum with the purpose of its use by low power and short range devices (SRD);
- Decision on the harmonization of the spectrum for radio frequency identification devices (RFID), which operate in ultra high frequency (UHF) bands;

- Decision on the harmonization of the radio spectrum for devices that use ultra-wide frequency band (UWB) technology in the Community;
- Decision on the harmonized use of the radio spectrum in the 2 GHz frequency band for the implementation of mobile satellite services (MSS) systems;

In 2006, several mandates for the CEPT were also adopted regarding, namely, BWA (broadband wireless access) systems; SRD and ITS (Intelligent Transport Systems), mobile communications on aircrafts in the 1800Mhz frequency band, harmonization of the use of the L band for mobile multimedia applications, implementation of WAPECS (Wireless Access Policy for Electronic Communications Services), and harmonization of options for the use of the so-called “digital gap” (spectrum released by the implementation of digital terrestrial television and the switch-off of analogical television).

### **3.1.3 Radio Spectrum Policy Group (RSPG)**

RSPG, created by Decision no. 2002/622/EC, adopted two Opinions in 2006, one on the introduction of mobile multimedia systems (namely in the scope of the so-called digital gap), and another, on the use of radio spectrum for scientific purposes.

### **3.1.4 Postal Directive Committee**

The Postal Directive Committee, created by Directive 97/67/CE, which was transposed to national Law by Decree-Law no. 116/2003 of 12 June, met once in 2006. It decided over some items of the proposal for the review of the Postal Directive and this directive’s 3<sup>rd</sup> implementation report. It also attended EC presentations on the results of the public consultation it launched on postal services, on the collection of statistical data made in 2005, with the cooperation of CERP and of the postal operators, and on the results of a quality analysis to the intra-community postal services produced by the UNEX (Unipost External Monitoring System) system.

### **3.1.5 European Regulators Group (ERG)**

ERG (European Regulators Group), created by Commission’s Decision no. 2002/627/EC, discussed several issues in 2006, such as ERG’s joint reply to the review of the new regulatory framework and the recommendation on relevant markets, the stand on international roaming, and the works developed regarding the regulatory harmonization. On one of the plenary sessions, ICP-ANACOM made a presentation on the access to conduits in Portugal.

Reports were approved in 2006 regarding competition on the mobile access market, spectrum allocation and possible obstacles, in market 18, transparency in the international roaming and items related to consumers in the provision of VoIP services. ERG's common position regarding the approach to remedies in the electronic communications regulatory framework was also reviewed.

It should be mentioned that ERG develops its work in close cooperation with the IRG. We following present a description of the most relevant 2006 activities carried out in the scope of the IRG.

### **3.2 Independent Regulators Group (IRG)**

In 2006, IRG (Independent Regulators Group) gathered the NRA of the communications sector of the 27 EU Member States, of the European Economic Area (Switzerland, Iceland, Norway and Liechtenstein), and of the candidate countries to the EU (Turkey and Croatia), while Macedonia was admitted as an observing member.

In 2006, ICP-ANACOM attended all IRG plenary meetings and at their preparatory meetings, having made part of an operational middle group with representatives of each NRA, named Contact Network.

ICP-ANACOM actively contributed to the collection and dissemination of information among several NRA. In 2006, it launched 11 questionnaires and replied to 87, from other NRA.

An IRG/ERG plenary meeting and an IRG seminar on the review of the regulatory framework took place in Portugal (Funchal) in October, hosted by ICP-ANACOM. This plenary meeting discussed the ways to strengthen IRG's and ERG's role, with the adoption of the Madeira Declaration, which foresees ways to foster the harmonization of the application of the regulatory framework, sets the need for NRA to justify the deviations from the common positions adopted by ERG, strengthens the cooperation between NRA and fosters the exchange of best practices.

During 2006, ICP-ANACOM gave priority to the presence and participation on the following work groups (WG): Fixed Networks, Significant Market Power, Mobile Market, End Users, Regulatory Costing and IRGIS (IRG information system), having chaired two of these (End Users and IRGIS WG). It also participated on project teams (PT): Obligations (Remedies), International Roaming, IP-IC/NGN (Next Generation Networks), VoIP (Voice over Internet Protocol) and the 2006 Review. The following topics stand out from the work developed in 2006:

- The Fixed Networks WG updated the report on the competition in the broadband market regarding 2006. Following a request from the EC, this WG put forward a position on the need to deepen article 12, no.1, of the Access Directive, regarding the sharing of infra-structures;
- The Significant Market Power WG produced a report comparing the experience and results of the market analysis to market 18 (radio broadcasting wholesale market) in the several Member States. This group produced the reply to the EC consultation on article 82 of the Treaty, which focused on the abuse of the privileged position by dominant companies that may lead to market exclusion. In the scope of the regulatory framework review, this WG produced contributions to reply to the EC consultation on the draft Recommendation on relevant markets. "Joint dominance" was also analysed, with a survey of NRA experiences in the application of this concept to market analysis. Lastly, this WG analysed the concept of buyers' counter-power, in particular applied to the mobile termination markets;
- The Mobile Market WG updated the benchmark regarding the termination prices of voice services, which has been done every semester since 2004, and prepared a new benchmark regarding SMS termination prices. This WG also prepared two documents on the competition problems associated to mobile access;
- The End Users WG produced a report on VoIP from the consumers standpoint, which showed the regulatory differences existing among the European countries, with ERG members making the commitment to increase the consistency of their policies on this matter;
- The Regulatory Costing WG worked on the making of a benchmark on methodologies of weighted average cost of capital (WACC) of the operators with SMP;
- The Obligations (Remedies) WG concluded the work on the update and development of a common position on the application of regulatory obligations to operators with SMP;
- The PT on International Roaming produced replies to the EC consultations on the international roaming prices draft regulation (EC Call for Input and second public consultation). After the EC draft Regulation on international roaming was publicized, this PT prepared more technical documents, aimed at supporting the negotiations at the EU Council of Ministers regarding the mentioned draft Regulation;
- The 2006 Review PT prepared replies to the EC on the review of the electronic communications regulatory framework and the review of the Recommendation on

relevant markets, ICP-ANACOM being represented on the Steering Groups created within that scope;

It should be highlighted that the IP-IC/NGN PT prepared a document on the evolution taking place at IP networks interconnection, reflecting the recent developments at the NGN and voice over IP networks. It also prepared another document with guidelines on the approach to be followed regarding the developments of the NGN networks, which summarizes the results of the questionnaire and of the information obtained, including the contributions of the workshop held in Brussels, on 22 June, with the sector associations (ECTA, ETNO, GSMA-E, EuroISPA, ETP and ECCA).

It should also be mentioned that, in the matter of NGN, ICP-ANACOM held in October 2006 a specific workshop concerning the new generation networks, where 76 participants were present. Having been invited to make presentations, operators and technology providers answered with an active participation, which translated into dealing with technical aspects related to the architecture, evolution, convergence, access solutions, status of standardization and of the resulting implementations, applications and services, interconnection, interoperability and interoperation, methodologies and examples of network migration, and regulatory items.

Following the activities of the different work groups, aiming to assure the fulfilment of the work programme set for 2006, the following documents were approved at the plenary meeting and made available to the general public (other, due to their more reserved content, were not publicized):

- Principles for the implementation of best practices (PIB) in the use of cost accountancy methods;
- Reply to the Call for input on the review of the electronic communications regulatory framework, including the review of the Recommendation on relevant markets;
- IRG Benchmark on mobile termination rates;
- Paper on powers of the NRA;
- Report on regulatory accounting systems in Europe;
- IRG/ERG Guide;
- IRG/ERG reply to the EC consultation on the review of the regulatory framework;
- IRG/ERG reply to the EC consultation on the review of the Recommendation of relevant markets.