ANACOM AUTORIDADE NACIONAL DE COMUNICAÇÕES

ANACOM RECOMMENDATIONS ON THE PROCESS OF DESIGNATION OF THE PROVIDER(S) OF THE ELECTRONIC COMMUNICATIONS UNIVERSAL SERVICE

These recommendations are presented considering the information included in the public consultation report on the process of designation of the provider(s) of the electronic communications universal service (USP) and the conditions and specifications governing the following universal service (US) components: (i) connection to a public communications network at a fixed location and provision of a publicly available telephone service through that connection; and (ii) provision of a public payphone service, as well as information included in the respective public consultation document.

On 09.05.2018, ANACOM issued a recommendation to the Government whereby the latter was requested not to designate USP for all services included within the scope of the, which would entail a change to the existing legislation, such as to allow the Government to abstain from designating one or more USP. As this change has not been made, this Authority has issued a series of recommendations, as listed below, pertaining to the designation of USP for the two aforementioned US components.

In this sense, ANACOM, within the scope of the competences specified in article 8, point 2, paragraph b), of the respective Regulations, approved by Decree-Law number 39/2015, of 16 March, hereby presents the following recommendations to the Government concerning the respective course of action:

1. To maintain the conceptual model presented for consultation unchanged, i.e. to launch two public tenders for the purpose of designating a sole USP, on a national level (thus avoiding any geographic segmentation), for each of the US components specified in article 87, paragraphs a) and c), of the LEC: i) connection to a public communications network at a fixed location and provision of a publicly available telephone service through that connection; and ii) provision of a public payphone service.

2. To select the entity submitting the least costly proposal for the entire agreement period, for each component, provided that compliance with the service quality levels defined and affordability requirements is ensured.

3. To sign temporary agreements with future USP. In this sense, agreement periods should not exceed 1 year, renewable for 1 additional year.

4. To maintain Internet access speeds unchanged.

5. Regarding connection to a public communications network at a fixed location and provision of a publicly available telephone service through that connection, to limit the number of connections provided to a maximum of 100 per year.

6. To set the base price for connection to a public communications network at a fixed location and provision of a publicly available telephone service through that connection during the first year of the agreement period at 50,000 euros. Should the number of connections established during the initial agreement period not be greater than 20, the base price charged during the extension period should be half of that charged during the first year.

7. To set the base price for provision of a public payphone service during the first year of the agreement period at 52,500 euros.

8. To specify that provision of the service component consisting of connection to a public communications network at a fixed location and provision of a publicly available telephone service through that connection should start immediately after the respective approval by the Court of Auditors or, should no approval be required, immediately after the date of receipt of a communication for this purpose from the Court of Auditors.

9. To specify that provision of a public payphone service should start within 1 month of the respective approval by the Court of Auditors or, should no approval be required, within 1 month of the date of receipt of a communication for this purpose from the Court of Auditors, except when the future USP is the current USP, in which case the latter shall be required to ensure that service provision starts immediately after the respective approval by the Court of Auditors or, should no approval be required, immediately after the date of receipt of a communication for this purpose from the Court of Auditors. The

175 public payphones intended should be available on the start date of service provision, under the terms and conditions defined in the respective specifications.