



SABIEDRISKO PAKALPOJUMU REGULESANAS KOMISIJA

Fixed telecommunications market of Latvia: analysis one year after liberalisation

Andrejs Dombrovskis

Expert

Telecommunications and Postal Department
Public Utilities Commission

Seminar on Economic Dynamics of Newly Liberalized Telecommunication Markets
in CEE countries and Baltic States, Vilnius, Lithuania, - 5-7 October 2004



telecommunications / electronic communications (I)

TELECOMMUNICATIONS

- ? Telecommunication market open for competition since 1 January 2003
- ? Transposition of EU 1998 legal framework for telecommunications completed (approx. 30 legislative enactments issued by PUC) ended in November 2003
- ? More than 200 individual licences and general authorisations issued
- ? More than 40 interconnection agreements signed between network operators, 12 with fixed incumbent
- ? More than 10% of numbering resources allocated to new entrants



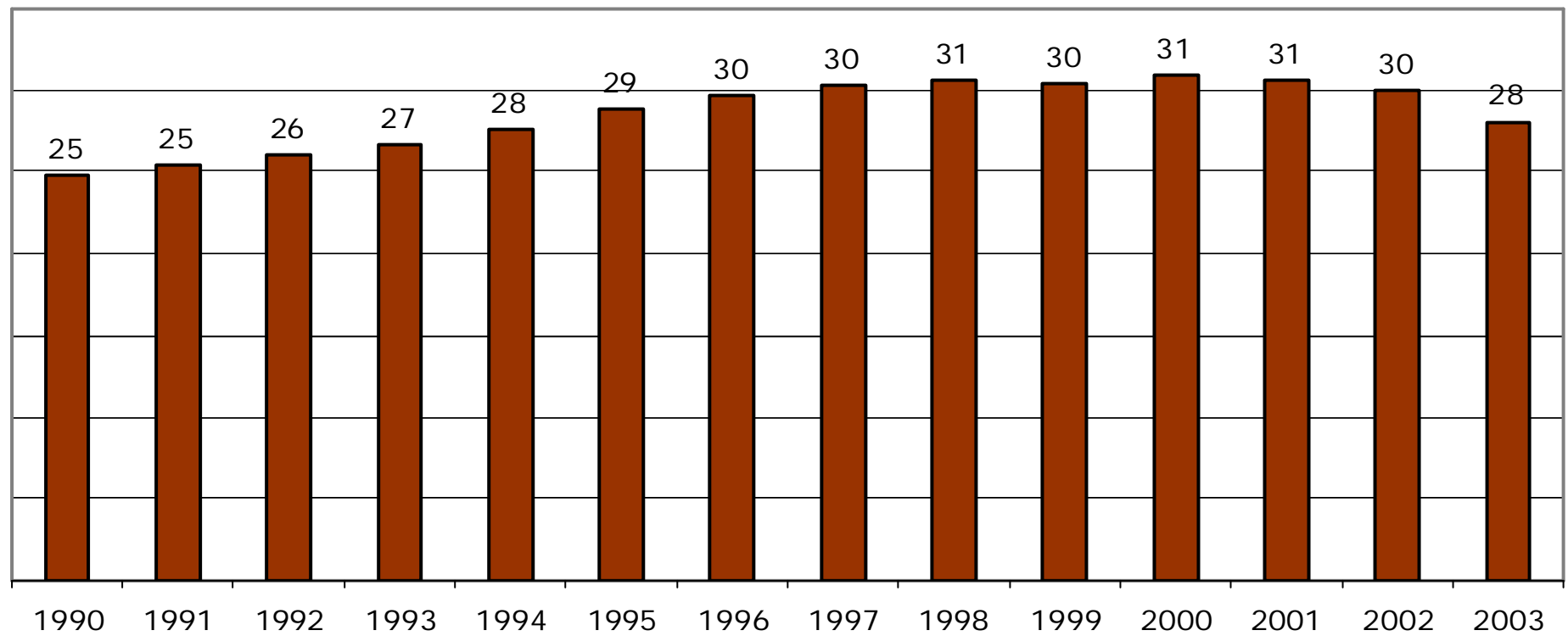
telecommunications / electronic communications (ii)

market regulation prerequisites according to the 2001 law On Telecommunications:

- ? procedure for designation of undertakings as having significant market power
- ? market “setting”
- ? special requirements for undertakings designated as having significant market power

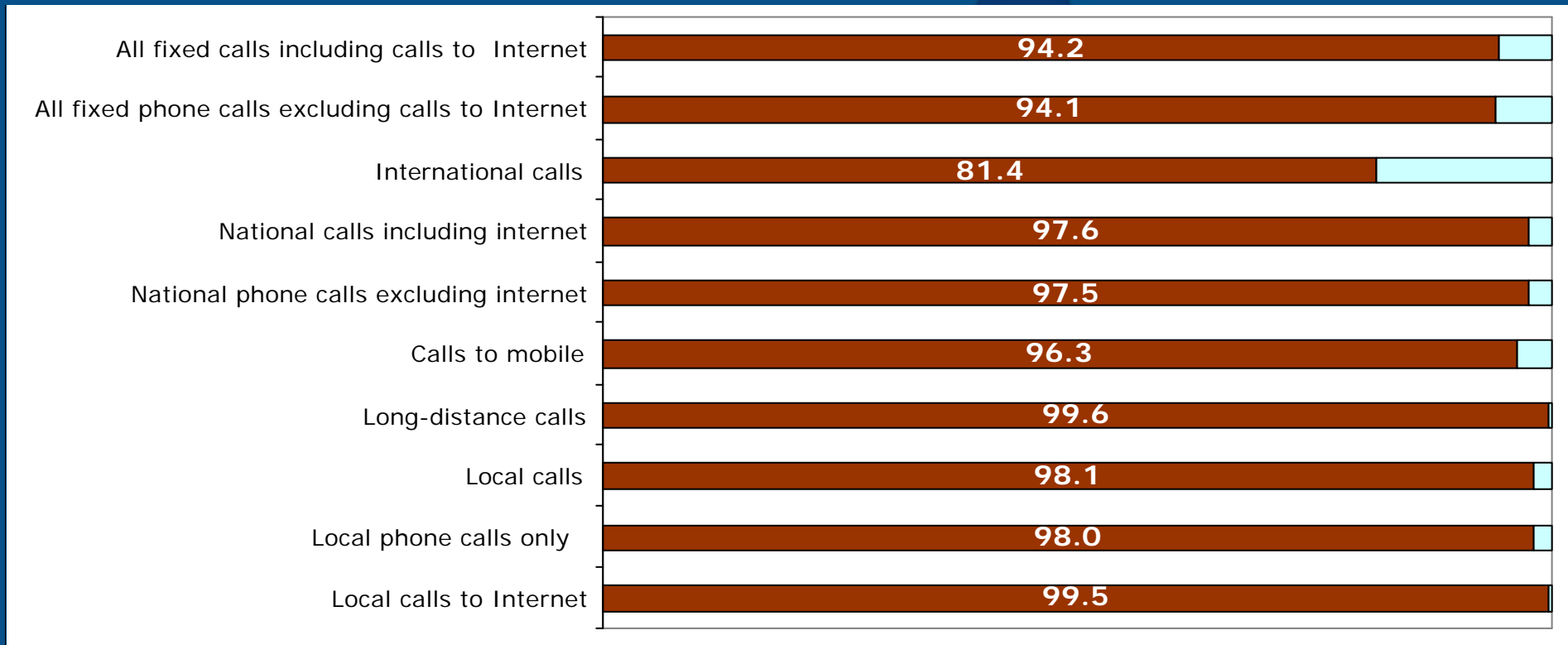


fixed lines penetration (%)



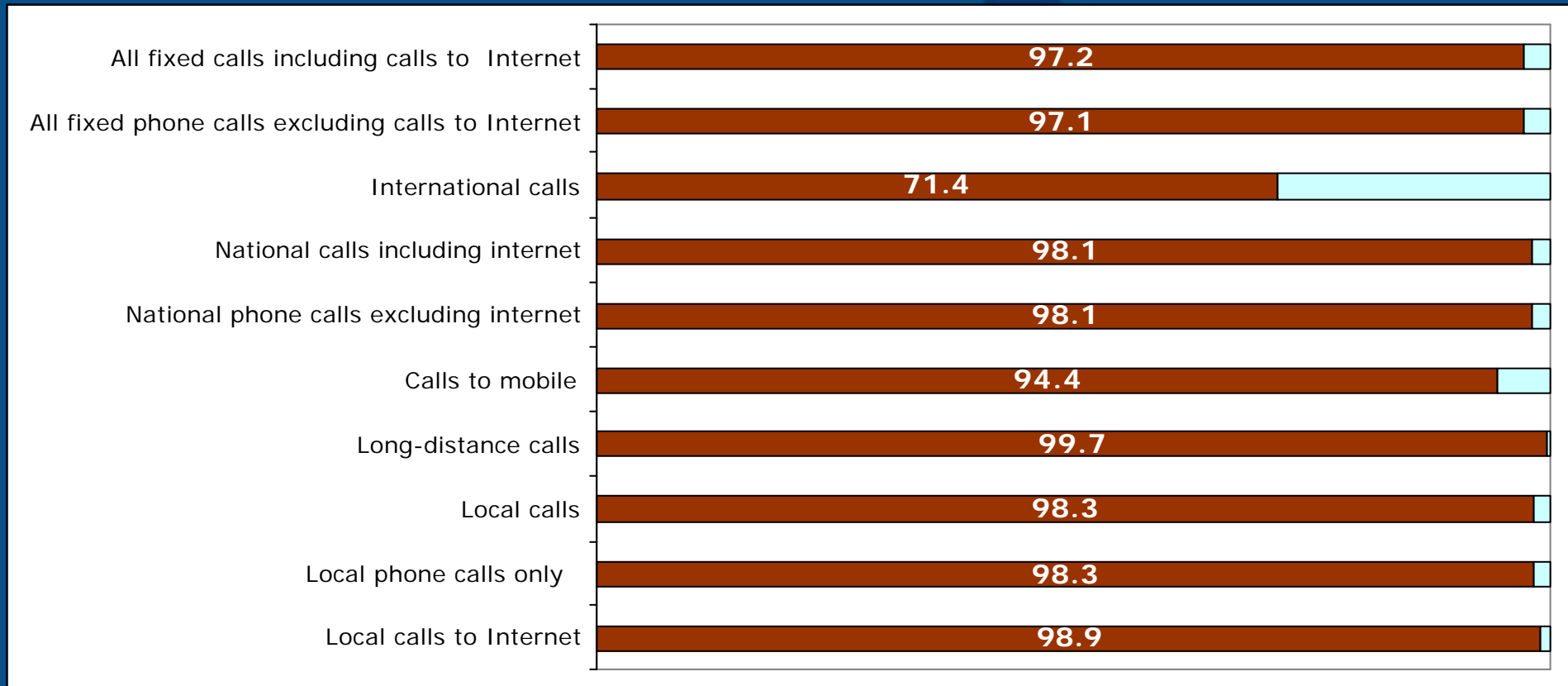


fixed voice telephony market breakdown (I) percentage of revenues as of January 2004



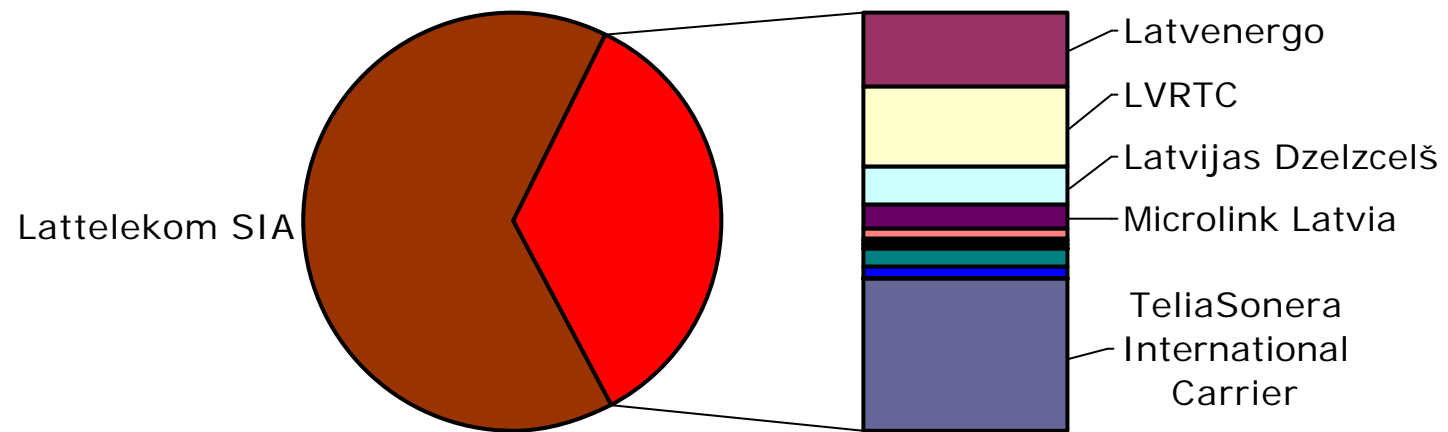


fixed voice telephony market breakdown (II) percentage of minutes as of January 2004





leased lines services market breakdown as of January 2004 (revenues)





electronic communications

- ? transposition of eu 2002 regulatory framework for electronic communications in process starting from 1 may 2004
- ? at least 30 regulatory acts to be drafted during the transition period by november this year
- ? more than 50 new general authorisations already registered
- ? strengthened regulation for access and interconnection



telecommunications | electronic communications (iv)

Licensing and
allocation of
scarce
resources

Markets
and
SMP

Access,
interconnection,
facility sharing
and leased lines

REGULATIONS

Tariff and cost
allocation
methodologies

QoS
requirements
and testing

Dispute
resolution
and
complaints

Universal
service



road ahead:
market analysis procedures according to 2004 law

- ? procedure and criteria for designating of undertakings as having significant market power [Art.8, p.9)].
- ? regulation on special requirements (remedies) for undertakings designated as having significant market power in relevant markets [Art.8, p.9)].
- ? regulation on consultations with market participants on relevant market definition [30.p.(2)].
- ? regulation on information to provided for market analysis and on provision of this information [Art.31, p.(1)].
- ? regulation on imposing, maintaining, amending or withdrawal of special requirements (obligations) for undertakings designated as having significant market power [Art.31, p.(2)].



SABIEDRISKO PAKALPOJUMU REGULESANAS KOMISIJA

Thank you for attention!

visit us at www.sprk.gov.lv