

Speech of the Deputy Prime Minister and the Minister for Information Society and
Telecommunications prof. dr Vujica Lazović

14th International Conference

“Regulating Electronic Communications Market“

Monday, 26 September 2016

Avala Resort & Villas Hotel - Budva

Dear participants of the 14th International Conference,

Dear representatives of the International Telecommunication Union,

Dear colleagues,

Ladies and gentlemen,

It is my pleasure to greet you at the beginning of the International Conference on “Regulating Electronic Communications Market”.

After so many years, this Conference is now recognized as a successful international event which together with the Festival of Information Technology Achievements - INFOFEST gathers a significant number of representatives of the sector of telecommunications and operators covering current topics. For these reasons we believe that this year’s Conference will be no exception.

The ICT sector has become the main driver of sustainable development and achieving development goals, which largely rely on digital ecosystem. Montenegro has recognized the importance of ICT for national progress and has dedicated great attention to this area, elevating it to the level of priority in its development plans. The previous period was marked by an intense and dynamic development of information society in Montenegro. Encouraging investments in the development of fixed and mobile communication networks through the full implementation of the law, engagement of telecommunications infrastructure owned by the state and valorisation of the digital dividend are the tasks to which the Ministry for Information Society and Telecommunications was particularly dedicated in recent years.

Simultaneously with these activities, the environment for healthy competition in the electronic communications market was created. The electronic communications sector in Montenegro is at the level of the developed European countries, which can be concluded based on the growth of the number of users of electronic communications services, traffic growth, the way in which the citizens accept new electronic communications services, as

well as the number of operators of electronic communications in the market. The legal framework for conducting electronic communications in Montenegro is harmonized with the EU *acquis*, its implementation has been conducted well, and thus a good business environment for operators has been created, while the citizens have the opportunity to choose the operator and quality electronic communications services at affordable prices.

Electronic communications networks and infrastructure in Montenegro enable the application of the latest technologies for the provision of services and currently meet the needs of citizens. The operators are increasingly investing in the technological development of their networks, and we have an increasing number of FTTX connections, through which access to the high speed Internet is provided. The telecommunications market in Montenegro in many of its segments has been fully liberalized and competition is largely present. This is the case with fixed and mobile telephony, international traffic, internet services, and fixed and wireless access. The mobile telephony market in Montenegro is highly developed. The existing three mobile operators have implemented the latest technology and provide the most advanced services at affordable prices. The number of users of electronic communications services in Montenegro in all segments of the market continues to increase. As a result, Montenegro has been recognized as a country with an extremely high penetration and the number of users in relation to the population. Penetration of users of mobile telephony is 176.52% and is one of the largest in the world.

Today, the telecommunication sector is experiencing structural changes and is still struggling with a lack of sufficient investments, especially in rural areas. In the EU the debate on the package of a single telecommunications market is in focus. A simpler and more proportionate regulation is needed in the areas where at the regional or national level there was a competition in the field of infrastructure. Also, it is necessary to encourage the introduction of high-capacity networks and retain effective market competition and adequate revenues in relation to risks.

It is estimated that the Internet of Things will have an overall potential economic impact of up to 11.1 trillion dollars a year, about 11% percent of the world global GDP in 2025. Internet of Things will require adequate infrastructure for broadband access. It is therefore necessary to adjust the information infrastructure to the requirements of the future time, which enables high-speed data transfer where this infrastructure is accessible to everyone. For this reason the mapping of physical infrastructure as well as the quality of services through the network is of great importance for policy makers, regulators, investors and services. Accordingly, in order to develop electronic communications networks and reduce costs of their construction and preservation and improvement of planning, data on the type, availability and geographical location of the electronic communications infrastructure and associated facilities which may be of interest for joint use are collected. The development and implementation of geo-referenced database of electronic communications infrastructure is also foreseen. Data from this database will be used not only by EKIP, but also by electronic communications operators, entities in charge of spatial planning documents and state authorities.

Broadband infrastructure is an essential backbone for the provision of e-health, e-education, e-governance and e-commerce services, and the like. Our obligation is to provide accessible broadband Internet, which will be used by the citizens and business, but also in performing daily duties and activities. Special attention in this respect will be devoted to improving coverage in rural areas, since the balanced development in Montenegro is more than necessary, and the inclusion and participation of the less developed and underdeveloped areas in the development of the information society, so as to enable households to use services, which can contribute to economic development and expansion of economic activities.

In addition, our goal is to create conditions for the further smooth development of mobile electronic communications networks and services and the improvement of the overall ICT environment for our citizens and businesses. The 2020 Information Society Development Strategy envisages provision of availability of broadband access for the basic broadband access ⇒ coverage: 100% of the population by 2018 and high speed broadband access (30 Mbit/s or more) ⇒ coverage: 100% of the population by 2020.

Taking into account characteristics and the current state in the market of public electronic communications networks and services, in the procedure of allocation of radio frequency spectrum for mobile networks, we want to preserve and promote competition in the market. This procedure will definitely result in the benefits for our citizens in the sense of the implementation of new technologies, better quality and greater availability of services, especially in sparsely populated and difficult-to-access areas. Operators will overcome the constraints in the transmission of signals more easily and successfully with the new technology, and significant frequency bands will be used for the further development of mobile services and the rapid development of mobile broadband access to Internet, which provides conditions for a stable and sustainable business. Also, the allocation of the RF spectrum provided substantial revenues for the budget of Montenegro.

Therefore, in the future, the goal is to maintain and if possible improve competition in the market of electronic communications services in Montenegro, create conditions for further unhindered development of mobile electronic communications networks and services and accelerate the achievement of the objectives of the 2020 Strategy for Information Society Development.

Digital Montenegro - a country that has recognized economic and social potential of ICT remains a vision of the development of information society in Montenegro.