



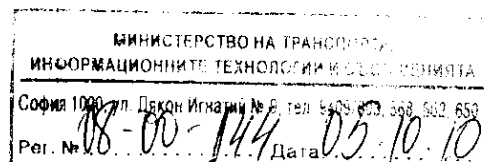
РЕПУБЛИКА БЪЛГАРИЯ
МИНИСТЕРСТВО НА ТРАНСПОРТА,
ИНФОРМАЦИОННИТЕ ТЕХНОЛОГИИ И СЪОБЩЕНИЯТА

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ДО

Г-Н ВЛАДИМИР МАКАРИЕВ
ДИРЕКТОР НА ДИРЕКЦИЯ
„ИНФОРМАЦИОННИ ТЕХНОЛОГИИ“



Относно: *Реализиране на инвестиционен проект за изграждане на електронно-съобщителна инфраструктура за ширококолов достъп до отдалечени и слабо-урбанизирани райони в Република България с финансиране по Оперативна програма „Регионално развитие“*

УВАЖАЕМИ Г-Н МАКАРИЕВ,

Приложено, изпращам Ви писмо с официален превод на становището на националния регулаторен орган – Комисия за регулиране на съобщенията, относно поставените въпроси, във връзка с реализиране на инвестиционен проект за изграждане на електронно-съобщителна инфраструктура за ширококолов достъп до отдалечени и слабо-урбанизирани райони в Република България с финансиране по Оперативна програма „Регионално развитие“.

Приложение: 2 стр.

С уважение,

Руси Иванов

Директор на дирекция ЕКМС

Изготвил: **Виолета Хинова**, *Младши експерт, ЕКМС*

Communications Regulation Commission (CRC) expresses the following position concerning the investment project for establishment of digital communication structure for implementation of broadband Internet access in suburb and weakly urbanized areas in the Republic of Bulgaria with financing by Operational Programme "Regional Development":

1. Referring p.1.3. within the Additional Information List – the applied hitherto instruments for further penetration of broadband Internet Access:

These instruments are as follows:

1) Uncommitted access to the subscriber's line:

An obligation of the former Bulgarian Telecommunication Company Ltd. (BTC) is to prepare, publish and apply a Type Proposal for the conclusion of an Agreement on uncommitted access to the subscriber's line, adopted by CRC under the Telecommunication Law Contents (...) and Regulation 2000/2887/EC. The former company is also obliged to grant access to the coiling copper pair via observing the principles of transparency, publicity and equality. The operational price regulation for this service includes the obligation for the former company to apply cost-oriented prices, determined on the basis of a cost defining system which is approved by the CRC.

2) Access to passive infrastructure:

An obligation of the former company BTC Ltd. is to grant access to the passive infrastructure, provided there exists technical and physical possibility, while observing the principles of transparency, publicity and equality. This obligation is determined by CRC's Common Rules for mutual usage of premises, installations and towers, as well as by CRC's Common Rules for usage of the underground cable network. The operational price regulation for this service puts an obligation on the former company to apply prices, which are determined in correspondence with the price-oriented principle.

3) Specific (beat-stream) Internet access:

An obligation of the former company BTC Ltd. is to grant access while observing the equality principle and determine the prices for this kind of Internet access and the publicity, transparency and cost-oriented principles. In the moment BTC Ltd. grants a Level 2 beat-stream Internet access (in accordance with the Common Position of the European Regulators Group /ERG/, as well as the manifested request of the companies with interest, which have concluded a contract for beat-stream Internet access). The operational price regulation includes an obligation to apply cost-oriented prices.

2. Referring p.2.7. within the Additional Information List – the CRC position on the proposed intervention over the market for broadband Internet access (by the requested additional information):

CRC in principle supports an eventual intervention over the wholesale market for broadband Internet access as it aims the erection of infrastructure within the so-called "white areas" underlying the Community Directions for Implementation of State Aid Rules, related to the rapid spread of broadband networks, and within the National Strategy for Development of Broadband Internet Access of the Republic of Bulgaria. The motives for this position are driven by the existing high-level of non-return investments in weakly populated and hardly accessible regions wherein the consumer's interest toward gaining a broadband Internet access is obvious when compared to the level of the same investments made in densely populated and accessible regions.

Concerning the advanced first stage of the analysis over the markets providing wholesale (physical) access to net infrastructure (including individual and common uncommitted access) to a distinct site and the wholesale market for broadband Internet access, the CRC considers that all particular terms on infrastructural access, which is planned to be set up via state aid, as

well as all particular price regulations should be determined on the basis of consultations between Ministry of Transport, IT and Communications (MTITC) and CRC, with view to the logical conformity between the measures concerning the regions receiving state aid, and the measures - subject to the market analysis.

3. Referring p.3.5. within the Additional Information List – encouragement on the use of the existing infrastructure:

CRC considers that the distribution of additional information to the participants in future auction procedures on the ways they would have been encouraged when using all existing infrastructure is of competence to MTITC as it is the institution which initiates the issuing of state aid. Thus, any duplication in the use of resources would be avoided and the use of state aid would be decreased up to the minimum.

4. Referring p.3.7. within the Addition Information required by the European Commission (on the way the region's access prices would be benchmarked depending on the distribution /or not/ of state aid and the role of CRC in this respect):

CRC considers that the proposed text in p.3.7 of the additional information, as given by MTITC, should be amended because the application of cost-oriented access prices is a specific obligation, which could be enforced after a market analysis by CRC. As far as the Telecommunication Law Contents envisage an obligation for enforcement of cost-oriented prices, the same are applicable to specific services. Thus, in case the analysis of the wholesale market for broadband Internet access concludes the existence of any effective competition, the existing specific obligations should fall.

CRC proposes the access prices for the built-with-state-aid network to be based on the regulated prices, as set by CRC in the frame of the analysis over the markets providing wholesale (physical) access to net infrastructure (including individual and common uncommitted access) to a distinct site and the wholesale market for broadband Internet access. In case these analyses show any effective competition, the benchmark should be made on the basis of published market prices, if any, or on the basis of prices in comparable and more competitive regions within the state or the European Union.

CRC proposes to assist the process of implementation of concrete price measures through giving information, setting up positions and stand-points, and providing participation of commission experts, if necessary, when the elaboration of price obligations for access-granting to the built-up infrastructure takes place. Furthermore, CRC considers that the subsequent monitoring and control over the concrete measures for each particular region, under the conditions of which the state aid would be absorbed, should not be conducted by the regulatory body, as it has limited capacity and resources.