10 Years of Regulatory Evolution

South-East European Telecom

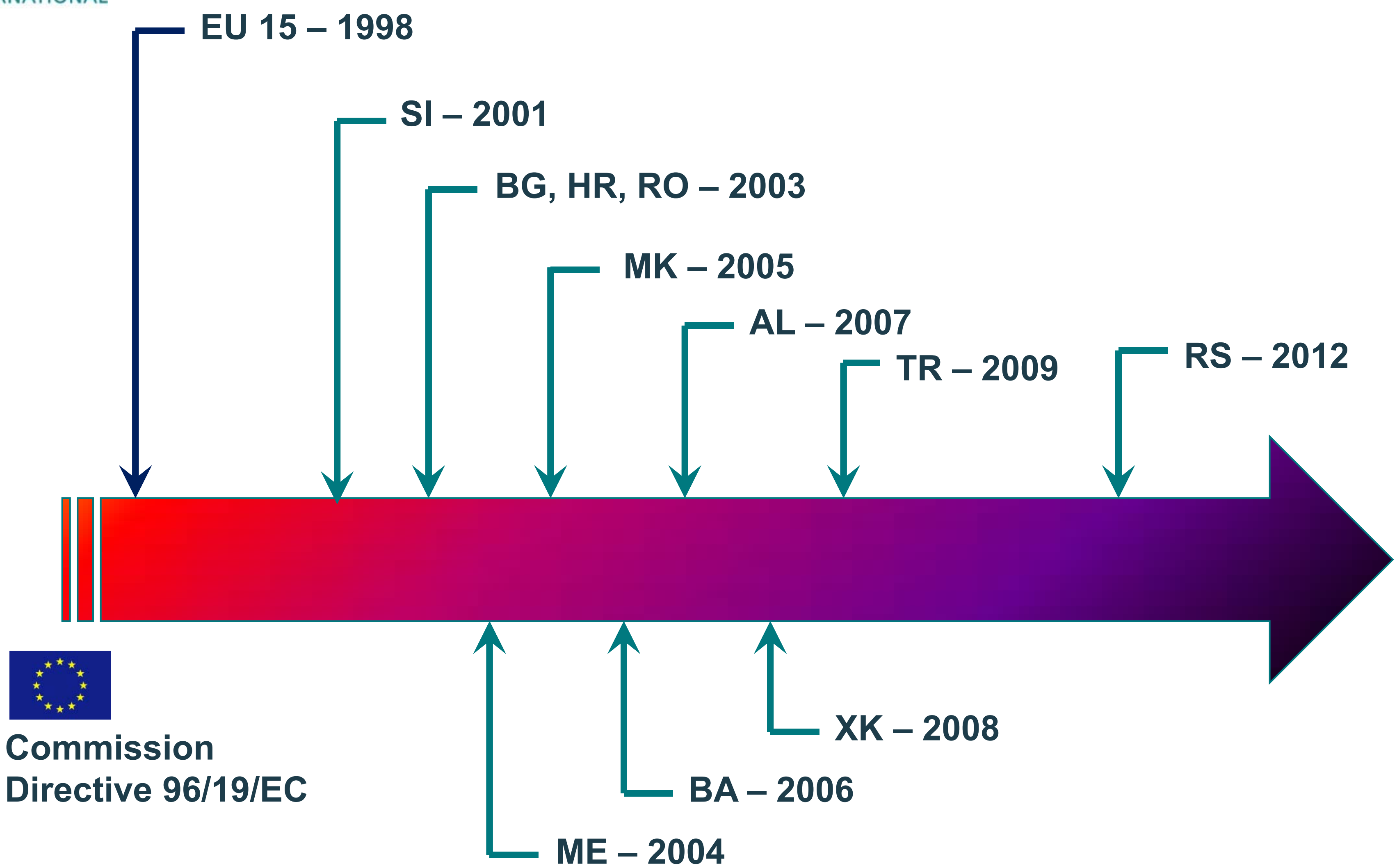
28 - 29 September 2015 – Budva, Montenegro

Veronica Bocarova – Cullen International

Phase I: from state-owned monopolies

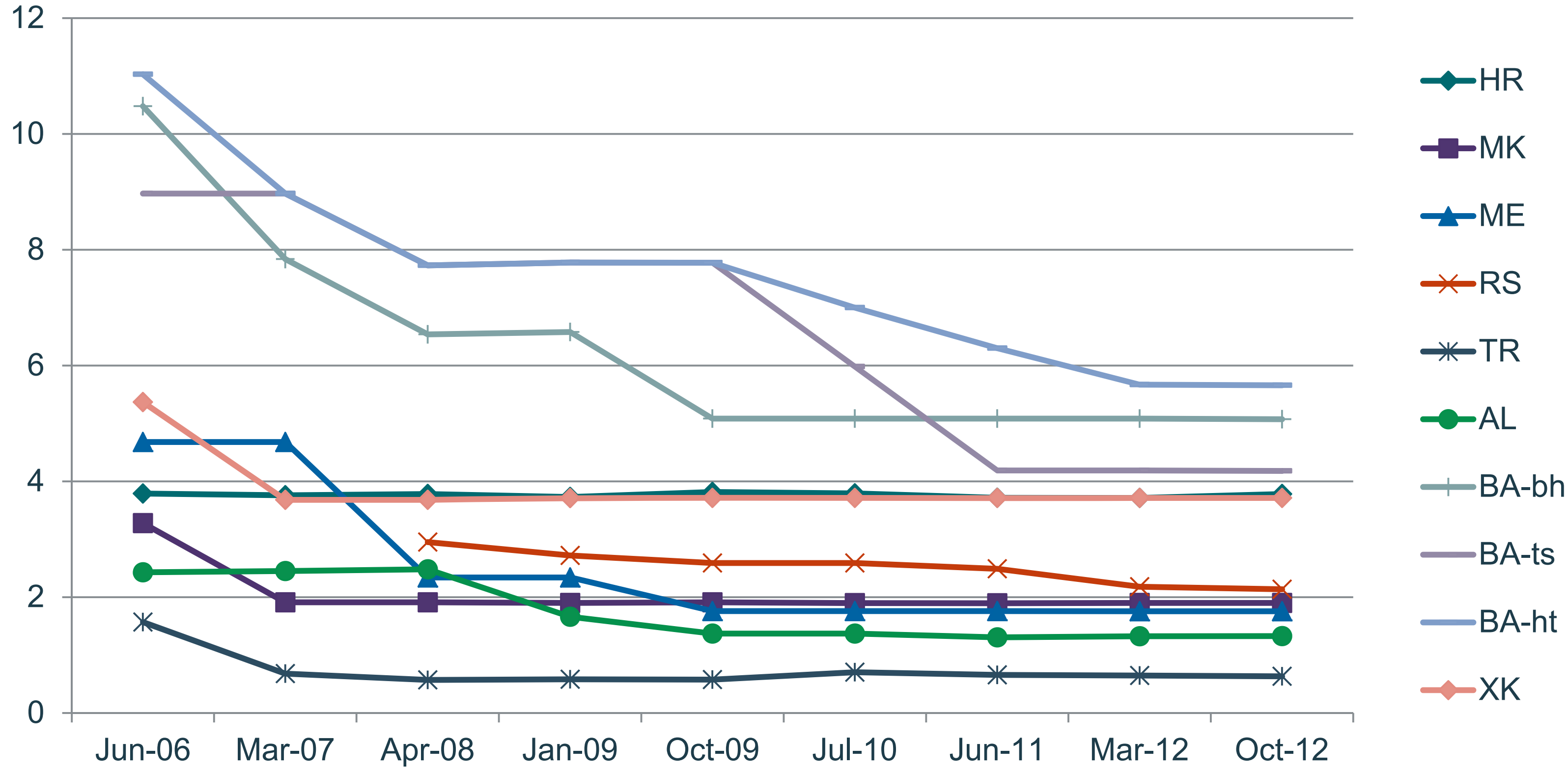
to liberalised markets

Liberalisation of telecom markets



Tariff rebalancing: international calls

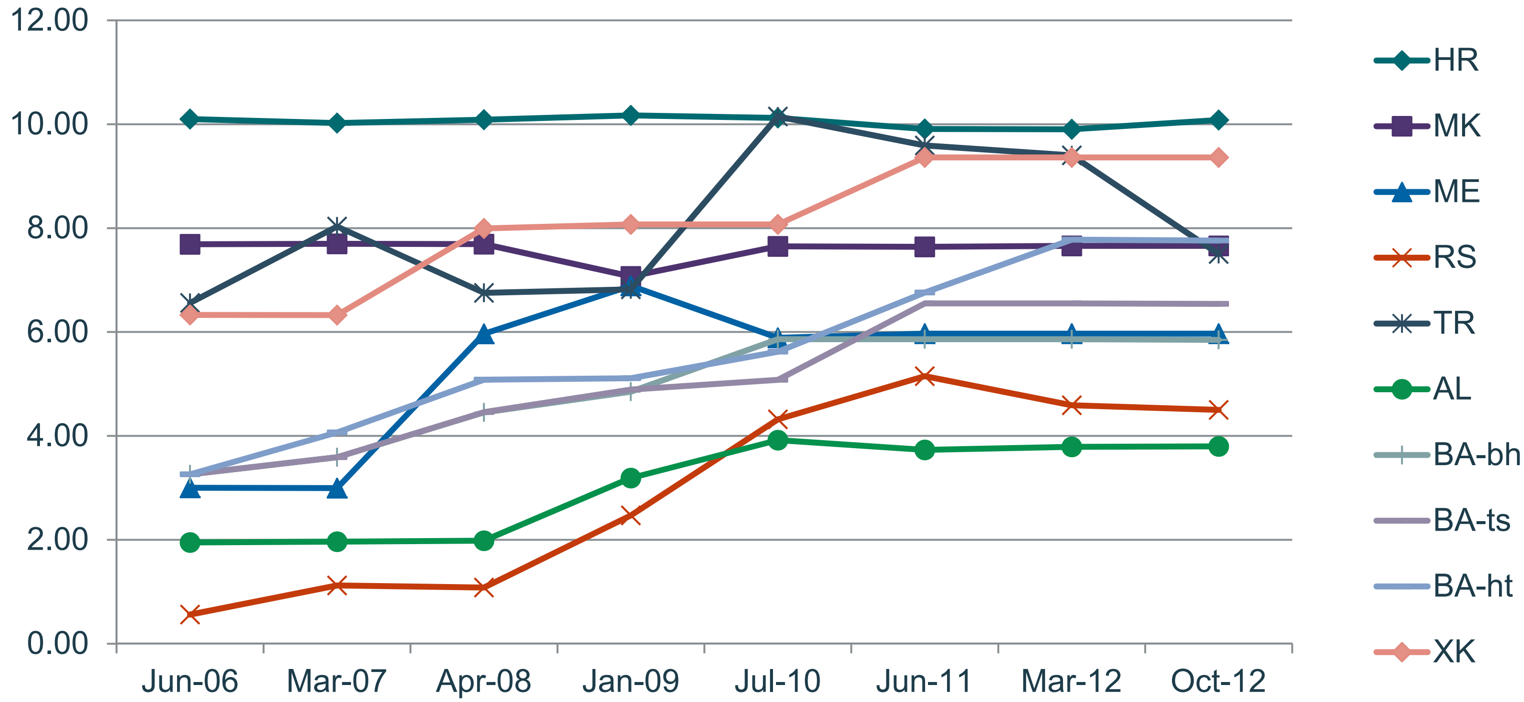
Residential charges for a 10-minute international call to UK by incumbent, in EUR



...International call prices went down...

Tariff rebalancing: fixed line rental

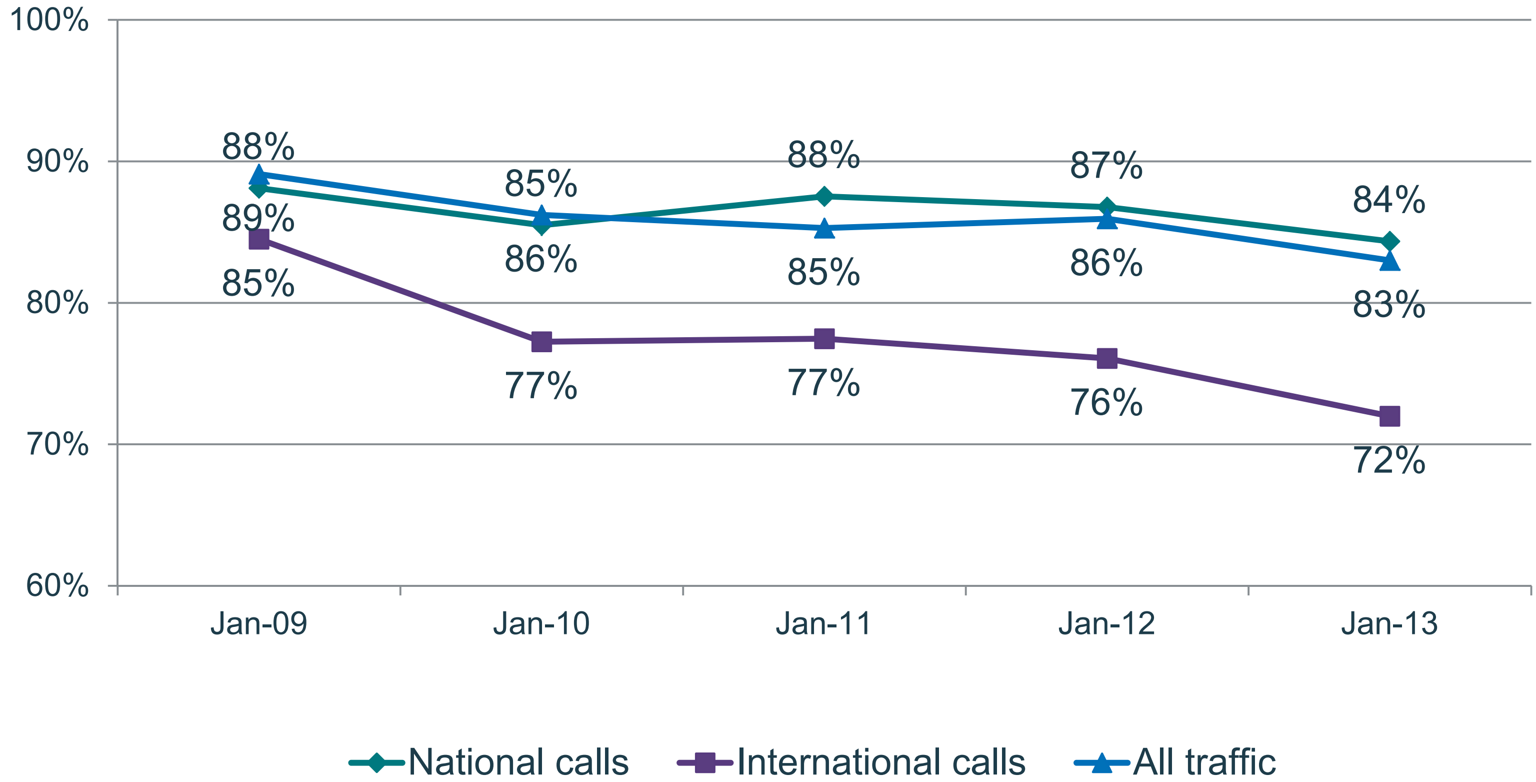
Residential fixed line monthly rentals by incumbent, in EUR



...while line rentals have increased

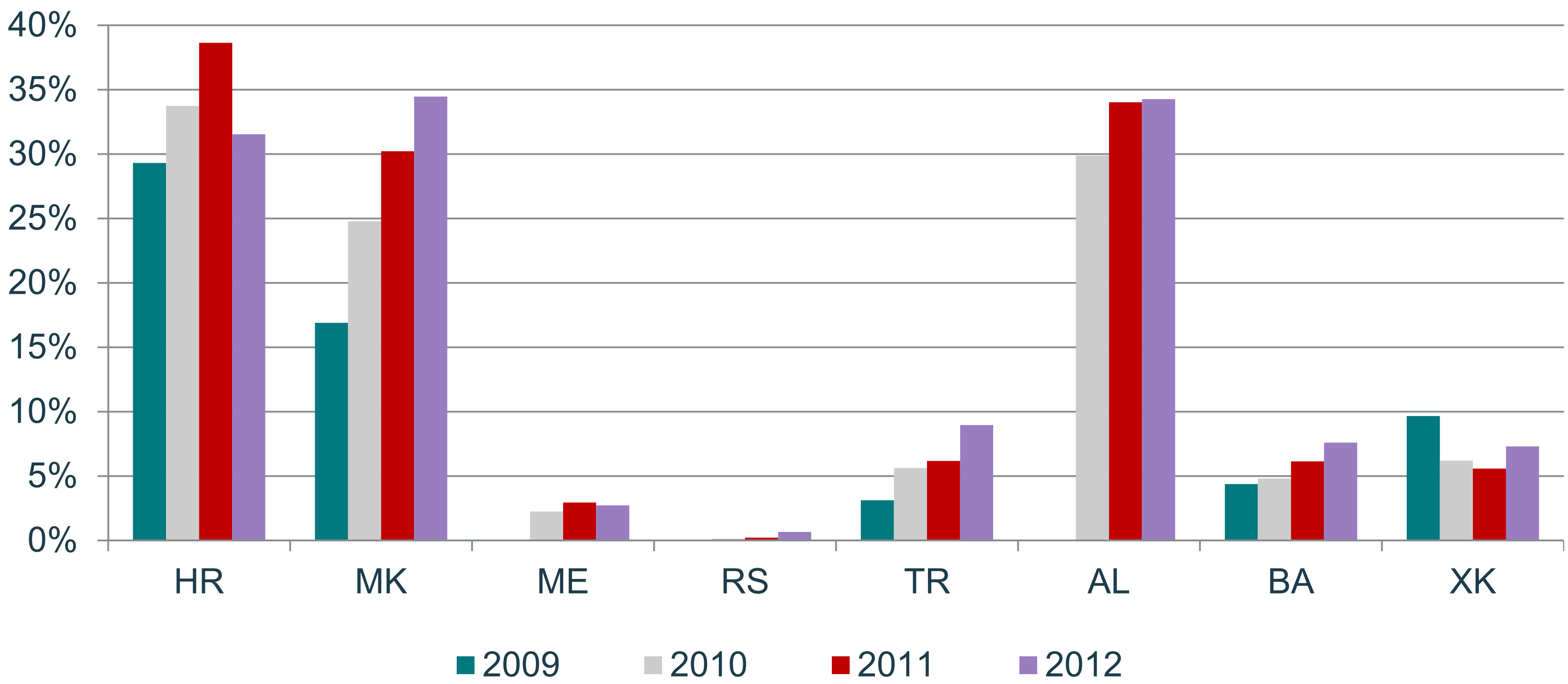
Fixed telephony: competition

Average incumbents' traffic-based market shares in the SEE-8 countries, 2009-2013



Fixed telephony: consumer choice

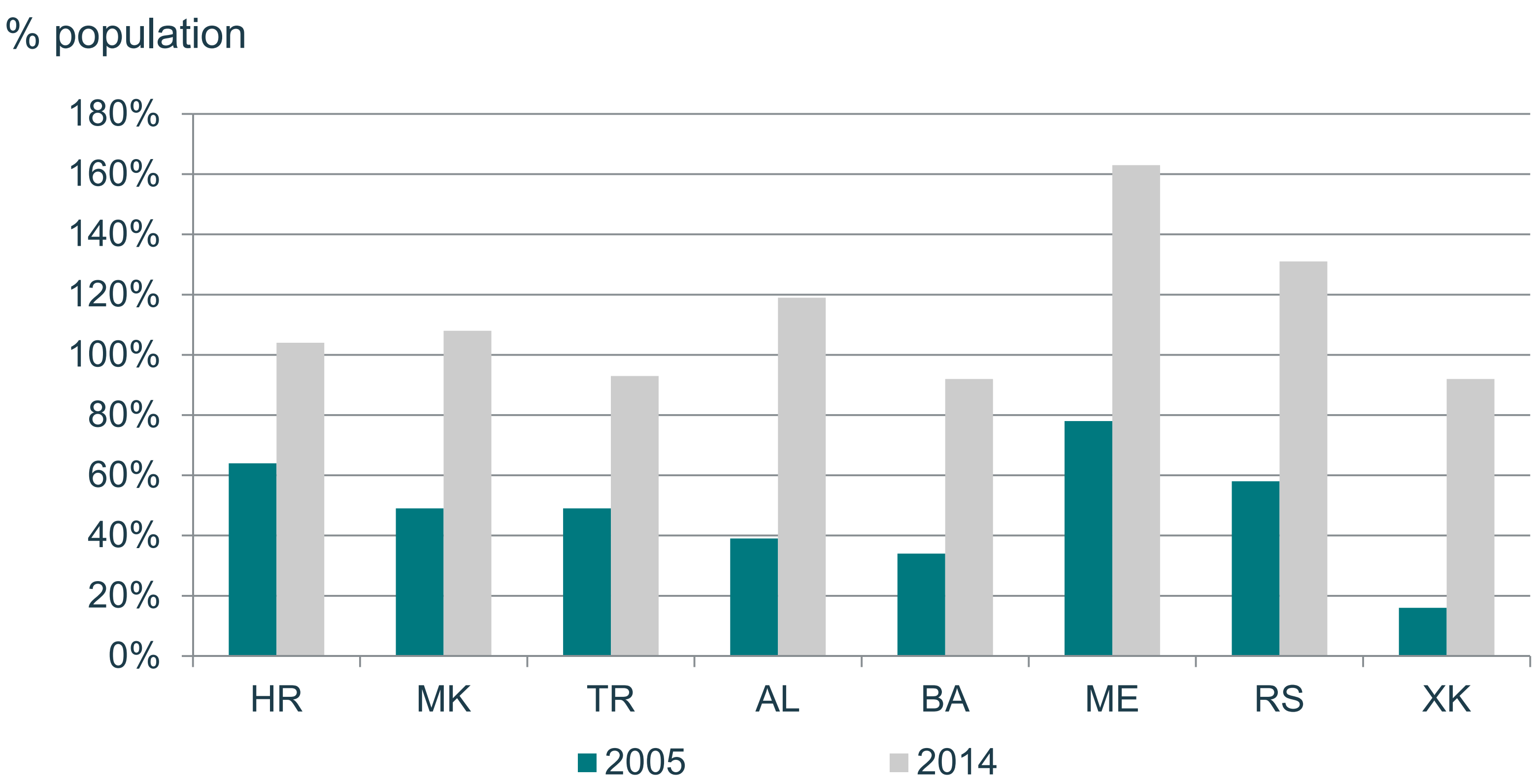
Subscribers using alternative fixed voice telephony providers, as % of total fixed lines



As competitors gain market share...

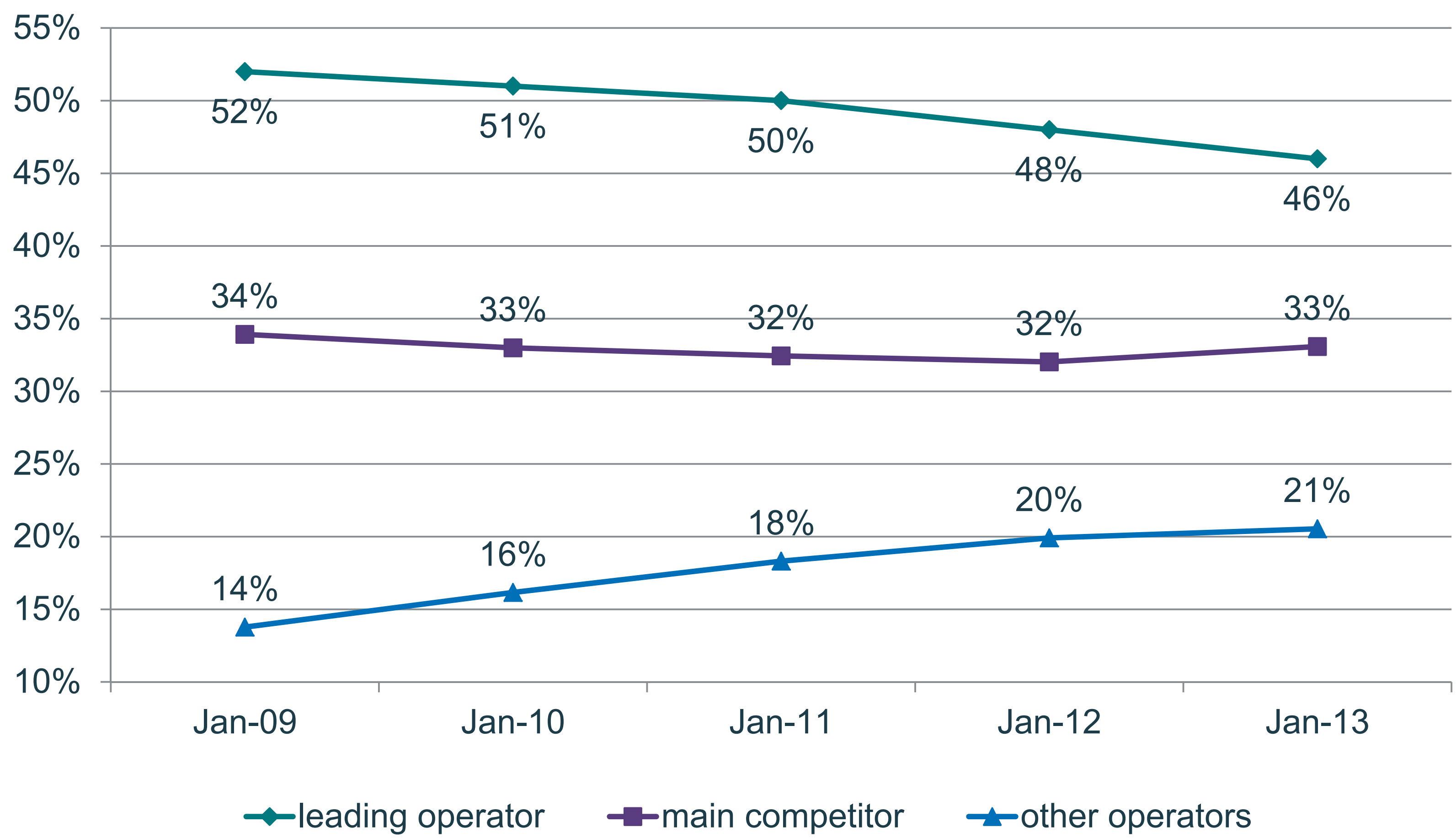
Phase II: mobile revolution

Mobile telephony: penetration



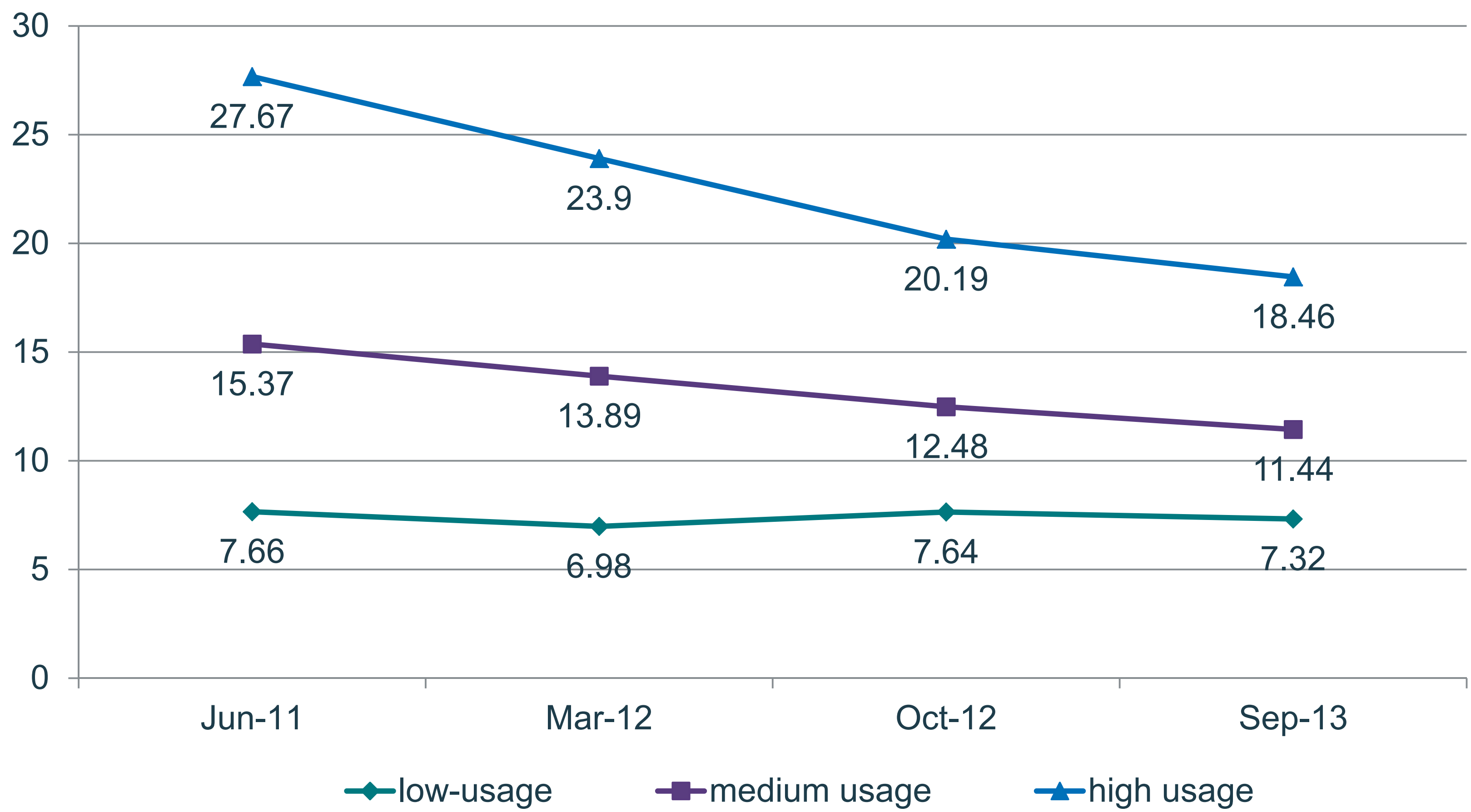
Mobile telephony: competition

Average market shares in the SEE-8 countries by subscriptions, 2009 - 2013



Mobile telephony: retail tariffs

Average (€) in the SEE-8 countries - OECD 2006 mobile tariff baskets

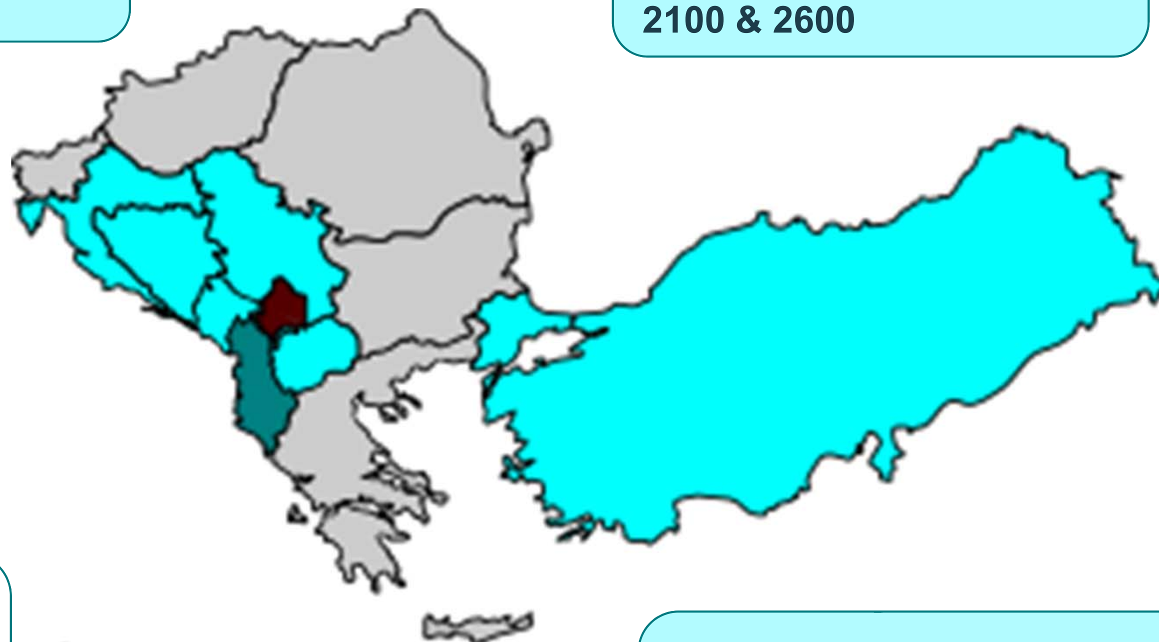


Mobile spectrum assignments & refarming

3 MNOs:
2 – 800 & 900 &1800 & 2100
1 – 900 & 1800 & 2100

3 MNOs:
3 – 800 & 900 & 1800 &
2100 & 2600

3 MNOs:
900 & 1800 & 2100



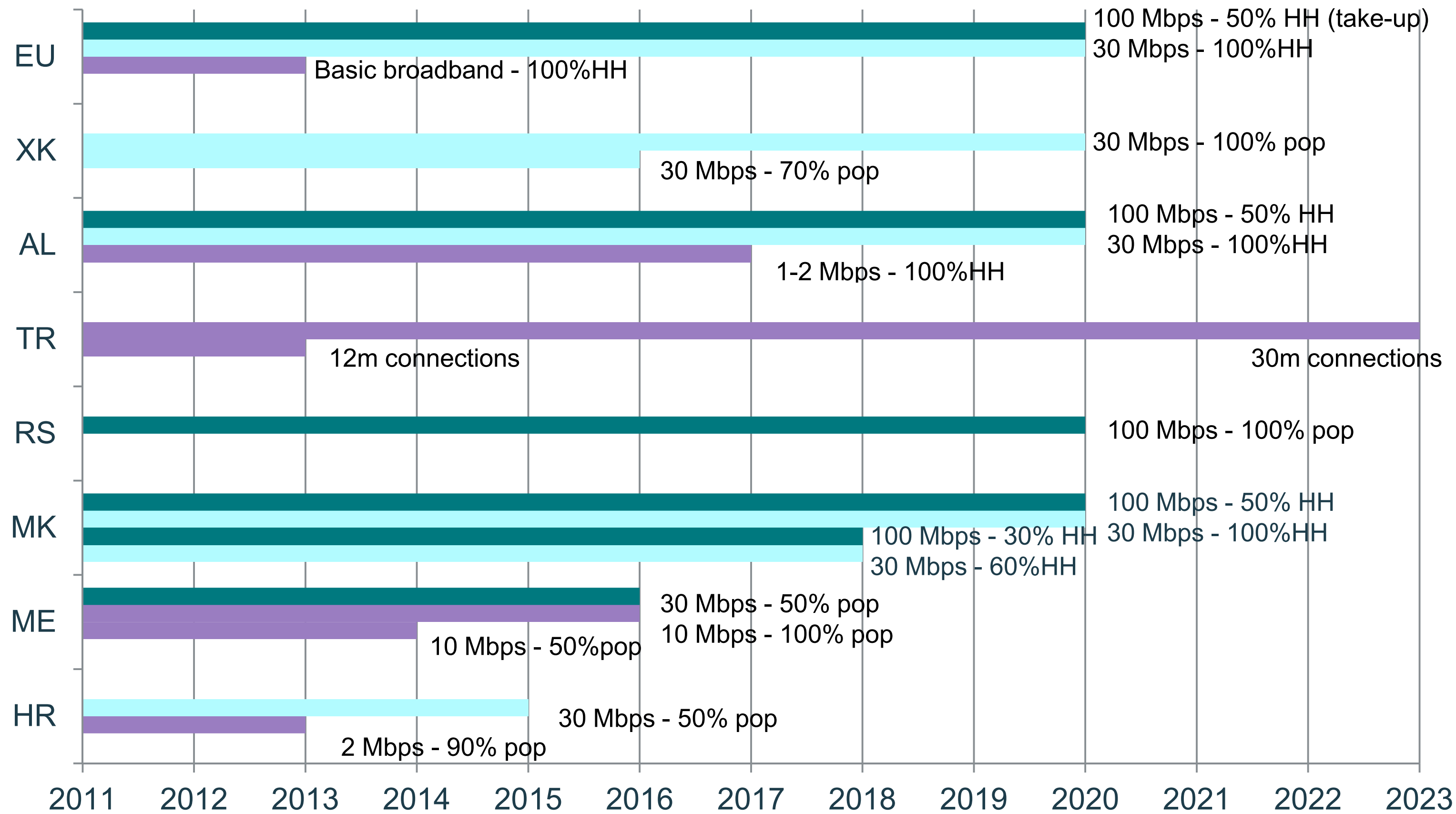
4 MNOs:
2 – 900 & 1800 & 2100 & 2600
1 – 900 & 1800 & 2100
1 – 900 & 1800

2 MNOs:
2 – 900 &1800

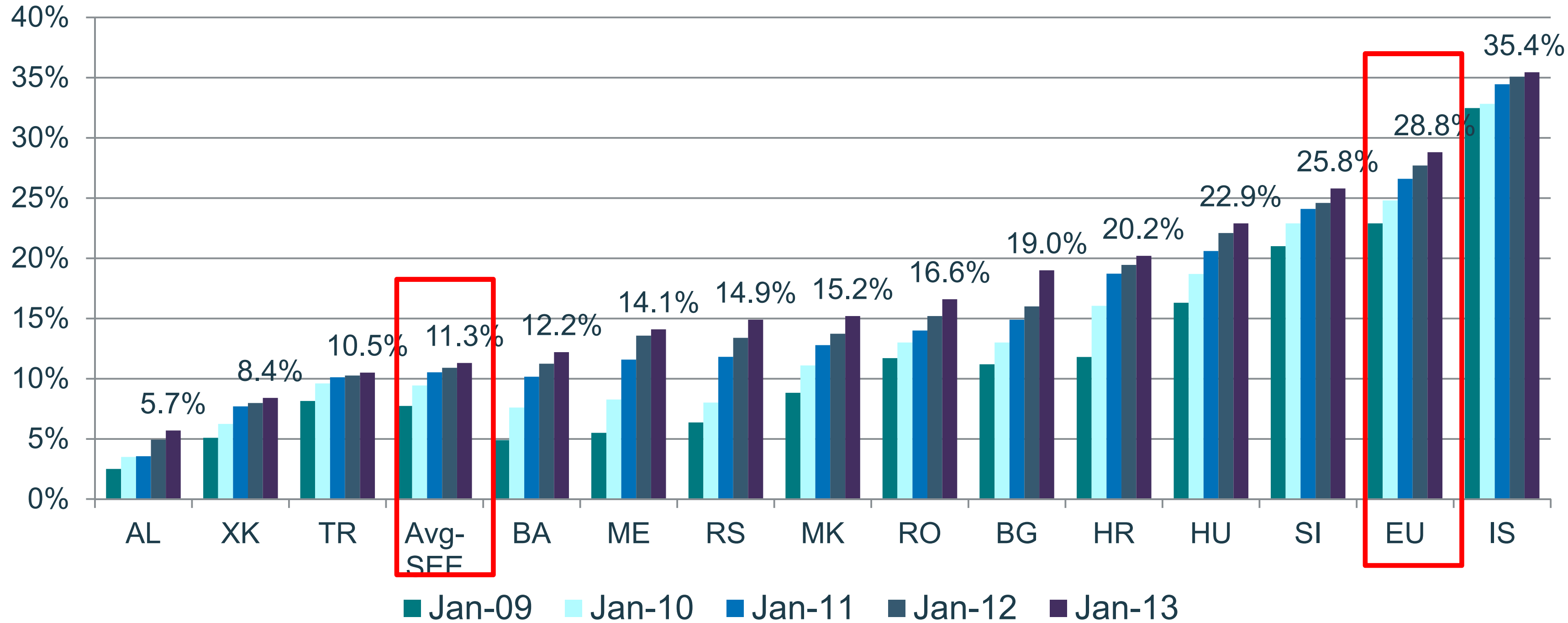
3 MNOs:
2 – 800 & 900 & 1800 & 2100
1 – 800 & 900 & 1800

Phase III: The Digital Agenda & consumer rights

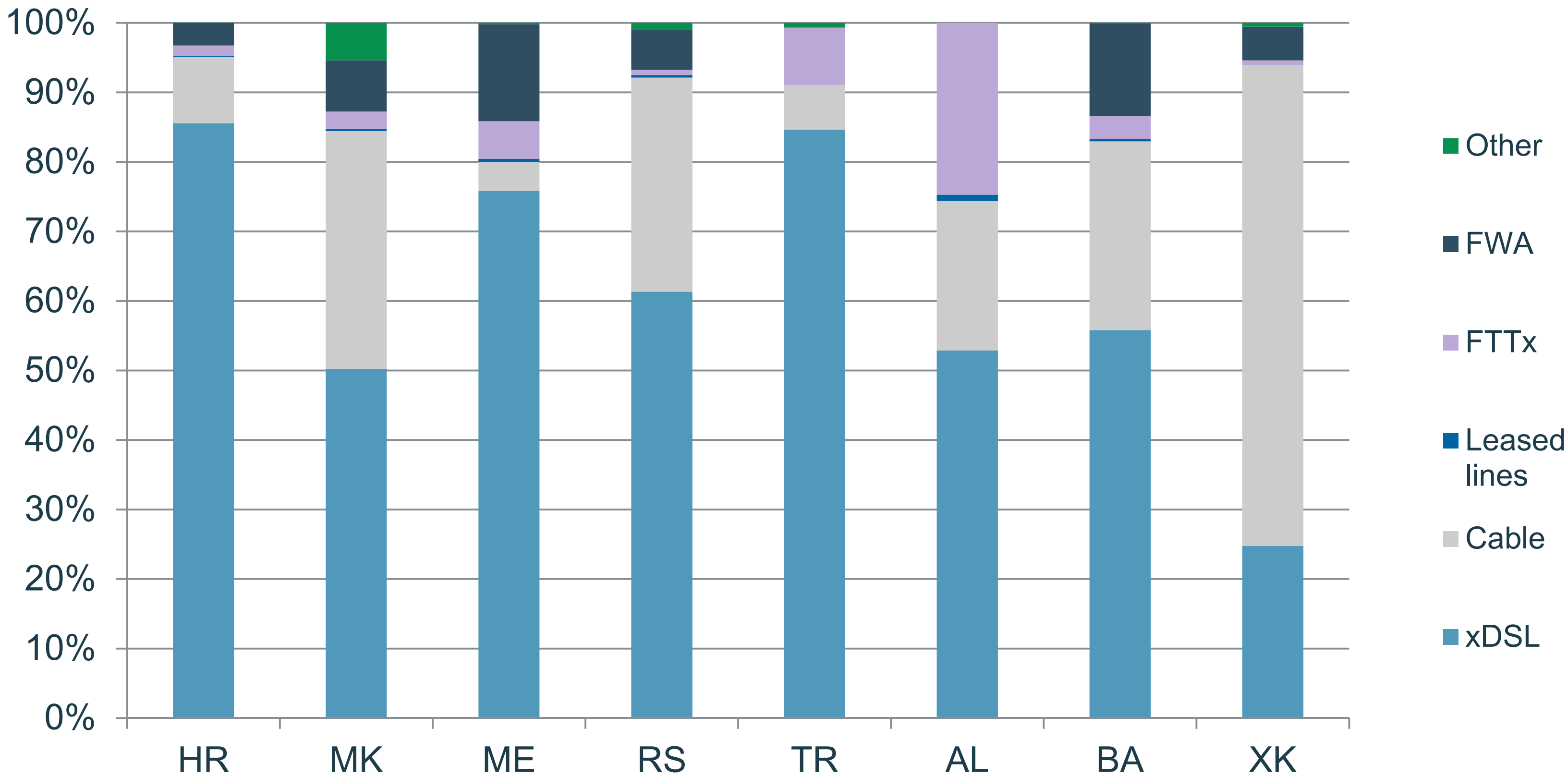
The Digital Agenda and national policies



Fixed broadband: penetration

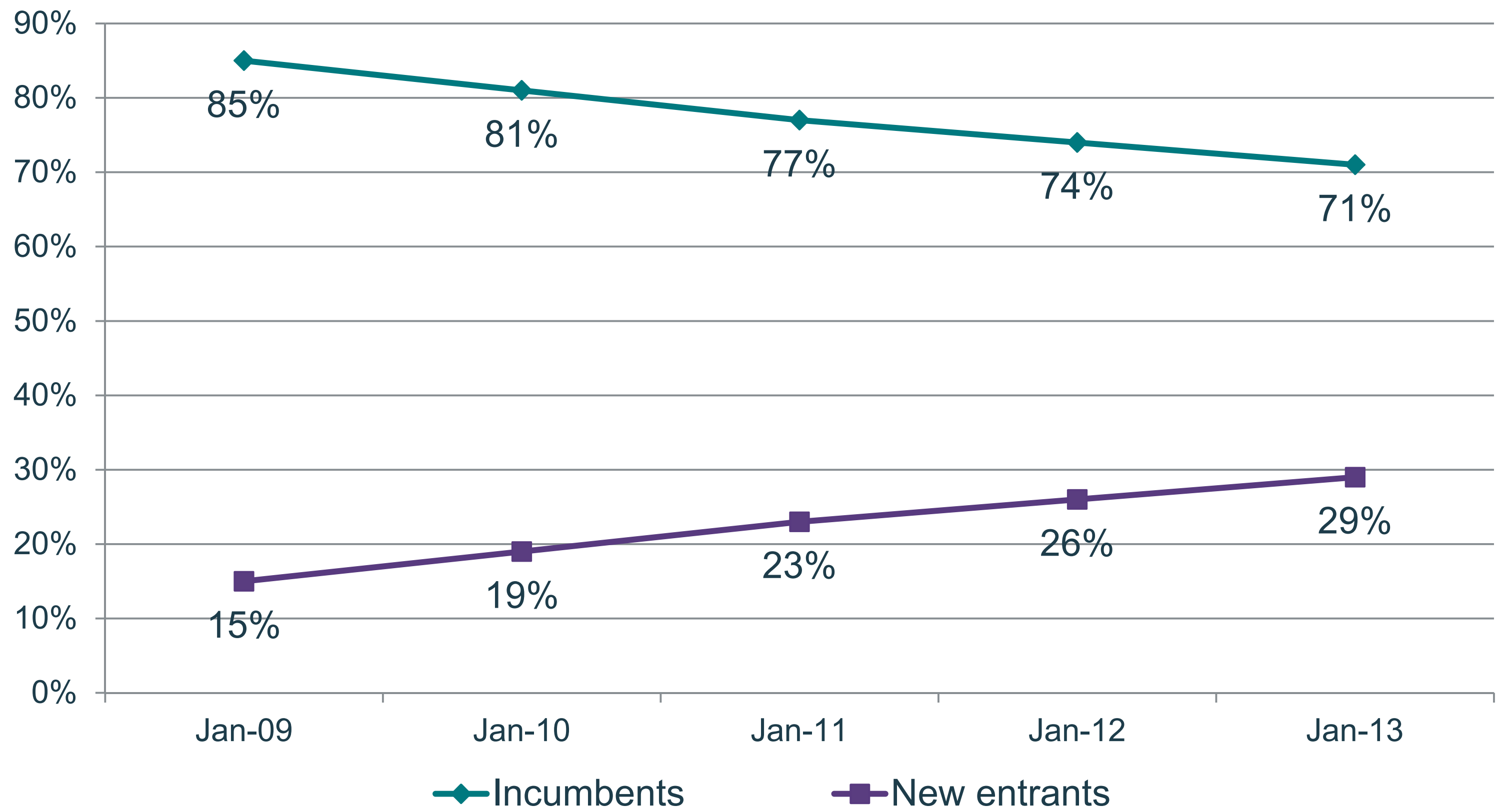


Fixed broadband: technology



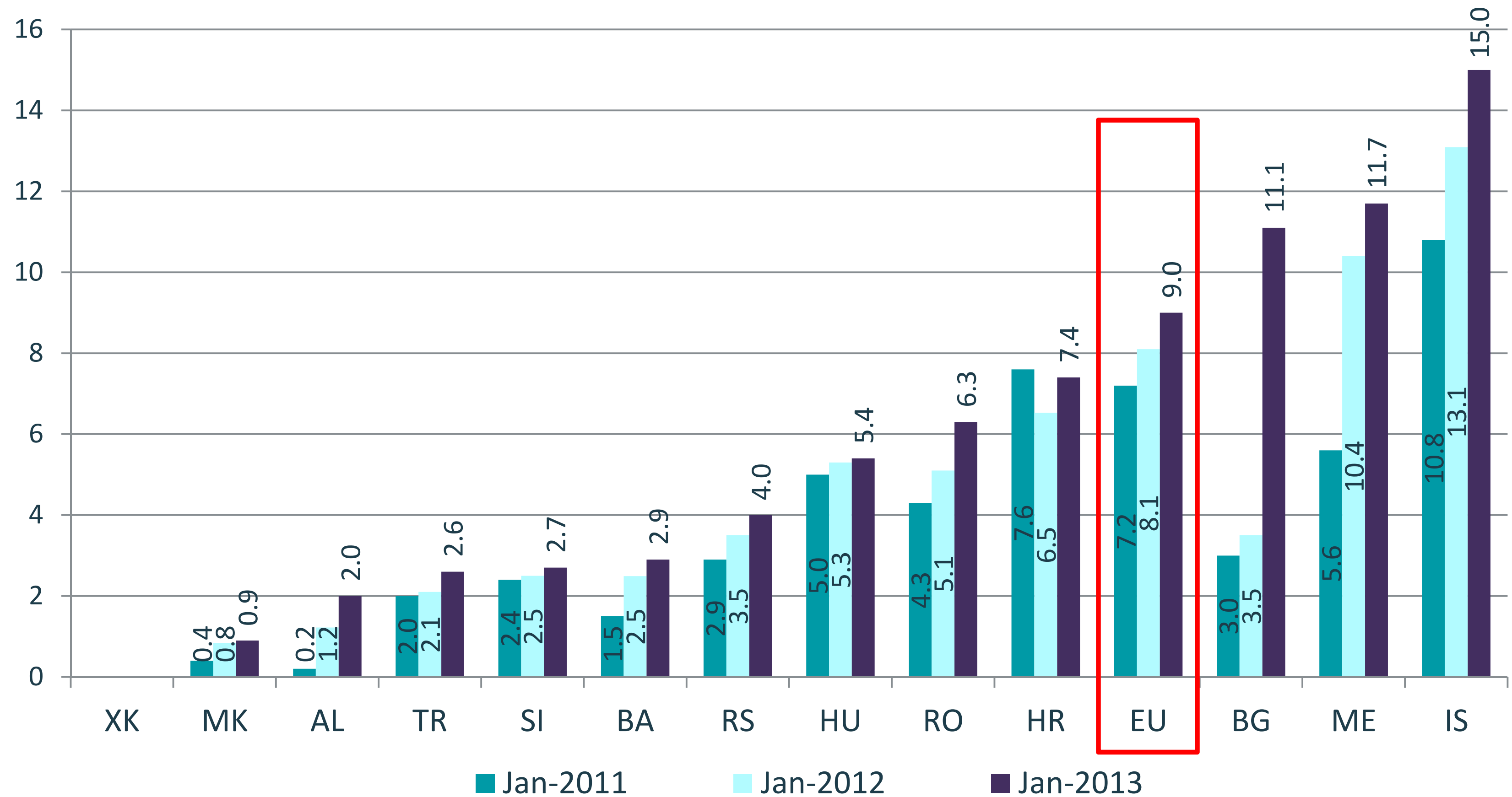
Fixed broadband: competition dynamics

Average market shares in the SEE-8 countries by subscriber lines, 2009 - 2013



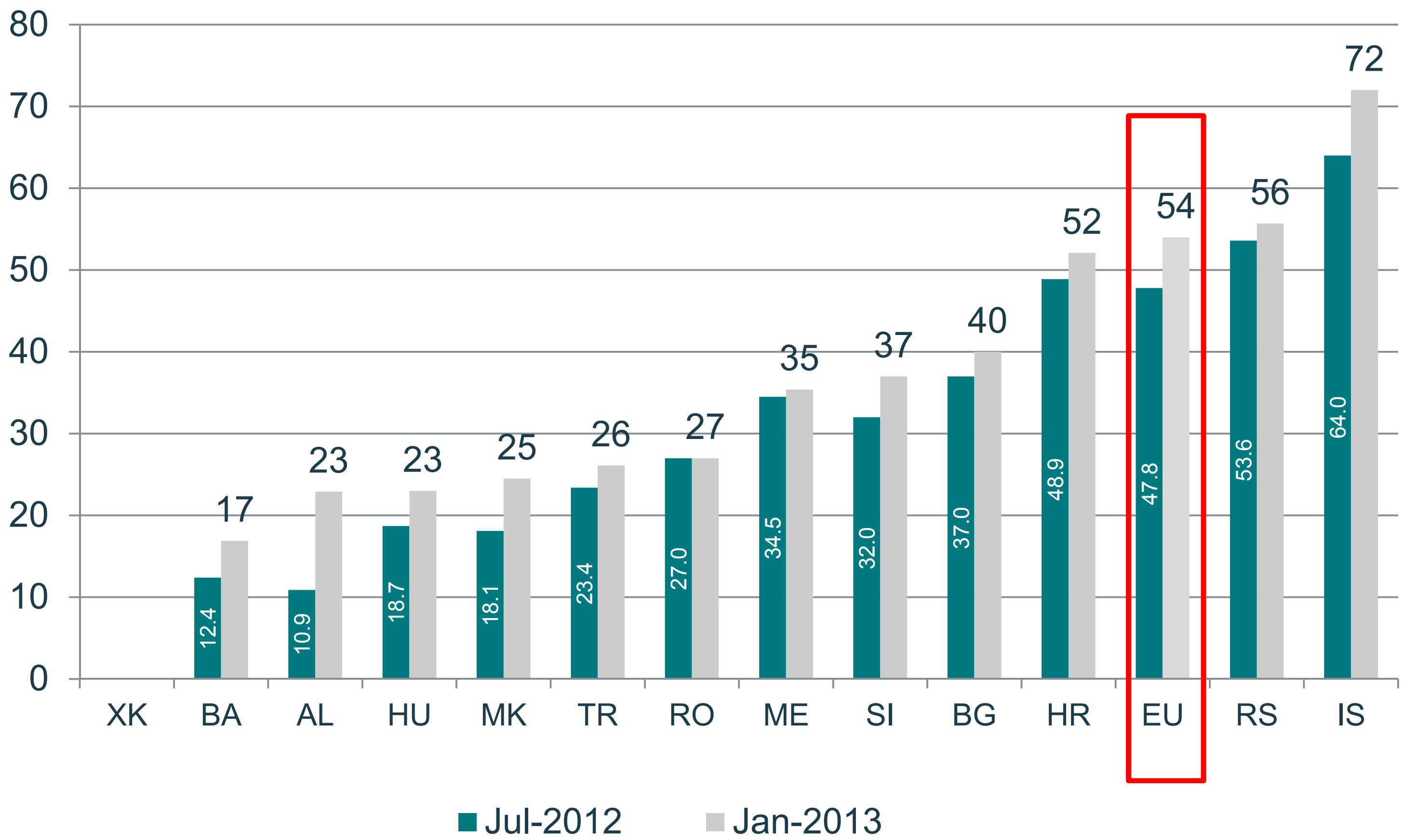
Mobile broadband: penetration

Dedicated data cards/ wireless modems per 100 population, 2010 – 2013



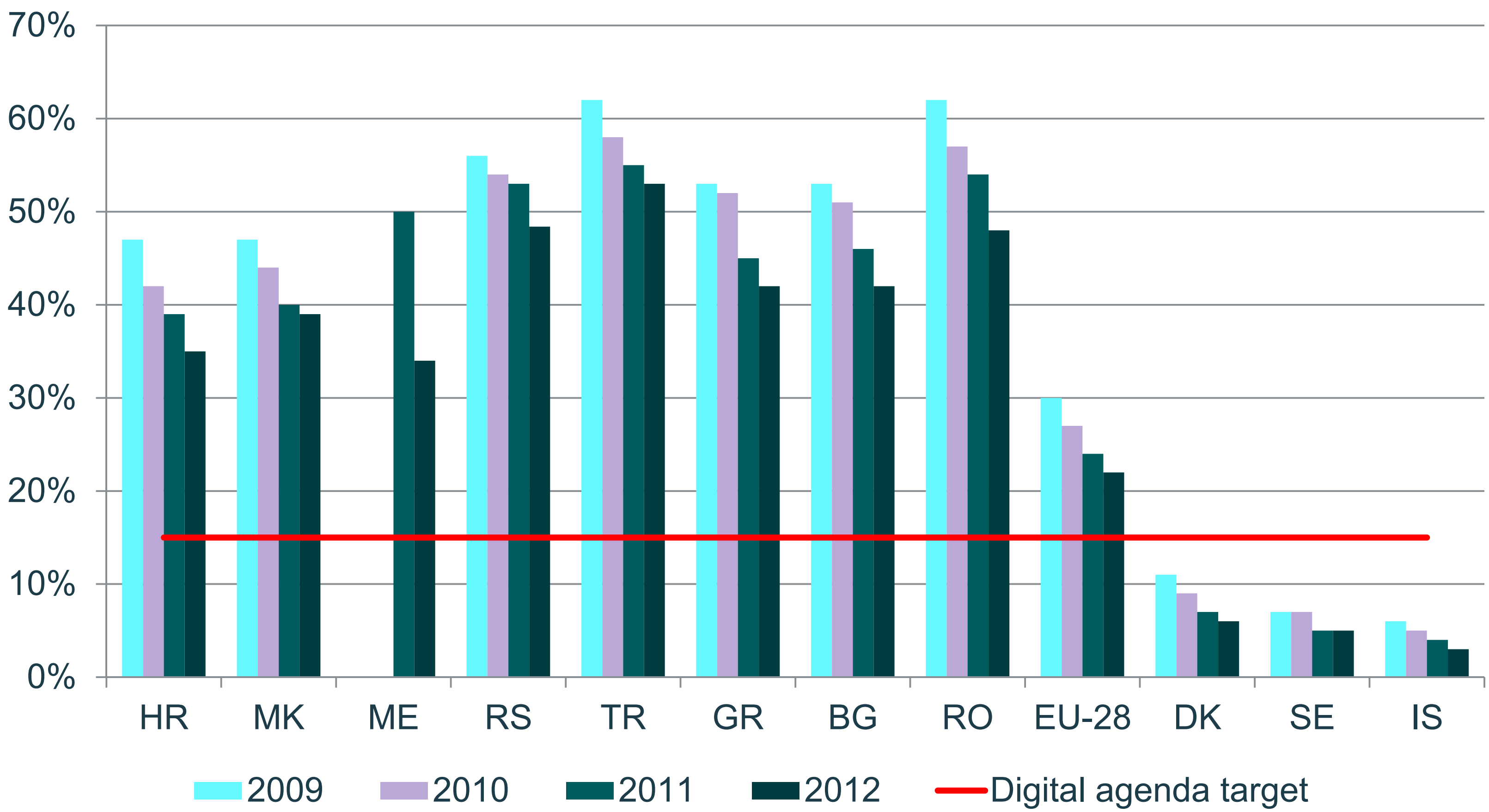
Mobile broadband: penetration

All devices, incl. smartphones per 100 population, July 2012 - January 2013



Internet use and skills

Individuals never having used the internet: from 34% to 53% in the SEE countries



Looking ahead: right regulatory conditions for growth

New regulatory priorities

- DSM and EU regulatory framework – ongoing review
- Consumer protection and quality of service
- International roaming in SEE region
- Harmonised spectrum policies across the region:
  800 MHz, 2.6 GHz, 700 MHz…
- Market consolidation
- Policies and tools to facilitate infrastructure investment:
  infrastructure mapping, symmetric regulation
- Universal broadband access and policies to bridge digital divide:
  USO, coverage obligations, other?

THANK YOU!

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