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COMMUNICATIONS OUTLOOK 1999

TELECOMMUNICATIONS: Regulatory Issues

Country: Ireland

Date completed: 20 October 1998

The attached questionnaire was undertaken in preparation for the biennial OECD *Communications Outlook*. The responses provided by countries on telecommunication regulation were used to provide information supporting the analytical sections published in association with data. A similar questionnaire with responses on broadcasting regulation is also available. In some cases, data for individual firms, used to compile OECD totals, have not been published at the request of the respondent. For further information, including data, see **OECD Communications Outlook 1999** and <http://www.oecd.org/dsti/sti/it/index.htm>

TELECOMMUNICATIONS

Market Structure and Regulatory Status (Questions 1 -13)

1. Please provide details of the regulation of communication infrastructure, including the public switched telecommunication network (PSTN), provision in your country.

Infrastructure provision for following service	Regulatory Status (e.g. monopoly, duopoly, limited number, fully open to any applicant)	Number of licensed operators (1998)
Local PSTN	Monopoly	1
National PSTN	Monopoly	1
International PSTN	Monopoly	1
Analogue Cellular Mobile (e.g. NMT etc.)	Monopoly	1
Digital Cellular Mobile (e.g. GSM etc.)	Duopoly	2
Other Mobile Communication (e.g. PCS, PCN, CT-2 etc.)		A DCS-1800 operator is expected to be licensed in late 1998
Payphones	Competition	3 or 4

2. Please provide details for the major public telecommunication operator (PTO) of public switched telecommunication services in your country. (PTOs are state and privately owned entities providing public switched telecommunication services over their own infrastructure)

Name of PTO	PTO Ownership Status (1998) (e.g. state owned/privately owned) If a balance of ownership exists please indicate the share (%) held by the government
Telecom Eireann	Currently 80% State owned. Two strategic partners own 20% of Telecom Eireann with an option to purchase a further 15%. An employee share scheme (of up to 14.9%) is expected to be introduced in early 1999.

3. Please provide details of market share for the largest PTO in the following categories.

	The largest PTO's share (End 1997)
Local Access (% of access lines)	100%
National Long Distance (% of total minutes)	Business - 90%. Residential - 99%
International (% of total outgoing MiTT)	Business - 71%. Residential - 92%

4. Please provide details of the number of subscribers by cellular and PCN mobile communication operators.

Name of Operator	Number of Subscribers (End 1997)
1. Eircell	430,000
2. Esat Digifone	130,000

5. Please provide a description of the most significant recent policy changes affecting the provision of telecommunications services, as well as any draft laws, or regulatory proposals to be implemented in 1998.

An independent regulator for the telecommunications sector, the office of the Director of Telecommunications Regulation (ODTR), was established in 1997.

The full liberalisation of the telecomms sector in Ireland, which had been slated for 1 January 2000, was brought forward to 1 December, 1998.

The key EU Directives for the liberalisation of the sector, including those relating to Interconnection and Licensing, were transposed into Irish law. The Department of Public Enterprise is drafting primary legislation to address infrastructure development, the public flotation of Telecom Eireann, and the powers and functions of the ODTR.

6. Please provide a brief description of the responsibilities of the national regulatory authorities for public telecommunication services.

The ODTR is charged with, inter alia, the functions assigned to NRA's by EU telecommunications legislation. These would include responsibility for licensing of telecommunication service and infrastructure providers as well as cable and terrestrial TV operators. The regulator is also responsible for the management of the radio frequency spectrum.

7. Are there any foreign ownership, size of shareholding or other ownership restrictions on individuals and corporations investing in the incumbent PTO(s) in your country?

No

8. Are there any communication infrastructures or services (e.g. cable television, terrestrial broadcasting, satellite broadcasting) PTOs in your country are not permitted to directly provide? In addition, please specify any restrictions on PTOs investing in companies that such infrastructure or services.

No

9. Is the incumbent PTO(s) in your country allowed to provide mobile communication services?

If 'yes', is there a requirement for accounting separation between the PTO's mobile and fixed operations?

Yes.

Yes. Accounting separation is carried out in line with EU Recommendations on Accounting Separation and Cost Accounting Systems of 8 April, 1998.

10. What selection procedures are used to determine licenses for new PTOs (e.g. calls for tenders, government appointments, license on request)?

Licence on request except where a scarce resource is involved, e.g. frequency spectrum.

11. Please specify any restrictions or obligations imposed on new competitive network suppliers?

12. Are there any restrictions on the use of leased lines nationally or internationally (including resale)?

No

13. Under the communication regulation existing in your country how would national and international voice telephony services provided over the Internet, by entities other than a PTO, be defined and treated? Please mention any restrictions or obligations that may apply.

EU Commission in early 1998 indicated its opinion that voice telephony services over the Internet did not constitute voice telephony as defined in EU Regulations. Ireland considers applications on a case by case basis. To date all Internet services have been treated as liberalised services and licensed accordingly.

Pricing (Questions 14 -15)

14. What, if any, conditions are applied to the tariffs set by PTOs? (Please include any price control information such as price caps and specify for which service they apply).

A price cap system applies to prices of services where there is insufficient competition. These services are grouped into a basket. The price cap system ensures that there will be an overall downward movement in the basket price level which should be at least equal to the annual percentage change in the Consumer Price Index - 6%.

The services included in the basket are:

- ◆ the provision of PSTN lines
- ◆ the provision of ISDN lines
- ◆ PSTN and ISDN connection and take over charges
- ◆ local dialled calls
- ◆ trunk dialled calls
- ◆ weekend dialled calls
- ◆ international dialled calls
- ◆ operator calls
- ◆ directory enquiries
- ◆ payphone calls

Service to competitors, i.e. interconnect and leased lines, must be cost orientated.

15. If communication discount schemes are available in your country please provide information on one or more popular schemes applicable to residential users, dial-up Internet access users and a low user scheme from the incumbent PTO. In the space below please indicate the main features:

Residential User Discount Scheme:

- (i) Circle of friends - 10% discount on 5 customer-nominated telephone numbers
- (ii) Talksaver - Where combined total of eligible calls exceeds £70 (bi-monthly) user receives the following discounts
 - (a) - local Internet access - 6% discount
 - (b) - national calls - 15% discount
 - (c) - international calls - 25% discount

Internet Access Discount Scheme:

Low User Scheme:

Note: Residential user refers to an average consumer's home telephone service. A dial-up Internet user refers to a consumer accessing the Internet via a PC with a modem over the local public switched telecommunication network. Low user schemes is a term sometimes applied by PTOs to schemes designed for segments of the community that are financially disadvantaged.

Numbering/Domain Names (Questions 16 - 17)

16. Please describe the numbering policy in your country. Please mention the responsible authority and whether portability has been introduced and for which services (e.g. 800 numbers, cellular numbers, local PSTN numbers).

The Department of Public Enterprise is currently transposing an EU Directive on number portability. The ODTR will be responsible for numbering. 1 January, 2000 is the starting date for portability for fixed lines.

17. Have there been any recent government policy initiatives in your country in respect to the administration of Internet top level domain names. (An example of a top level domain name is .be for Belgium).

No.

Interconnection (Questions 18 - 21)

**18. Are PSTN interconnect or access charges a matter for commercial agreement between operators and if so is there provision for arbitration and by whom? Is there a requirement to publish the rate for PSTN interconnect or access charges? Yes/No - Yes
If 'yes' please provide a schedule of interconnection charges for the PSTN.**

Interconnection access charges are a matter for commercial agreement. The ODTR has an arbitration role if required. The ODTR can set ex-ante conditions under certain circumstances and can resolve disputes.

Interconnection charges (please indicate measure e.g. cost per minute for terminating or originating traffic):

Telecom Eireann:

	Rate per call (pence)	rate per minute (pence)
Primary peak	0.59	1.02
Primary off-peak	0.39	0.68
Tandem peak	1.03	1.54
Tandem off-peak	0.69	1.03
Tertiary peak	1.54	2.31
Tertiary off-peak	1.03	1.54

19. For the purpose of establishing interconnect or access charges is accounting separation used? - Yes

As per EU Interconnection Directive EU 97/33

20. Once the interconnection or access charge has been established is it available as a standard rate for other service providers (including other PTOs and resellers)?

Yes. It is available to all licensed operators terminating on the Telecom Eireann network.

21. Does regulation specify that competitive service providers can co-locate facilities on the same site as incumbent PTOs? Please indicate whether resellers and Internet Service Providers can co-locate equipment under the same terms and conditions as PTOs without being designated as a PTO?

This is a matter for commercial negotiation between parties. There are no restrictions in place. Dispute resolution by the ODTR can be put in place if necessary in accordance with the Interconnection Directive.

Information for Updating OECD Tariff Comparison Baskets (Question 22)

22. Please provide the following information for your largest PTO.

What is the average duration of a local call (i.e. average time of a call in the lowest tariff band for PSTN)?	3.2 minutes	
What is the proportion of calls that fall within your lowest tariff band (i.e. local calls) as a percentage of total national calls?	Business (%)	Residential (%)
	57%	81%
What percentage of calls from the fixed network (PSTN) terminate in mobile networks (e.g. analogue and digital cellular networks)?	Business (%)	Residential (%)
	8%	8%
What percentage of total leased lines (i.e. leased circuits) are local (i.e. 2 km or less)?		

Universal Service/Consumer Issues (Questions 23 -25)

23. In the context of universal service policies which elements of telecommunication service are considered as part of universal service in your country?

Currently under review by ODTR.

24. Please provide details of any explicit funding mechanism for universal service and its coverage.

Currently under review by ODTR

25. With what institutions other than telecommunication service providers can customers lodge complaints regarding these operators? (e.g. regulators, ombudsman, Ministry, etc.) Is there a requirement for annual reporting of the number of consumer complaints? If so how are complaints measured and reported.

Consumers can lodge complaints with the office of the Director of Consumer Affairs or the Ombudsman.