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COMMUNICATIONS OUTLOOK 1999

TELECOMMUNICATIONS: Regulatory Issues

Country: TURKEY

Date completed: 30 June 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.)	Open	
Digital Cellular Mobile (e.g. GSM etc.)	Open	2
Other Mobile Communication (e.g. PCS, PCN, CT-2 etc.)	Open	
Payphones	Open	

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
Türk Telekomünikasyon	State owned 100 %

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)	100%
International (% of total outgoing MiTT)	100%

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. TURKCELL	1 134 479
2. TELSÝM	348 670

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.

Turkey's fundamental reforms in telecommunications sector were introduced in 18 June 1994. Recent developments relating to this sector are outlined below:

Türk Telekom Valuation Assessment Committee has finished its study and Valuation Report has been approved by the Cabinet upon submission through Ministry of Transport and Communications. A bidding procedure was started in early 1998.

Two GSM licences have been awarded GSM operators to TURKCELL and TELSÝM.

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

Responsibilities of regulatory authority are;

- Licencing,
- Tariff regulations,
- Type and conformity approval,
- Surveillance of competitive telecom market

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? Yes/ No

Turkey would finish the monopoly on basic services by 31 December 2005; other services will be subject to licences in which state reserves not less than 51% of Turkish citizen's equity.

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.**

There is no telecommunications services PTOs are restricted from providing in the telecommunication market.

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 A study on separation of accounting between different services is being undertaken.

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

Depends on the service area.

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

There is no any specific restrictions or obligations other than public interest requirements.

12. **Are there any restrictions on the use of leased lines nationally or internationally (including resale)? Yes/No**

Leased lines nationally or internationally can not be used by a third party, and can not be resold.

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.**

Voice telephony services are not permitted over the Internet.

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).

All of the telecommunication service tariffs need the approval of Ministry of Transport and Communications. Price cap regulation is applied for value added services only.

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:

There is a 40% discount for all subscribers from 18.00 to 08.00 hours for working days and on all holidays.

Internet Access Discount Scheme:

There are 40% discount for all subscribers from 18.00 to 08.00 hours for working days and on all holidays.

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 responsible authority is Türk Telekom. Portability has not been introduced except for local PSTN numbers if the subscriber pays for the service.

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).

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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
If 'yes' please provide a schedule of interconnection charges for the PSTN.**

There is an interconnection agreement between the PSTN operator (Türk Telekom) and the GSM operators, namely Türkcell and Telsim. Arbitration is undertaken by the Ministry of Communication and the Competition Authority. There is no requirement to publish the rates.

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

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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)?

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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?

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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)?	Not available.	
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 (%) Not available.	Residential (%) Not available.
What percentage of calls from the fixed network (PSTN) terminate in mobile networks (e.g. analogue and digital cellular networks)?	Business (%) Not available.	Residential (%) Not available.
What percentage of total leased lines (i.e. leased circuits) are local (i.e. 2 km or less)?	Not available.	

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?

PSTN service is considered as universal service.

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

Türk Telekom funds universal service.

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.

General Director of Customer and Competition Protection, and Ministry of Transport and Communications. There is no requirement for reporting. For each complaint, the necessary measurement is undertaken by related telecom operator.