

ORGANISATION DE COOPÉRATION ET DE DÉVELOPPEMENT ÉCONOMIQUES



ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT

COMMUNICATIONS OUTLOOK 2001

Country: NORWAY

Date completed: 15.06.2000

TELECOMMUNICATIONS - REGULATORY ISSUES

Market Structure and Regulatory Status (Questions 1 -10)

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, certain number, fully open to any applicant)	Number of licensed operators (2000)
Fixed PSTN (Local, National and International)	open	41 registered operators, licence is required if significant market power
Network infrastructure capacity (Includes only companies not licensed to provide voice services)	open	12 registered operators, licence is required if significant market power
Analogue Cellular Mobile (e.g. NMT etc.)	Monopoly	one licensee (Telenor)
Digital Cellular Mobile (e.g. GSM, PCS etc.)	Duopoly	three licensees are assigned. Telenor and NetCom have fulfilled the licence obligations. Telia has been requested to fulfil the obligations before 2001.
Wireless local loop (fixed wireless)	Frequency spectrum licences	13 licences in different parts of the frequency spectrum
IMT-2000 Operators (i.e. UMTS and 3 rd Generation)	4 licences to be assigned by end of 2000	assignment process started

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 (2000) (e.g. state owned/private owned) If a balance of ownership exists please indicate the share (%) held by the government
Telenor	State owned (The parliament has lately approved a proposition from the government proposing that Telenor should be partly privatised. It is envisaged that the privatisation would take place before the end of 2001, possibly in the second half of 2000. The state shall remain a major owner (at least 51 %)
Enitel	Privately owned
Tele2	Privately owned

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

	The largest PTO's share	
	End 1998	End 1999
Local Access: % of access lines		99,6%
Local Access: % of local calls		87%
National Long Distance (% of total minutes) ¹		Division national/local ceased to exist in 1999
International (% of total outgoing MiTT)		82%
Internet Subscribers ²	69%	63%

1. If % of minutes is not available, please indicate the % of revenue

2. If share of subscribers is not available, please indicate number of Internet subscribers for the PTO.

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

Name of Operator	Number of Subscribers (End 1999)
1.Telenor	1999704
2.NetCom.	745089
3.	
4.	
5.	

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 2000 to 2001.

Please provide details:

- Accounting separation will be introduced in 2000 for operators with significant market power. There will be separated accounts for the fixed switched network, access network, fixed services, mobile networks and mobile services
- The parliament has lately endorsed a proposal put forward by the government, saying that the operator with significant market power shall have an obligation to provide local loop unbundling in the PSTN-network. This obligation will be put into the regulation.

- 6. Please provide a brief description of the responsibilities of the national regulatory authorities for public telecommunication services. Please highlight any changes over the last 12 months.**

Please provide details:

The Norwegian Post and Telecommunications Authority has the responsibility of supervising the telecommunications market, including non-discrimination, cost oriented prices and frequency assignments.

The Ministry of Transport and Communication are responsible for telecommunications policy and for price-cap regulation. The ministry also handles the ownership of the incumbent until 31 December 2000.

- 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**

If 'yes', please provide details:

The parliament has decided that the state shall keep the majority of shares (at least 51 %) in connection with the IPO of Telenor.

- 8. Are there any communication infrastructures or services (e.g. mobile, cable television, terrestrial broadcasting, satellite broadcasting) that PTOs in your country are not permitted to provide directly? In addition, please specify any restrictions on PTOs investing in companies that provide such infrastructure or services. Please include information on requirements by the incumbent PTO to divest cable networks.**

Please provide details:

No direct restrictions.

9. What selection procedures are used to grant licences for new Wireless Local Loop (WLL) and IMT-2000 services? (e.g. spectrum auctions, calls for tenders, government appointments, licence on request)?

Please provide details:

Call for tender/ “beauty contest” for UMTS and WLL. Concerning UMTS, Parliament has decided that there should be a single one-off licence fees of NOK 200 000 000 assigning the licences, and an annual frequency fees afterwards of NOK 20 000 000.

10. 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.

Please provide details:

If the quality of service is perceived as good as ordinary voice telephony, there is an obligation to register. If significant market power, there will be a licence.

Pricing (Questions 11 -12)

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

Please provide details:

Operators with significant market power are required to have cost oriented prices on access to their telecommunications network, leased lines and voice telephony.

Price caps for the incumbent on fixed network telephony (both for business and residential users) and certain classes of leased lines (based on “market power”)

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

The offerings of the market-operators are dynamic. Currently, the following offers are relevant:

Low User scheme: Lower subscription rate (NOK 116 incl.VAT instead of NOK 149 incl.VAT) and double minute rates. Call start price NOK 0.45, ordinary minute rates nationally busy/non-busy hours NOK 0.22/NOK 0.14

Internet Access Discount Scheme:

Frisurf; no subscription rate, ordinary call rate

Basis; NOK 98.-/month, ordinary call rate

Pluss; NOK 129.-/month, ordinary call rate

Total; NOK 225.-/month, ordinary call rate

(Additional pamphlets from the PTO in English or French, or with the main points translated into one of these languages, would be most appreciated. Please provide data in local currency).

Note: Low user schemes is a term sometimes applied by PTOs to schemes designed for segments of the community that are financially disadvantaged. 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.

Numbering/Domain Names (Questions 13 - 14)

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

Please provide details: The Norwegian Post and Telecommunications Authority is the responsible authority for assigning numbers in Norway. No specific requirement for assignment, but operators have to report the usage of numbers.

Number portability is introduced, both geographically (within counties) and non-geographically. Mobile number portability will be introduced in 2001.

14. Which organisation is responsible for the administration of your Internet country code top level domain names. (An example of a country code top level domain name is .be for Belgium). Please provide any details of any recent policy initiatives relating to country code domains.

Please provide details:

NORID (National university network administration) in co-operation with the Norwegian Post and Telecommunications Authority. The superior responsibility lies within the NPT. Currently a new domain name policy is under consideration, where both the organisational structure and content of the policy are being discussed.

Interconnection (Questions 15)

15. Interconnection between fixed networks.

	Yes /No	Details
Are PSTN interconnect or access charges a matter for commercial agreement between operators? And if so, is there provision for arbitration and by whom?	Yes	If requested, arbitration by the Norwegian Post and Telecommunications Authority
Is there a requirement on the incumbent to publish the rate for PSTN interconnect or access charges?	Yes	Reference interconnection offer is made available
For the purpose of establishing interconnect or access charges is accounting separation used?	No	Accounting separation will be introduced in 2000
Once the interconnection or access charge of the incumbent has been established, is it available as a standard rate for other service providers (including other PTOs and resellers)?	Yes	
Does regulation specify that competitive service providers can collocate facilities on the same site as incumbent PTOs? (Please indicate whether resellers and Internet Service Providers can collocate equipment under the same terms and conditions as PTOs without being designated as a PTO?)	Yes	Collocation is provided to anyone that puts forward a reasonable request.
What kind of interconnection accounting methodology (e.g. LRIC, FDC, etc.) is used for calculating the incumbent's interconnection charges?		Fully distributed historic costs are currently being used, but there will be a development towards a forward looking approach, using updated figures for costs and traffic
Is carrier pre-selection implemented? If so, please describe the coverage of carrier pre-selection (e.g. local, long-distance and international).	Yes	Local/National/International in the fixed network

16. Fixed to Mobile Network Interconnection

	Details
Are termination rates to mobile networks published?	Yes
How are the termination rates for fixed-to-mobile calls determined in your country (e.g. commercial negotiated between operators, determined by mobile operator or other)?	The mobile operator sets its own rates, the Norwegian Post and Telecommunications Authority supervises the rates
Are these rates subject to any regulation (e.g. must they be cost orientated if operators have significant market power)?	Termination rates should be cost oriented for operators with significant market power in the national market for interconnection

Unbundling (Questions 17 -18)

17. Please describe initiatives for local loop unbundling and indicate when unbundling policies were put in place or the expected date of implementation.

Please provide details:

An offer of unbundling was initiated by the incumbent in April 2000, and is called "Operator-access". The question of an obligation of unbundling was discussed and decided upon by the parliament in April 2000. As mentioned, this obligation will formally be put into the Norwegian regulations.

18. Please provide the prices for access to unbundled local loops and specify the service on offer (e.g. raw copper, DSL subscriber line).

Please provide details:

PSTN 0-20 kHz annually excl. VAT NOK 1200.-

Basic rate ISDN 0-50 kHz annually excl. VAT NOK 1490.-

Premium rate ISDN 0-300 kHz annually excl. VAT NOK 4030.-

2048 kbit/s on one pair annually excl. VAT NOK 2015.-

ADSL plus ISDN BRA on one pair annually excl. VAT NOK 2015.-

Consumer Issues (Questions 19 -20)

19.

	Details
In the context of universal service policies, which elements of telecommunication service are considered as part of universal service in your country?	PSTN, access to digital network, leased lines of certain capacities (0-2Mbit/s), public payphones and services to the disables
Please provide details of any explicit funding mechanism for addressing universal service and its coverage (this can include initiatives related to infrastructure in respect to addressing digital divide issues).	No funding in place. If funding is needed, it will be based on an USO-fund.
Is the cost of providing universal service calculated? If so please provide the latest annual costing.	An estimate of approx. NOK 200 mill. has been calculated in 1995
What percentage of telephone subscribers do not have access to an Internet service provider's point of presence with a local call?	0%
What is the average monthly online time for a subscriber to the largest PTO's Internet access service (e.g. number of hours).	n.a.
What is the average household consumption expenditure of telecommunication services in your country? Please provide the data in local currency and specify the year of the survey. Please indicate which of the following telecommunications services are included or excluded -- fixed PSTN services, cellular mobile services and Internet access -- or provide a definition of the indicator used in your country.	NOK 4200.- annually, incl. telephone equipment (~NOK 200) according to consumer surveys by Statistics Norway, including mobile and internet

20.

	2000	2001	2002	2003
Please report any estimates of the potential coverage of access lines with DSL by the end of the following years (as a % of total subscriber lines) by the incumbent(s):	30%	n.a.	n.a.	n.a.