



**SCREENING CHAPTER 10
INFORMATION SOCIETY AND MEDIA**

AGENDA ITEM 5: ACCESS

**Country Session: The Republic of TURKEY
13-14 July 2006**



Content

- By-law on Access and Interconnection
 - Regulation
 - Implementation

- Complementary Regulations
 - Local Loop Unbundling
 - Co-location and Facility Sharing
 - Accounting Separation and Cost Accounting
 - Leased Lines

- Forthcoming Tasks



BY-LAW ON ACCESS AND INTERCONNECTION

By-law on Access and Interconnection

- Enacted in May 2003

- Scope
 - Basic principles
 - Access obligations
 - Terms and conditions for access/interconnection agreements
 - Dispute resolution procedure
 - Pricing rules
 - Accounting separation and cost accounting principles
 - Reference access/interconnection offers

- National Roaming: Separate By-law published in March 2002



By-law on Access and Interconnection Possible Remedies

- Non-discrimination
- Publication of reference offers
- Submission of the agreements

- Cost-based pricing
- Accounting separation
- Reporting and Audit

- Interconnection
- Unbundling
- Co-location and facility sharing
- Number portability and carrier selection



Implementation

- Interconnection Rates
- Dispute Resolution
- Review of the Agreements
- Reference Interconnection Offers



Interconnection Rates

- As defined in By-law on Access and Interconnection
 - Forward looking long-run incremental cost
 - Cost of efficient service provision

- EU funded Technical Assistance Project on Access Regime



Interconnection Rates: Implementation of “Glide Path”

Euro-cent/min.

	Origination and Termination Rates for Fixed Network		Mobile Termination Rates for the GSM operators having SMP
	In Zone	Out Zone	
Oct. 2004	2.05	2.95	7.80
Jan. 2005	1.70	2.55	7.40
Oct. 2005	1.00	1.85	7.00



Euro-cent/min.

	Turkcell	Vodafone	Avea
Jun. 2006	7.00	7.60	8.75

1 Euro=2.00 YTL as of June 1,2006

Dispute Resolution

- The rates for Türk Telekom and GSM operators
- The rates, technical and administrative details for LDTS providers

	Completed	Pending
Türk Telekom – LDTS	13	-
GSM – LDTS	1	1
Türk Telekom – GSM	2	1
GSM – GSM	1	2
Türk Telekom - ISP	-	1

LDTS: Long Distance Telephony Service Providers



Review of the Agreements

- Follow-up for non-discrimination principle
- Probable anti-competitive behaviours in the initial phase of liberalisation
- Extensive examination of the agreements signed by operators having SMP

Reference Interconnection Offers (RIOs)

- Türk Telekom RIO approved in 2004 and amended in 2005
- Turkcell RIO approved in 2005
- 2006 Review for amending the RIOs in progress
- Vodafone and Avea RIOs under review



Complementary Regulations

- Local Loop Unbundling
- Co-location and Facility Sharing
- Accounting Separation and Cost Accounting
- Leased Lines

Communiqué on Local Loop Unbundling

- Published in July 2004 and enacted by July 2005
- Scope
 - Definition of unbundling obligation
 - Pricing rules
 - Dispute resolution procedure
 - Reference unbundling offer (RUO)
- RUO submitted by Türk Telekom
- Public consultation and review of Türk Telekom completed
- To be published after review and approval of TA

Communiqué on Facility Sharing and Co-location

- Enacted in December 2003

- Scope
 - Definition of the obligation of facility sharing and co-location
 - Demand and supply procedures
 - Pricing rules

- Implemented in the RIO and the draft RUO

Accounting Separation and Cost Accounting– I

- Obligation for both fixed and mobile network operators having SMP in related markets
- Requirement of having separate accounts for the business units defined in terms of revenues, costs and capital employed
- Details of the accounts and reporting formats specified in the “Principles and Procedures”



Accounting Separation and Cost Accounting– II

- Accounting separation obligation for the first time →two-year transition period
- Implementation in the transition period carried out by the study groups composed of both TA's and operators' representatives
- TA may audit the operators' accounts or request independent auditors' verifications from the operators



Leased Lines

- Cost orientation obligation for wholesale leased line tariffs
- The Board examines the tariff proposals under the principle of cost of efficient service provision
 - Benchmarking can also be used



FORTHCOMING ISSUES



Forthcoming Issues

- Draft Electronic Communications Law
- Revision of By-law on Access and Interconnection
 - Remedies based on market analyses
 - Differentiation of the obligations among the markets and among the operators having SMP



Thank you...