

RATEL'S BUSINESS PLAN FRAMEWORK FOR 2007

Starting point for preparing the plan of activities of the Republic Telecommunication Agency (hereinafter: the Agency) includes the following: provisions of the Telecommunications Law and conclusions within the Strategy for the Development of Telecommunications, the Strategy for the Development of Information Society in the Republic of Serbia and the National strategy for the Economic Development of the Republic of Serbia from 2006 until 2012. According to these documents, the telecom sector is the basis for the development of other sectors of the economy and it should directly provide for the development of the Information Society in line with the EU standards.

Accordingly, following the adopted principles of legality, competence, impartiality and transparency, the Managing Board (MB) of the Agency will seek to fulfil its basic role of providing, within its authority, the unhindered development of the telecom market in the Republic of Serbia in good time, so as to create the following regulatory conditions:

- Forming of free and open market, guaranteeing equal opportunities to all participants
- Behaviour of all participants in the telecom market in function of creating the conditions for Information Society development
- The best interest of the telecom services users placed in the foreground
- Rational and efficient usage of all limited resources
- Harmonization of rules, standards, technical regulations and practice with the relevant EU regulations

The achievement of these requirements will provide to the existing and future operators, providers and distributors the conditions in which they can develop the business in the best way, thus developing the services and quality.

Considering the regulatory conditions of the telecom market, the Managing Board hereby defines the Business Plan Framework of the Agency, listing the goals arranged under the following categories:

1. Enhancement of the telecom sector
2. Analysis, development and control of the telecom market
3. Activities in the field of standardization and technical requirements
4. Organization and development of the Agency
5. Co-operation with other institutions and organizations

1. ACTIVITIES RELATED TO THE ENHANCEMENT OF TELECOM SECTOR

A. Goals

A1. Rational Usage of the Frequency Spectrum:

- Prepare by-laws defining the unregulated bands: 2.4 and 5.5 GHz for Internet services of non-guaranteed quality
- Prepare regulations and release a public invitation for the registration of those interested in the provision of Internet service of guaranteed quality, applying FWA to 3.4-3.8 GHz band
- Prepare regulations for the usage of CDMA system (410-470 MHz).
- Prepare regulations and release a public invitation for the implementation of satellite communications for cable and Internet service provision

A2. Usage of Modern Technologies in Fixed Networks:

- Stimulate speedy digitalization
- Stimulate the usage of broadband access
- Stimulate the creation of a regulatory framework such as to enable the application of the latest technological solutions and make available to users all advantages offered by these solutions

A3. Implementation of New Services:

- Stimulate the implementation of: VoIP, 3Play, IPTV, DTV...

A4. Numbering:

- Prepare by-laws for primary and secondary number assignment
- Prepare the criteria for the numbering pricelist
- Complete the Numbering and Addressing Plan

A5. Number Portability:

- Consider the possibility of number portability for mobile operators
- Adopt relevant by-laws for the implementation of this possibility

A6. Carrier Pre-Selection:

- Consider the possibility of carrier pre-selection for mobile operators
- Adopt relevant by-laws for the implementation of this possibility

A7. Local Loop Unbundling:

- Examine the impact of LLU on business and the development of telecommunications, as well as on the foreign investments
- Define optimal procedures for the implementation of LLU

2. ANALYSIS, DEVELOPMENT AND CONTROL OF THE TELECOM MARKET

A. Goals

A1. Telecom Market Analysis:

- Analysis, development and presentation of models for telecom market monitoring
- Further collecting, processing and implementation of the non-financial data base on single operators and users of their services, according to the methodology adopted by the Agency
- Implementation of e-Europe 2005 recommendations, in particular those concerning the area of the application of methodology for measuring of development performances in the telecom sector, as well as the introduction of the indicators of the development level of this area
- Development of the model for telecom market analysis

A2. Development of Tariff Policy Accompanied by the Introduction of Cost-Based Tariffs:

- Analysis of specific cost-based models used in the developed countries and in the region when determining the prices of different telecom services
- Elaboration of the dynamics for the implementation of specific cost-based models in order to come closer to the experience of the developed countries regarding a competitive and non-discriminatory tariff policy
- Adoption and scheduling of the beginning of cost-based model implementation, which can be easily applied in view of the current capability and capacity of the operators
- Definition of the procedure and method of the adopted cost-based model control

- Stimulation of increase in service volume and quality
- Co-ordinated activity with other relevant government authorities and institutions regarding the stimulation of domestic and foreign investments in the telecom market

A3. Introduction of Universal Service (US):

- Define the mechanism for collecting the funds for USF. Definition of form, method of replenishment and economic principles of USF management
- Consider the mechanism of cost recovery, taking into account all economic parameters, in particular: development, costs and tariffs. Consider potential ways of the US cost recovery and the choice of the most beneficial one, from the aspect of overall economic parameters relevant to this issue
- Establish the US Fund for universal service cost recovery and ensure availability of the universal service;
- Register the actual situation regarding the possibilities in the area of telecommunications service provision and analyse the needs pertinent to establishment of appropriate form of US
- Define and adopt a list of services within the US

A4. Interconnection:

- Define principles, rules and models for interconnection between operators
- Prepare by-laws and procedure for mediation in disputes between operators or in court
- User protection within the market. Mediation in dispute resolution between operators in the area of interconnection, Internet access, leased lines, facility sharing, co-location...

A5. User Protection:

- Establish co-ordinated and continuous activities of all Agency departments in this area
- Adopt principles and legal framework for the protection of user rights
- Prepare relevant regulations within the Agency

3. ACTIVITIES IN THE FIELD OF STANDARDIZATION AND TECHNICAL REGULATIONS

A. Goals

A1. Prepare Standards and Technical Regulations:

- Adopt standards and introduce the practice applied in the EU in the area of product certification
- Prepare technical regulations in the telecommunications area in line with the technical regulations applied in the EU

4. ORGANIZATION AND DEVELOPMENT OF THE AGENCY

A. Goals

A1. Continue with the modernization of the Agency business management. Undertake activities designed to further improve the competence, efficiency and transparency in the work of the Agency:

- New, modern, user-oriented web site of the Agency, designed to facilitate navigation and access to information, which should provide the possibility of electronic business with the clients in the forthcoming period

- Organization of public presentations, attendance at expert conferences and forums, organization of expert discussions and roundtables
- Creation of conditions for an active role of the Advisory Council, scientific and expert institutions in solving current expert issues within the authority of the Agency

A2. Work on implementation of an integral information system within the Agency:

- Network development and protection of the Agency information system, including the control and measuring centres
- Introduction of a documentary system
- Establishing of integral data bases

5. CO-OPERATION WITH OTHER INSTITUTIONS AND ORGANIZATIONS

A. Goals

A1. In performing its principle role, this being the creation of necessary conditions for an unhindered development of telecom market in the Republic of Serbia providing the development of the information society, RATEL needs to co-operate with relevant government authorities, operators, providers, distributors, industry, scientific and educational institutions and consumer associations.

- Regular contacts and consultations with all participants in the telecom sector
- Organization of public discussions, panel discussions and roundtables, in order to obtain expert and impartial conclusions on particular current issues

A2. Dynamic development of ICT, i.e. services and equipment, requires constant introduction of new regulations. This requires a developed and direct international co-operation with regulatory authorities and other expert international institutions in the region and the EU states.

- Organization of bilateral and multilateral meetings with the Agencies from the region
- Co-operation with and membership in the international organizations