

# Telecommunications Regulation – “where it has been, where it is going”

Presentation to Waterford Institute of Technology

Etain Doyle

Director of Telecommunications Regulation

10<sup>th</sup> April 2002

# INTRODUCTION

- The Role of Regulation - to stimulate competition for the benefit of consumers in terms of:
  - **Price**
  - **Choice**
  - **Quality**
- Affordability, Availability and Quality of Service issues
- National legislation and its limits
- EU Influence



# ROLE OF THE ODTR

## Functions of the Office cover:

- Telecommunication Services
- Radio Spectrum
- Television Transmission
- National Numbering Resource
- Postal Sector (Sept 2000)
- Best price, choice and quality for telecoms user
- Identify blockages, remove them and constantly review the market
- Force the pace of change



# REGULATORY DEVELOPMENTS

- Local Loop Unbundling
- Internet
- 3G
- Numbering
- Postal services
- Regulatory Process – consult and then decide independently



# IMPORTANCE OF THE TELECOMMUNICATIONS SECTOR

- Telecoms development goes hand in hand with economic growth
- Telecoms Revenue has grown by over 3% in the last quarter. This figure has increased by approx 14% since December 2000
- Telecoms sector overall accounts for circa 3.17% GDP
- New entrants share of fixed line market is 21%
- Irish mobile penetration rate is now 79%
- Number of employees in telecoms sector is 16,700

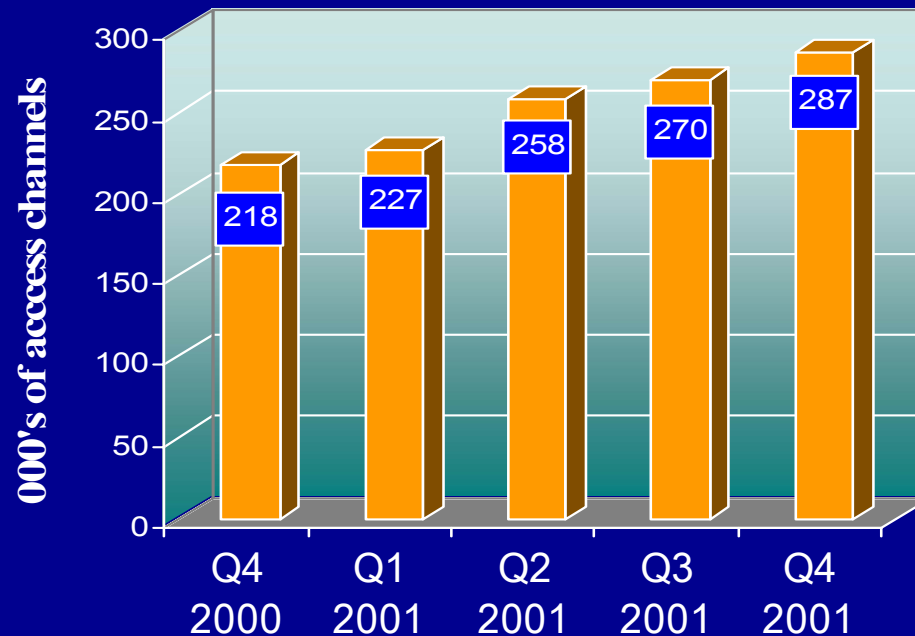


# CURRENT MARKET SITUATION

## - FIXED LINE -

- Total fixed line revenue accounts for approx 64% of total telecoms revenue
- 32% increase in ISDN channels in past 12 months
- 39,000 Leased Line Circuits
- Approx 145,000 CPS subscribers
- Limited cable modem and Fixed Wireless activity

**Growth of ISDN Access Channels:  
Q4 '00 - Q4'01**



# CURRENT MARKET SITUATION

## - Mobile -

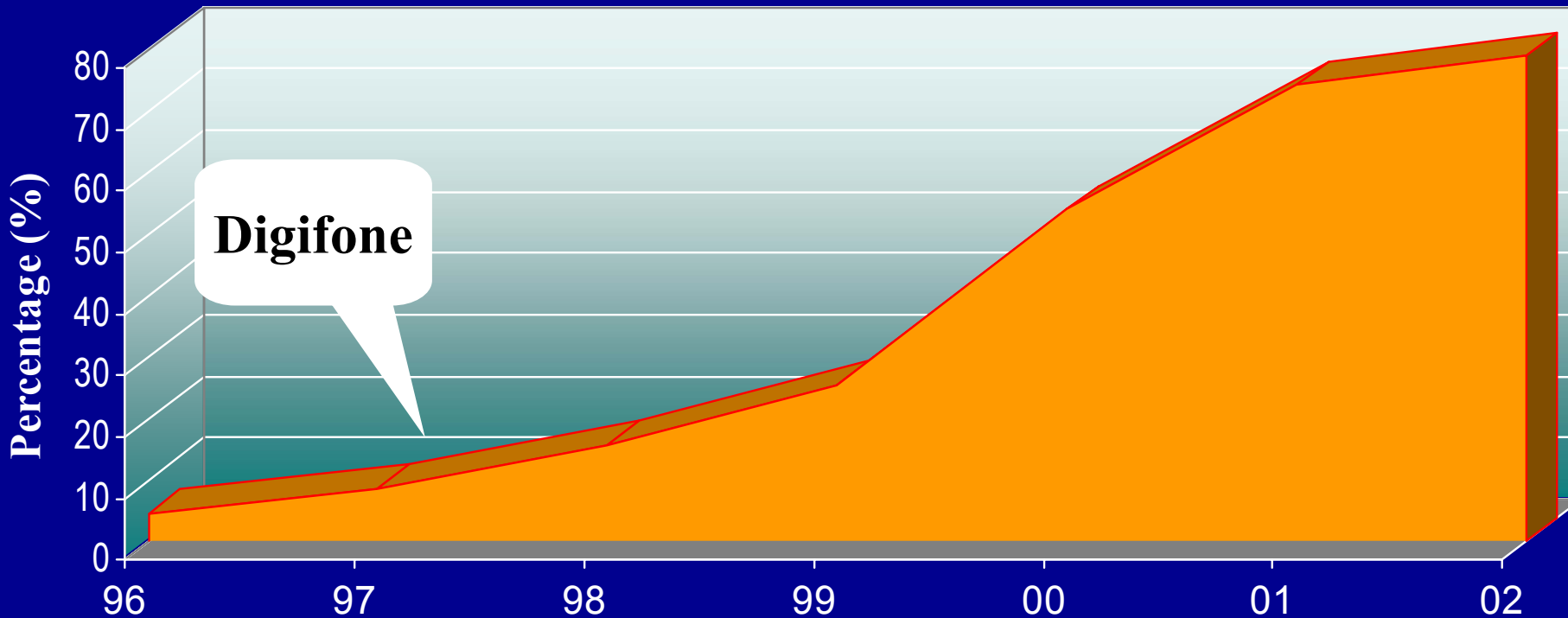
- The Irish mobile penetration rate has increased to 79% - 12% higher than the same period last year
- 8th highest penetration rate in Europe
- Approx 2.9 million mobile subscribers
- Market Shares – Vodafone 58%, Digifone 39%, Meteor 3%
- In 2001 approx 1.5 billion SMS were sent in Ireland



Mobile Penetration Rate now stands at 79%

# Mobile Penetration

Irish Mobile Penetration Rate: 1996 - 2002





# CURRENT MARKET SITUATION - INTERNET -

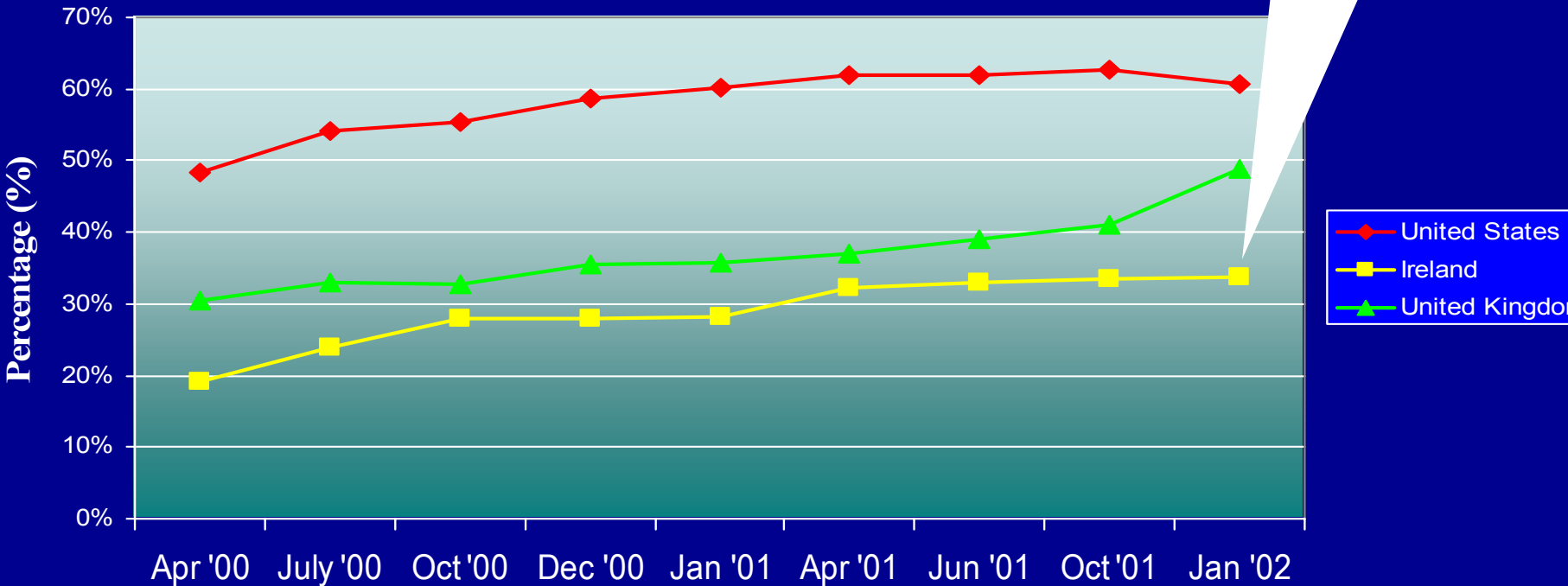
- Internet penetration stood at 34% at the end of January 2002. This has stabilised over the last couple of quarters
- Active Internet Universe (number of people who have access to the Internet at home & have used it during the month) in Ireland has increased by 16% since our last review
- Irish residential users spent an average of over 4hrs online in January 2002. This has remained consistent with previous reviews



# INTERNET PENETRATION

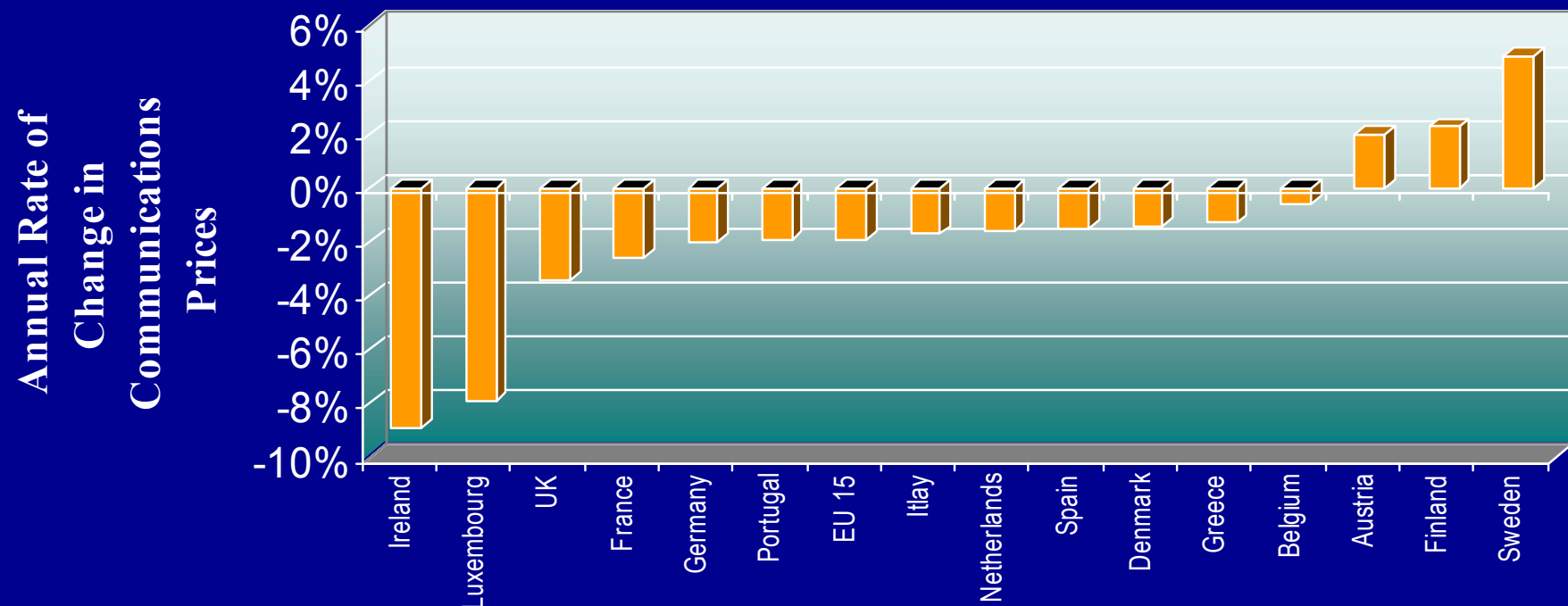
**34% of Irish Population Have Internet Access at Home**

### Penetration Rates Compared



# CONSUMER PRICES

Harmonised Indices of Consumer Prices - October 2000 /  
October 2001

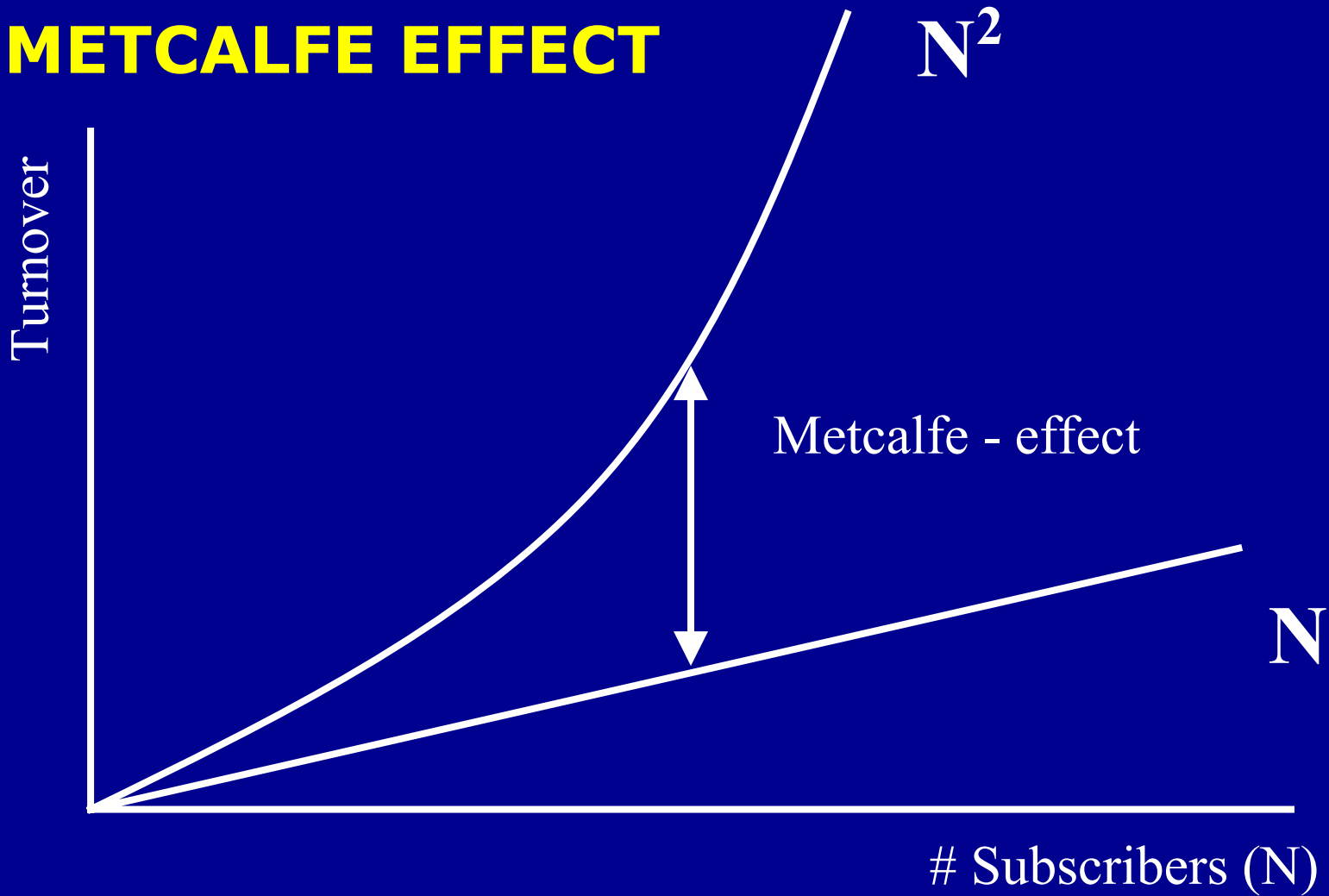


# FUTURE DEVELOPMENTS

- Continuing liberalisation
- Narrowband => broadband – PSTN: 128 kbts:500 kbts: 2 mbts and beyond
- Development of competition - leased lines, ULL, Satellite, Wireless
- Continuing need for upgrading networks
- Implementation of the new EU Directives



# METCALFE EFFECT



# NATIONAL & EU LEGISLATION AND ITS' LIMITS

- ODTR operates within the framework of EU and Irish Law
- Communications Bill
- New EU Regulatory Framework



1998

2002

2010

Price / Choice / Quality for users.

Thank You.

[www.odtr.i](http://www.odtr.i)



Office of the Director of  
Telecommunications  
Regulation