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ComReg issues two Consultation Papers on Market Analysis for Retail & Wholesale Leased Lines

The Commission for Communication Regulation (ComReg) has today issued two consultations papers on the results of its market analysis of the leased lines' markets. The first paper refers to Retail and Wholesale National Leased Lines and the second refers to International Leased Lines.

Leased Lines are an important element of the communications infrastructure in Ireland and they can either directly or indirectly support communications for consumers. Retail leased lines are used by businesses for efficient voice and data communication between multiple sites in Ireland. Wholesale leased lines are used by network operators, such as mobile operators, to build out their networks to provide services to business and retail customers.

Businesses now have a choice of many providers of international retail leased lines, and no single company is dominant. In a deregulatory move, ComReg is therefore proposing to lift restrictions on eircom for the provision of these lines, and allow market forces to operate.

Similarly, for high-capacity retail leased lines within Ireland, ComReg proposes to find the market effectively competitive, and to lift existing obligations on eircom.

Following the introduction of a new regulatory process, ComReg has been analysing these markets to see whether there is now effective competition in the markets in these areas.

In addition, the consultation document also suggests that for national retail leased lines at lower bandwidths, which are more prevalent in Ireland, and wholesale leased lines, effective competition has still not been achieved and eircom enjoys a competitive advantage in this market. For this reason ComReg is proposing to designate eircom as having significant market power (SMP) and puts forward proposals for further regulation to be placed on eircom.

Before coming to its final conclusions ComReg is inviting comments from all interested parties on the questions posed in the documents. The full consultation papers – ComReg 04/59 and ComReg 04/60 are available on the ComReg website www.comreg.ie and they can be located in the Publications' section of the website.

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