



An Coimisiún um
Rialáil Cumarsáide
Commission for
Communications Regulation

Eircom achieves Early Milestones under Settlement Agreement

Information Notice

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Additional Information

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In December 2018¹ ComReg and Eircom agreed a set of commitments which, when fully implemented, will result in the establishment and operation of an enhanced Regulatory Governance Model (“RGM”) in Eircom. Those commitments implementing the RGM are referred to as the RGM Undertakings and are detailed in the Settlement Agreement².

A number of the key RGM Undertakings (“Performance Milestones”) were underpinned by a cash amount of €9 million placed in escrow by Eircom, which can be drawn down by ComReg in the event of a late or non-delivery of the Performance Milestones by Eircom.

As set out in the Performance Agreement³ Eircom was required to meet a number of Performance Milestones referred to as the Early Milestones by certain dates. Thereafter, ComReg would come to a determination as to whether Eircom had met such Early Milestones.

On 24 January 2019, Eircom appointed two members to the Independent Oversight Body (“IOB”) which fulfilled the requirement of the Performance Milestone due by 31 January 2019. The IOB was formed on 24 May 2019⁴.

By 31 May 2019, Eircom was required to meet the nine other Performance Milestones⁵ and in this regard Eircom submitted documentation to ComReg⁶. ComReg reviewed the documentation provided and, after seeking a number of clarifications from Eircom, determined that Eircom had met all the Performance Milestones.

ComReg has instructed the Escrow Agent to make a Refund Payment of €4.5M to Eircom with respect to the Early Milestones.

We welcome Eircom’s achievement of the Early Milestones. While recognising this positive step, ComReg notes that there are a number of Performance Milestones to be achieved which are due later this year and in 2020.

We also note that the Independent Oversight Body (IOB) has been established and is currently preparing its work-plan and, as required by the Performance agreement, Eircom have provided a number of submissions to the IOB which it will review and consider as part of its mandate to oversee Eircom’s governance structures.

¹ ComReg Document No. 18/110, dated 10 December 2018, “Wholesale Compliance Litigation Update - Outcome of Cases 481 and 568 and related litigation” <https://www.comreg.ie/publication/wholesale-compliance-litigation-update/>

² Settlement Agreement, dated 10 December 2018.

³ Annex 2 to the Settlement Agreement.

⁴ ComReg Document No. 19/49 dated 24 May 2019, “Establishment of the Independent Oversight Body (IOB)”.

⁵ One of the nine remaining Early Milestone was due on 31 March 2019 and the remainder were due by 31 May 2019 or the first meeting of the IOB.

⁶ Some Performance Milestones required Eircom to make a submission to the IOB.