



Commission for
Communications Regulation

Information Notice

Monitoring eircom's Compliance with Decision Notice D16/02

"off book" pricing investigation in respect of eircom's provision of voice services

Document No:	03/94
Date:	31 July 2003

Introduction

On 17 October 2002, the then Office of the Director of Telecommunications Regulation, now ComReg, issued Decision Notice D16/02, making public the general findings of its "off book" pricing investigation in respect of eircom's provision of voice telephony services. The purpose of the investigation was to immediately halt any continuation of the practices and to ensure that any repetition of such practices by eircom is avoided in the future.

For the purposes of establishing and maintaining compliance the Decision Notice directed eircom to undertake specified measures, which includes a requirement that eircom commission an independent external audit, the terms of reference to be agreed with the ODTR, of the processes listed in the Decision Notice and otherwise considered by the ODTR to be necessary to ensure compliance with regulatory obligations and best practice on an annual basis going forward for the next two years. eircom were also directed to continue the implementation of a system of management controls and processes to support full compliance with their legal obligation in relation to pricing and discounts.

Independent Compliance Audit

The Terms of Reference for the Independent Compliance Audit as directed in D16/02 has now been agreed.

This Audit will review eircom's compliance with its obligations under both the Voice Telephony Regulations and eircom's Licence Conditions in respect of pricing and discounts during the specified period 18th October 2002 to 30 September 2003.

The audit will also review eircom's compliance with the processes listed in the Decision Notice D16/02 including the implementation and outputs of eircom's associated Compliance Plan.

The independent auditor will be required to issue a statement of opinion to eircom and ComReg on these matters. The Audit for the specified period will commence no later than 20 October 2003 and the date for the delivery of the Final Audit Report to ComReg will be as soon as is practicable but no later than the 31 January 2004. Eircom is proceeding with the process of commissioning a suitable independent auditor to conduct the Audit on the basis of the agreed Compliance Audit Terms of Reference. ComReg will provide further report(s) at appropriate times in respect of the process.

ComReg continues to closely monitor the implementation of the specified measures contained in D16/02 by eircom and will continue to take whatever further steps considered necessary in light of progress and developments. It is also keeping under review and investigation any suspected instances of off-book pricing and will take action as appropriate.