



Commission for
Communications Regulation

Review of Eir's Regulatory Governance Model

Progress Update

Information Notice

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An Coimisiún um Rialáil Cumarsáide

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Summary

On 26 May 2016, the Commission for Communications Regulation ("ComReg") published an Information Notice¹ outlining the objectives and scope of its review of Eircom Limited's ("Eir's") Regulatory Governance Model ("RGM") with a focus on two work streams - Governance and Operations. ComReg appointed KPMG and Cartesian Limited (the "advisors") as independent advisors to assist ComReg with its review. The review is comprised of three phases; a Preliminary Phase, Phase 1 and Phase 2. The Preliminary Phase has been completed and Phase 1 is currently being concluded as planned. ComReg anticipates that Phase 2 will be completed in early 2017.

Preliminary Phase

The purpose of the Preliminary Phase was to refine the scope of the project, for the advisors to conduct an initial assessment of Eir's available documentation and to meet with some of Eir's key members of staff. As part of that phase, the advisors also met with operators to discuss their views on the scope of the project and the issues that they considered could be reviewed. ComReg considers that these meetings were constructive in that they provided an additional perspective on Eir's governance arrangements and its practical implementation. The Preliminary Phase was completed in May 2016.

Phase 1

The focus of Phase 1 was to gain an initial understanding of Eir's governance and risk and control environment as it relates to its regulatory obligations. The emphasis in this phase was a review of Eir's existing operations and processes which was conducted by way of an assessment of Eir's relevant documentation and interviews with relevant Eir staff. A further output of Phase 1 was the identification of areas where more detailed 'systems and transactions testing' is considered necessary; this is to be done in Phase 2. The advisors have made the initial draft findings of Phase 1, which are subject to validation with Eir, available to ComReg. These Phase 1 initial draft findings will be shared with Eir for any factual correction that may be required. The advisors consider that the Phase 1 draft findings are provisional and as such, are contingent on further work to be completed in Phase 2.

¹ ComReg Document No. 16/42.

Phase 2

Phase 2 will commence later this month and will validate the initial findings of Phase 1 by means of a more detailed examination of selected areas. The advisors' final findings from Phase 2 will follow the same Phase 1 process to determine factual accuracy and will be published subject to the redaction of confidential material in line with ComReg Document No. 05/24.

While project timelines are broadly in line with our previously published guidance (i.e. those contained in ComReg Document No. 16/42), it is envisaged by the advisors that the work will extend into Q1 2017 (rather than the end of 2016 as previously indicated).

Post Review Activities

We are currently considering possible next steps following the completion of Phase 2. As indicated in ComReg Document No. 16/42:

ComReg will consider the outcome of Phase 2 in early 2017 and depending on the findings, ComReg may take further steps. We reserve our right to use any and all of our regulatory powers at that stage

We will tender shortly for a framework contract for relevant services, in case these are required.

Other

As indicated in ComReg Document No. 16/42:

Given the level of interest in this project we plan to publish any substantive written representations that we may receive. We also plan to publish further updates at suitable times. We believe that this will help ensure an appropriate level of transparency.

The representations received to date are published in ComReg Document 16/82a.