

PREAMBLE

Telecommunications Authority has showed utmost effort in 2003 to make ready the sector to the date of January 1, 2004 which is expected with ardent desire for years and to complete the required regulation and authorization studies. In a very short period of time, the most part of the authorizations and regulations essential for the liberalization process have been completed and the others have come to the stage of completion.

The Authority whose ultimate goal is full liberalization in the telecommunications market, in addition to intensive regulatory function in the liberalization process, will continue its authorization studies which give the real meaning to the regulations fast but attentively.

Moreover, for the purpose of establishing and maintaining sustainable competitive environment in the telecommunications market, the Authority will carry out its supervision and arbitration functions in an effective manner.

The performance of the Authority will bring about entrances of new operators and investors to the sector, contribute to employment and enable the provision of optimum services to customers in terms of quality, variety and tariffs. This development in the telecommunications market which is the engine power of the information society will accelerate the financial and real sector of Turkey which in turn will affect the economic growth positively.

As a result of the Authority's studies in 2003, the minimum values and the terms and conditions related to authorization of long distance telephony services, expected to be the most demanded services by the sector, have been determined and the licenses regarding the public access radio systems and data transmission over terrestrial lines have began to be issued. Moreover, of the regulations considered as essential for solving frequently encountered problems in the liberalization process, access and interconnection ordinance, regulation related to the determination of the dominant operators, regulation related to the determination of the operators with significant market power, communiqué related to co-location and facility sharing and price cap communiqué have been prepared and published in the Official Gazette.

After the liberalization, the Authority aims to constitute a telecommunications market in which;

- the users are able to reach at least one operator to take the basic telecommunication services,
- every kind of services including new services are being able to be provided to users fast and cheaply as suitable to technologic developments,
- users are able to choose from a range of alternative operators in the basis of services provided,
- competition is supported not only with alternative service providers but also with different infrastructure alternatives,
- conditions related to market entry are defined clearly and implemented in an indiscriminative manner,
- the activities of the operators by using their infrastructure or other essential facilities to raise barrier for new entrances are prevented,
- the operators are able to build new infrastructure in a competitive environment and continue to provide their services and also new services in a more powerful way,
- the regulations -required for the operators being active in the same market on the principles of harmony and efficient use of resources- are completed,

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- scarce resources and imported infrastructure and equipments are used efficiently,
- amendments related to regulations are realized parallel to the developments in technology and market structure and international regulations,
- cost oriented tariffs are applied,
- the rights and obligations of the operators are monitored and consumer rights and the quality of services are protected with continuous supervision

and as a result of all these, Turkey Telecommunications Market has a competitive advantage in international scale.

In this respect, the Work Plan 2004 includes the studies concerning the new authorizations like value added services, mobile virtual network services, 118 directory services, infrastructure operations and digital terrestrial platform services and the updating of current authorizations according to new developments. In addition, the regulations related to the service quality which will come into agenda more frequently after the liberalization will be realized.

In addition to these studies, Telecommunications Authority will continue the studies relating to avoiding the abuse of dominant position by incumbent operator to restrict the entrance to the market, realizing the number portability, avoiding applications that may harm market structure in competitive sections of the market by continuous monitoring, determining the costs of telecommunication services. Realizing these objectives, compliance with EU directives and other international experiences will be taken into account, other activities regarding sectoral research and development studies will be carried out as routine tasks.

I introduce you the Work Plan 2004 that covers the studies having sectoral priorities we aim to accomplish and wish an efficient year both for telecommunications market and our country.

Regards,
Assoc. Prof. Ömer ARASIL
President of the Authority
Chairman of the Board

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2004 WORK PLAN

1. REGULATION

1.1. Number Portability

1.2. Regulation on Quality of Service in the Telecommunications Sector

1.3. Updating National Frequency Allocation Table (NFAT)

1.4. Preparation of Communiqué Related to Tenders for Authorizations

1.5. Regulation on Electronic Signature

2004 WORK PLAN

- 1.1 TITLE** : **Number Portability**
- SUBJECT** : Preparation of the rules and procedures on the application of number portability which is defined as changing telephone operator or physical location or type of service without changing telephone number on PSTN/mobile networks.
- PURPOSE** : With the implementation of number portability, subscribers will be able to change their telephone operator or physical location or type of service without changing their telephone numbers on PSTN/mobile networks. Thus, number portability will make contribution in improving the competition in the telecommunications market.
- SCOPE** : Basically, the scope of studies on number portability includes preparation of ordinance and application procedures in this regard. According to EU Universal Service Directive (2002/22/EC), number portability should be applied on PSTN/mobile networks. In that respect, to implement number portability on public telephony networks considering the priorities to be determined, studies covering technical solutions, cost allocation methods etc. will be performed.
- CURRENT SITUATION ASSESSMENT** : In Turkey, there is no number portability implementation yet.
- : Considering the remarkable differences between the number of subscribers of GSM operators in our country, it is seen that number portability regulation stated in the EU Universal Service Directive 2002/22/EC is a key application in order to have a competitive market structure. It is estimated that the studies on number portability will continue in the forthcoming years.

2004 WORK PLAN

- 1.2 TITLE** : **Regulation on Quality of Service in the Telecommunications Sector**
- SUBJECT** : Determination of parameters on service quality with respect to services provided over fixed and mobile telecommunication networks.
- PURPOSE** : With the regulation of service quality and determination of the parameters for service quality, it is aimed to ensure a better quality of service and preserve the public interest.
- SCOPE** : The regulation study covers the determination of the parameters and criteria related to the service quality provided over fixed and mobile telecommunications networks. Regulation studies are being carried out in the context of Laws no. 4502 and 4673 and EU Acquis Communitarie.
- CURRENT SITUATION ASSESSMENT** : Studies on the subject have been started in 2002.
- : It is planned that the regulation study will be completed by the end of 2004.

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- 1.3 TITLE** : **Updating National Frequency Allocation Table (NFAT)**
- SUBJECT** : Updating the national frequency allocation table with respect to the decisions taken in WRC-03
- PURPOSE** : It is aimed to update the national frequency allocation table with respect to the changes made by WRC-03 in ITU-RR.
- SCOPE** : Evaluating and then updating the NFAT with respect to the changes made by WRC-03 in ITU-RR.
- CURRENT SITUATION** : The NFAT had been updated with respect to the decisions of WRC-2000. It is possible to access to the last version of the NFAT, ITU-RR and CEPT frequency allocation tables on the Authority's web site.
- ASSESSMENT** : It is planned to make the mentioned changes and updates within the year 2004, after receiving the views of related institutions.

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- 1.4 TITLE** : **Preparation of Communique Related to Tenders for Authorizations**
- SUBJECT** : Preparation of the Communique which includes the principles and procedures that will be applied to tenders for the authorizations.
- PURPOSE** : The purpose of this work is to determine the principles and procedures that will be applied to the tenders for the authorization of the candidate operators that would like to provide communications services which shall be provided by limited number of operators pursuant to the authorization legislation.
- SCOPE** : The principles and procedures regarding the issues like; terms of references, conditions for applications, tender methods and evaluation of proposals will take part under the scope of this work.
- CURRENT SITUATION ASSESSMENT** : Related studies will start in 2004.
: Tender regulation is important in order to issue authorizations requiring limited number of operators.

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- 1.5 TITLE** : **Regulation on Electronic Signature**
- SUBJECT** : Regulation of electronic signature.
- PURPOSE** : Determination and implementation of procedures and rules related to establishing necessary infrastructure for the use of electronic signature considering the legal and technical aspects.
- SCOPE** : Legal aspect's of electronic signature, necessary procedures regarding the implementation of electronic signature and regulation of the activities of certification-service providers.
- CURRENT SITUATION** : The Electronic Signature Law numbered 5070 has been published in the official gazette numbered 25355 and put into force on 23rd of January 2004A working group has been established and started to work on the study.
- ASSESSMENT** : Establishing the necessary infrastructure for the use of electronic signature in Turkey has a great importance.

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2. AUTHORIZATION

2.1 Authorization of Value Added Telecommunication Services Operator

2.2 Authorization of Mobile Virtual Network Operator

2.3 Authorization of Directory Services Operator

2.4 Authorization of Terrestrial Digital Platform Service Operator

2.5 Authorization of Infrastructure Services Operator

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- 2.1 TITLE** : **Authorization of Value Added Telecommunication Services Operator**
- SUBJECT** : Preparation of Authorization of Value Added Telecommunication Services Operator.
- PURPOSE** : To determine the rules and procedures for Authorization of Value Added Telecommunication Services Operator and the minimum value of authorization fee.
- SCOPE** : Authorization of provision of value added telecommunications services which employ computer processing applications that act on the format, content, code, protocol or similar aspects of the subscriber's transmitted voice, data and all other types of messages and provide the subscriber or the user additional, different or restructured messages; or involve subscriber interaction with stored message; by the usage of existing of telecommunications operators' infrastructure.
- CURRENT SITUATION ASSESSMENT** : Related studies will start in 2004.
- : In this study, not only the new value added services but also some authorizations like data transmission over terrestrial lines and short message service over mobile networks are planned to be handled.

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- 2.2 TITLE** : **Authorization of Mobile Virtual Network Operator**
- SUBJECT** : Preparation of Authorization related to Mobile Virtual Network Operator that will use the infrastructure of GSM operators.
- PURPOSE** : With this study it is aimed to determine the issues such as authorization type, procedures and principles to be applied and minimum value of authorization fee for the Mobile Virtual Network Operator that will offer services by using the infrastructure of GSM operators.
- SCOPE** : Within the scope of the study, the procedures and rules on the usage of the infrastructure of GSM operators, numbering, the definition and scope of the service etc. shall be determined.
- CURRENT SITUATION ASSESSMENT** : Related studies will start in 2004.
- : It is concluded that the authorization of Mobile Virtual Network Operator will contribute to the service diversity and establishing full competition in the mobile market. The effective and efficient usage of frequency will also be provided.

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- 2.3 TITLE** : **Authorization of Directory Service Operator**
- SUBJECT** : Preparation of Authorization regarding Directory Service.
- PURPOSE** : It is aimed to issue the Authorization of Directory Service.
- SCOPE** : This study includes determining the rules and procedures and the minimum value of authorization fee for the Authorization of Directory Inquiry Service including value added services related to this services.
- CURRENT SITUATION** : Currently, Turk Telekom provides this Directory Inquiry Services for the fixed telephone users by means of the short number 118 and GSM operators provide these services for the mobile telephone users by means of allocated three digit short numbers.
- ASSESSMENT** : It is considered that different operator(s) may be authorized to provide this service. In addition, value added services may be provided over this service for information purposes.

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- 2.4 TITLE** : **Authorization of Terrestrial Digital Platform Service Operator**
- SUBJECT** : Preparation of authorization related to terrestrial digital platform service operator.
- PURPOSE** : In this study it is aimed to determine rules and procedures and the minimum value of the authorization fee for the authorization related to terrestrial digital platform operator.
- SCOPE** : Within the scope of this study the issues such as rules and procedures of utilization of infrastructures, definition, scope and type of authorization etc. related to the authorization of terrestrial digital platform that offers telecommunications services in addition to Terrestrial Digital Television Broadcasting (DVB-T) service shall be determined.
- CURRENT SITUATION ASSESSMENT** : The related studies will start in 2004.
- It is expected that terrestrial digital platform service provision will be an attractive issue with the beginning of digital broadcasting services. Thus, it is considered that, preparing the required regulations related to the mentioned subject would be beneficial before that service is launched

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- 2.5 TITLE** : **Authorization of Infrastructure Services Operator**
- SUBJECT** : Preparation of the authorization related to building and operating telecommunication infrastructures.
- PURPOSE** : To issue necessary authorizations in order to develop alternative telecommunication networks.
- SCOPE** : This study covers the determination of rules and procedures and the minimum value of the authorization fee for the authorization related to building and operating transmission networks
- CURRENT SITUATION** : An annex to the Authorization Ordinance has been drafted and studies for determining the minimum value of the authorization fee are continuing.
- ASSESSMENT** : It is planned that the Draft Annex shall be opened up for Public Consultation in the third quarter of 2004 and be published by the end of september 2004.

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3. STUDIES CONTINUING FROM 2003

3.1 Regulation Related to the Consumer Rights

3.2 Licensing of Cable TV Services

3.3 Right of Way

3.4 Empowering Physical Infrastructure of Laboratory of Telecommunications Authority

3.5 Preparation of Cost Models

3.6 Authorization of Broadband Fixed Wireless Access (BFWA) Services

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- 3.2 TITLE** : **Licensing of Cable TV Services**
- SUBJECT** : Working on the authorization of cable TV services.
- PURPOSE** : It has been aimed that full competition and liberalization will be established via issuing licences to companies requesting licences in cable TV sector.
- SCOPE** : Cable TV infrastructure is the most serious alternative to leased lines in operating infrastructure, to public switched telephone network in offering fixed telephony services and to satellite platform systems in broadcasting services. In this context; license types, minimum license fees and authorization numbers for cable TV services will be determined within this study.
- CURRENT SITUATION ASSESSMENT** : An annex to the Authorization Ordinance has been prepared and views of the related foundations on this ordinance has been received as well.
- : It is planned that the Annex shall be published by the end of June 2004.

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- 3.3 TITLE** : **Right of Way**
- SUBJECT** : Making regulations for facilitating the establishing, removing, maintaining, repairing, etc. of the telecommunications infrastructure required for the service supply of the operators, who has right of way, running in the telecommunications market.
- PURPOSE** : To regulate the methods and bases of the rights of way necessary for the operators showing activity at the telecommunications sector to establish and utilize the infrastructural facilities as necessitated by the service for to create an effective and sustainable competition environment at the telecommunications sector and to obtain high quality with service variety.
- SCOPE** : This Ordinance covers the rights and obligations of the operators servicing under an authorization agreement or a concession agreement entered into with, and/or a telecommunications license obtained from the Authority and the immovable owner and/or the right owner on the immovable arising from the rights of way, and the principles and procedures regarding these rights and obligations.
- CURRENT SITUATION ASSESSMENT** : The draft ordinance has been prepared and views of the related foundations on this ordinance has been received as well.
: It is planned that the ordinance shall be published by the end of June 2004.

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- 3.4 TITLE** : **Empowering physical infrastructure of Laboratory of Telecommunications Authority**
- SUBJECT** : Reconstructing the laboratory that will be used for the purposes of market surveillance and inspection.
- PURPOSE** : Reconstructing the laboratory that will be used for market surveillance and inspection in the frame of RTTE Ordinance, compatible with EU market surveillance applications.
- SCOPE** : Providing all the equipments so that laboratory may be accredited by TURKAK and able to make surveillance and inspections of all radio and telecommunications devices, establishing a laboratory capable with measuring EMC and LVD Systems by providing related measurement devices.
- CURRENT SITUATION ASSESSMENT** : Reconstruction studies of laboratory for usage of market surveillance and inspection have been continuing.
- : The shortcoming of the laboratory for effective market surveillance was determined. The decision to rent the laboratory building that will be used for market surveillance and inspection in the frame of R&TTE Ordinance has been given by Board. Studies relating to the subject will be continued.

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- 3.5 TITLE** : **Preparation of Cost Models**
- SUBJECT** : Cost models concerning the determination of interconnection rates
- OBJECTIVE** : By preparing cost models for PSTN and GSM networks, it is aimed to determine the interconnection costs for the networks in question and to check whether interconnection rates are set cost based or not.
- SCOPE** : Determination of interconnection costs by preparing cost models for PSTN and GSM networks.
- CURRENT SITUATION** : Work for a more detailed and advanced cost model by making use of the previously constructed models is being executed.
- ASSESSMENT** : Preparation of the cost models for PSTN and GSM networks is considered to have significant contributions in terms of determination of cost based interconnection rates, definiteness for potential operators and provision of effective entrance to the market.

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- 3.6 TITLE** : **Authorization of Broadband Fixed Wireless Access (BFWA) Services**
- SUBJECT** : Authorization of the Broadband Fixed Wireless Access (BFWA) services that will offer an appropriate facility in provision of broadband services together with voice communication.
- OBJECTIVE** : It is aimed to issue the necessary authorization for provision of Broadband Fixed Wireless Access services in Turkey.
- SCOPE** : It is a fact that the broadband services have an increasing importance since they enable for users to get advantage of having the voice, data and video services together on the same network. In viewing the European experiences, it can be said that DSL, cable and FWA infrastructures are the most used facilities in providing broadband services. The fixed wireless access systems are preferable not only in the rural areas where the existing fixed infrastructure is not sufficient but also in urban areas having high population densities due to their easy deployment opportunities.
- CURRENT SITUATION** : After the studies conducted in 2003, a report discussing the subjects such as authorization type, authorization regions, number of operators to be authorized, rights and obligations of operators, minimum authorization fees, etc has been completed and a text has been drafted to be included in the annex of the Ordinance of Authorization.
- ASSESSMENT** : After final revision of the drafted text by considering the views gathered in public consultation, the authorization shall be issued following the determination of authorization fees by Council of Ministers. In addition to this, the necessary tender documents should be prepared since this kind of authorization requires a tender.
- It is concluded that the broadband fixed wireless access systems can offer an important opportunity for improving the competition in infrastructure and services and deployment of the telecommunication services, especially broadband services in Turkey having the limited infrastructure alternatives.

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4. OTHER STUDIES

4.1. Strategic Plan for Telecommunications Regulations

4.2. Comparative Analysis of Sector Data

4.3. Project of Transformation to e-institution

2004 WORK PLAN

- 4.1 TITLE** : **Strategic Plan for Telecommunications Regulations**
- SUBJECT** : Preparation of the Strategic Plan related to the regulations
- PURPOSE** : To prepare short and long term strategic plans in order to determine the future goals of the telecommunications sector and to guide for the actions of the Authority regarding those expectations.
- SCOPE** : A strategic plan for at least 4 years which contains the issues such as stating the current situation of the sector, comparing the international developments, determining the sector structure to be constructed in the near future, defining the necessary regulations to reach the aimed sector structure and indicates the main goals of the Authority and individual targets of the sub-divisions, is planned to be produced.
- CURRENT SITUATION ASSESSMENT** : Any comprehensive strategic plan has not been introduced yet.
- : All sub-divisions of the Authority can act together in accordance with each other in achieving the targets to be determined in the scope of this strategic plan, and the telecommunications sector can direct its investment in a sound manner by knowing about the future trends.

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- 4.2 TITLE** : **Comparative Analysis of Sector Data**
- SUBJECT** : Establishing a database relating to electronic communications sector and publishing the analysis to be performed.
- PURPOSE** : For the purpose of determining the market size and pursuing the developments in the sector, it is important to gather the information relating to operators such as the number of users and subscribers, the traffic amounts, operator's revenues and expenditures. With the database, it is targeted that this information be gathered and interpreted effectively.
- SCOPE** : This study will cover all information related to the operators authorized by the Authority.
- CURRENT SITUATION** : Currently, there is a database including the information related to Turk Telekom, GSM operators and internet service providers. In the scope of this study, existing database will be improved.
- ASSESSMENT** : After the beginning of the liberalization process, the number of operators in the sector is expected to increase as a result of possible authorizations. Accordingly creating a more comprehensive database will give vigorous information about the situation of the sector and will facilitate the determination of the regulatory strategies.

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- 4.3 TITLE** : **Project of Transformation to e-institution**
- SUBJECT** : Studies of transformation to e-institution.
- PURPOSE** : Starting the e-transformation process of the Authority and constructing the technological infrastructure enabling the integration of Authority's applications with e-government/e-institution applications in an appropriate manner.
- SCOPE** : This study covers all works that can be transferred into the electronic media such as making workflow in main office and regional offices in electronic environment, accessing to and querying on all electronic documents in a fast and safe manner, keeping the documents sent and received by the Authority in both electronic and paper environments and keeping the documents of Authority's circular in only electronic environment, all kinds of procurements, accountancy and human resources management.
- CURRENT SITUATION** : The Authority as well as its work on transformation to e-institution, created a working group and started to study in 2003, as a preparation for the e-Turkey. After the tender of transformation to e-institution, the mentioned applications are planned to be introduced in 2004.
- ASSESSMENT** : Establishing a more efficient working environment is planned to be established by reducing the consumption of time, space and other resources by means of the project of e-institution. The Authority will have taken the most comprehensive step for e-transformation within 1 year after the tender

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5. WORK TIMETABLE

5.1. Regulation

5.2. Authorization

5.3. Studies continuing from 2003

5.4. Other studies

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