

THE BROADBAND STRATEGY OF MONTENEGRO

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CONTENT

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- New regulatory framework
- Activities of Agency
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STRATEGIES

- Strategy of electronic communications sector in Montenegro (May 2006)
- Strategy for Information Society Development 2004-2007 (2004)
- Strategy for Information Society Development in Montenegro from 2009 to 2013

STRATEGY OF ECS IN MONTENEGRO

MEANS

- Introduction of credible, effective and efficient competition into the market for fixed communications networks and services;
- Introduction of credible, effective and efficient competition into the market for Internet services;
- Modifications in the regulatory framework for the sector to conform more closely to the principles and policies embodied in the Directives of the European Union and to facilitate progress towards the preceding goals;
- Efficient use of scarce resources particularly spectrum;
- Creation and enhancement of awareness both within Montenegro and abroad of the value, commitment and progress of Montenegro with respect to its ECS and ICT infrastructure and services, to build a strong national “brand” such as several countries in the Nordic region and Estonia have established over the last decade.

STRATEGY OF ECS IN MONTENEGRO

OUTCOME

- Improvements in the capabilities and price/performance of electronic communications services to be competitive within a broad benchmark of European countries;
- Availability of widespread affordable broadband access services to consumer and business users in the Republic;
- Substantial and growing usage by residents and businesses of online information and transactional services in their interactions with the Government and for their own business, commercial and social purposes.

STRATEGY OF ECS IN MONTENEGRO

INDICATIVE TARGETS FOR ECS

Description of Goal/ Primary Responsibility	Three -Year Goal (2009)	Five -Year Goal (2011)	Ten- Year Goal (2016)
Internet Access/AECP +MoE	At least 1 public or shared access location in every municipality; “one home, one internet access” and “all businesses on the internet” campaigns	Achieve level of Internet use reached in Estonia in 2005, i.e. 50% of population use the Internet	Almost 100% of households and all businesses have access to the Internet
Broadband Access/AECP+MoE	Penetration of broadband (512 kbps downstream minimum) reaches 3/100 population; significant number of public locations and businesses (e.g. hotels, cafes, libraries etc.) offer wireless access; 3G-type mobile services launched	Penetration of broadband reaches 12/100 population (level of Estonia in 2005); downstream speeds >1Mbps are common; nomadic wireless access is widespread; significant numbers of 3G+ mobile users	Majority of households and almost all businesses have broadband access; nomadic wireless access is ubiquitous; downstream speeds of 3-5 Mbps are common; widespread use of 3G+

STRATEGY FOR INFORMATION SOCIETY DEVELOPMENT

- During the European Union Association process, one of the important segments, which needs to be coordinated with European standards, is the Information Society.
- Strategy for information society development, which referred to the period 2004-2007, was adopted in 2004, and the legal infrastructure for the development of e-Government.
- Next strategy was adopted at the beginning of 2009.
- Main objectives of e-Europe are to open the door of digital era and to provide Internet access to every citizen, every house, every school, every company and administration.
- In order to achieve these objectives, it is necessary to provide, inter alia, broadband access

NEW REGULATORY FRAMEWORK

- Law on Electronic Communications (entered into force on 27th August 2008)
- The system of authorizations and issuing authorizations for scarce resources
- Financing of the Agency by means of fees for scarce resources
- The activities related to regulation of and supervision over cable and wireless distribution systems
- Different way of designation of SMP operators
- New obligations of the Agency regarding the US

ACTIVITIES OF AGENCY

- Taking decisions on relevant markets and the beginning of the process of market analysis
- Rulebook on the methodology and manner of calculating the amount of annual fees for the use of numbering and/or addresses(Official Gazette of Montenegro No 01/2009);
- Rulebook on the methodology and manner of calculating the amount of annual fees for the use of radio-frequencies (Official Gazette of Montenegro No 01/2009);
- Decision of the Government of Montenegro on the price list of fees for covering the cost of RF spectrum administration (Official Gazette of Montenegro No 22/09);
- Resolving a disputes related to the use of Telekom's ducts
- Following the market analysis, measures are to be determined in relation with local loop unbundling, leased lines fees and Internet access for ISPs
- Tender for FWA is underway and tender for the US is under preparation to ensure the provision of telecommunications services to all citizens.

OVERVIEW OF BROADBAND MARKET

- ADSL
- WiMAX
- Mobile Internet
- Cable distribution systems

REVIEW OF BROADBAND MARKET

ADSL number of users (available in all municipalities)

2005	2006	2007	2008	June 2009	September 2009
1095	6.639	14.428	27.839	34.682	38.178

WiMAX number of users (available in all municipalities)

2005	2006	2007	2008	June 2009	September 2009
-	-	1.707	5.520	6.437	6.437

OVERVIEW OF BROADBAND MARKET

Fixed broadband penetration

2008	June 2009	September 2009
5,5%	6,74%	7,31%

Fixed broadband penetration per household

2008	June 2009	September 2009
18,9%	19,81%	21,6%

OVERVIEW OF BROADBAND MARKET

Number of Mobile internet users

	2008	June 2009	September 2009
ProMonte	3.143	9.748	11.403
T-Mobile	4.954	6.850	8.416
Mtel	308	364	920
Total	8.405	1.6962	20.739

3G coverage

	territory	population
ProMonte	23%	72%
T-Mobile	18 municipalities	70%
Mtel	30%	65%

OVERVIEW OF BROADBAND MARKET

Mobile broadband penetration

2008	June 2009	September 2009
1,4%	2,74%	3,34%

OVERVIEW OF BROADBAND MARKET

Number of users of cable operators

Date	DS	MMDS	IPTV	DTH	total
<i>31.12.2008</i>	16383	18867	17531	35073	87854
<i>31.03.2009</i>	17121	21777	19453	35163	93514
<i>30.06.2009</i>	17769	23049	22239	38251	101308
<i>31.08.2009</i>	19768	23248	24290	29224	96530
<i>30.09.2009</i>	20123	23787	24601	29180	97691

INTERNET CONNECTIONS AT SCHOOLS AND BUSINESSES

	Have Internet connection
Elementary schools	51,85%
High schools	100%
Businesses	22,81%

STRATEGY OF ECS IN MONTENEGRO

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CONCLUSION

We need Broadband strategy in Montenegro as a separate document adopted by the government

Thank you for your attention.

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