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SERBIA: Telecommunications

The Serbian Agency for Telecommunications ("**RATEL**") adopted on 17 October three by-laws regulating VoIP, international connections and telecommunication networks, respectively. The by-laws represent a step towards liberalization of fixed telephony and wholesale internet market in Serbia. It is expected that the first results of the aforementioned by-laws, i.e. reduction of internet prices and registration of first VoIP providers, will be palpable within 3-6 months.

By-laws on VolP

(Pravilnik o uslovima za pružanje usluge prenosa govora korišćenjem Interneta i sadržaju odobrenja, Official Gazette of RoS No. 94/08)

The By-laws on VoIP regulate IP Phone – telephone to telephone – telephone communication, without assigning numbers from the Numeration Plan, where at least part of communication is routed via the internet. The By-laws thus open the telecom market to VoIP services, which have so far been in the grey zone. The By-laws do not apply to VoIP communication within a closed private telecommunication network used for internal, non-commercial use, or to VoIP communication which requires assignment of a number from the Numeration Plan to the end-user.

VoIP services fall within the "authorisation regime" which means that all legal entities may obtain this authorisation provided they are registered for telecommunication services and fulfil the conditions prescribed by the Telecommunication Act and the By-laws. The authorisation is issued for a period of five years, with the possibility of being renewed. VoIP services must be rendered from a separate legal entity established for that purpose or from a separate branch of an existing telecom provider. A VoIP provider is obliged to pay an annual authorisation fee to be determined in a special regulation still to be adopted by RATEL. A VoIP provider must have at least one interconnection agreement concluded with a domestic fixed or mobile operator. The By-laws also prescribe the mandatory content of a standard agreement with subscribers.

The By-laws on International Connection

(Pravilnik o uslovima i postupku izdavanja odobrenja javnom telekomunikacionom operatoru za povezivanje domaće telekomunikacione mreže sa telekomunikacionom mrežom druge države, Official Gazette of RoS No. 94/08)

This regulation allows for the connection between domestic and foreign telecommunication networks, subject to obtaining authorization. The current situation is such that, apart from "Telekom Srbija" and the mobile phone networks ("Telenor", and "VIP"), only Verat ISP has a direct international connection. A request for authorization for connection to an international network may be submitted by a telecom operator which has authorisation for operation of a domestic telecommunication network. Authorization is issued for a period of up to 10 years and may be renewed. A holder of an international connection authorisation is obliged to submit each lease and interconnection agreement to RATEL.

By-laws on Telecommunication Networks

(Pravilnik o uslovima za izdavanje odobrenja za javne telekomunikacione mreže i sadržaju odobrenja, Official Gazette of RoS No. 94/08)

The By-laws on Telecommunication Networks require the owner of an existing telecommunication network to submit a request for issuance of an authorization for operation of a telecommunication network by 24th December 2008, as well as to commission for a technical inspection of its network by 24th October 2009. The network operators who fail to

submit a request for authorization within the prescribed deadline will be prohibited from further exploitation of their networks. A failure to commission for a technical inspection may result in the revocation of previously-obtained authorization.

The By-laws do not apply to fixed and mobile telephone networks, which are subject to the licensing regime.

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