

Serbia: Announcements of first MVNOs in

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Serbia

On 6 July 2016, the Serbian telecommunications regulator, the Regulatory Agency for Electronic Communications and Postal Services ("**RATEL**"), announced that a new virtual mobile network operator ("**MVNO**"), Globaltel, had been registered in the register of operators. According to the press release, Globaltel will commence to provide its services in September 2016.

Globaltel is the second registered MVNO in Serbia. On 20 May 2016, RATEL publicized that it had registered a local subsidiary of British Mundio Mobile as MVNO. The local company will operate under the brand name Vectone Mobile and its services will consist primarily of prepaid international calls.

Both Mundio Mobile and Globaltel concluded agreements on network access with the mobile network operator ("**MNO**") Vip mobile, a member of Telekom Austria group. The agreements are on commercial terms. Having established itself as the third mobile operator in Serbia a decade ago, Vip mobile had been itself using networks of other MNOs for several years while developing its own network. It has concluded a national roaming agreement on commercial terms, firstly with Telekom Srbija and later with Telenor.

The existing Serbian legal framework for electronic communications does not explicitly regulate MVNOs. In particular, access to the MNOs' networks by MVNOs has not been declared as a relevant market. There are only obligations to enable access and shared use of network elements and associated facilities to other operators, under certain conditions set forth under the Electronic Communications Act.

In 2013, the largest distributor of media content in Serbia, SBB, which is also an Internet provider and an alternative fixed telephony provider, took steps to expand its portfolio by registering as an MVNO. Its mobile services, however, have never become operational and SBB ceased to be registered for mobile services in 2015. Instead, SBB has recently joined forces with Telenor, the largest Serbian mobile operator by revenue, to launch a quadruple play package with bundled media, Internet and fixed services of SBB, and mobile services of Telenor.

Back in 2013, when SBB became authorized to provide services as MVNO, there was a debate on the

scope of the Serbian rules on mobile number portability ("MNP"). It was reported in Serbian media that SBB's request for MNP testing was rejected by the incumbent operator Telekom Srbija, who claimed that the Serbian regulatory framework provided only for porting numbers between MNOs. The then-applicable rulebook governing the MNP referred only to porting between networks and not between operators. The new rulebook, adopted in 2014, makes it clear that MVNO can be a beneficiary, as well as a tributary, under the MNP rules.

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