

PRESS RELEASE

For **Immediate** Release 19th February, 1999

REGULATOR SEEKS TO FACILITATE INCREASED COMPETITION IN TELECOMS MARKET – "WIRELESS IN THE LOCAL LOOP" LICENCE COMPETITION LAUNCHED

The Director of Telecommunications Regulation, Etain Doyle, today launched a competition for eight new licences to provide telecommunications services in Ireland. The Fixed Wireless Point To Multipoint Access (FWPMA) licences should facilitate increased competition and choice so that the Irish consumer benefits from lower tariffs and the availability of high quality services.

"There have been unprecedented developments in the telecommunications sector over the past decade, but Ireland's telephone penetration rate at 83%^{*} is still amongst the lowest in the European Union", said the Regulator. "There is great potential for telecommunications companies interested in serving this market and providing the range of services at competitive prices that the Irish consumer demands. When these FWPMA licences are issued, Ireland will be at the forefront of European Union countries in enabling service providers to use wireless in the local loop. I believe that this will contribute to effective competition in the immediate future.

"Ireland is one of the most rapidly growing economies in Europe. However urban areas often benefit more from the increased investment and interest due to superior telecommunications infrastructures. These new licences will facilitate the redressing of that imbalance, allowing the delivery of high quality telecommunications services to rural areas, particularly those where geography may have previously caused difficulties" she added.

MORE

Fixed Wireless Point to Multipoint Access offers an alternative means to provide the connection from the customer's premises to the nearest network access point for the provision of telecommunications services. It offers a radio based alternative to copper or optic fibre cable. FWPMA is not a telecommunications service per se, but makes available an important network element to be used in the provision of services.

Four licences are being offered for broadband services and another four for narrowband. Broadband will cater for the needs of medium to large users of telecommunications services, and will enable services such as PABX connection, broadband Internet access, multi-media, bandwidth on demand, and fast file transfer. Narrowband FWPMA is an alternative to copper in the local loop, which at present connects the majority of residential and business customers to their local exchange, and will offer mainly basic telephony, Internet and ISDN connections, in both urban and rural areas. The term of both licences will be ten years.

It is expected that the proposed licensees will be known in July 1999. The competition will be administered by the Director, who has established a Steering Group which is responsible for the evaluation of applications and management of the selection process. Andersen Management International of Copenhagen has been appointed to assist in the competition.

An information memorandum about the licensing process, including its goals, a description of the licensing process itself, the proposed licensing framework, and fees and time-scales is available on the ODTR website: <u>www.odtr.ie</u>. Full details of the licensing process are contained in the tender documentation, which is available from the Office of the Director of Telecommunications Regulation (ODTR) on payment of a non-refundable fee of £5,000.

ENDS