

LATVIA

INTRODUCTION

Competition in the Latvian mobile and broadband markets remained strong and consumer prices continued to decrease during 2008, in particular in the mobile sector. In the first part of the year the electronic communications sector continued to be the only major industry sector escaping the general inflationary tendencies, which culminated in an annual inflation rate of 17.9% in May, before starting to decline in the following month as a result of the general economic downturn. However, unlike previous years, the growth of broadband penetration was slower than the EU average growth and Latvia's gap with the EU average broadband penetration accordingly widened during 2008.

REGULATORY ENVIRONMENT

Main Regulatory developments

In February 2008, the Commission was able to close the infringement proceeding against Latvia concerning caller location for mobile calls to 112. Later in October, the Commission closed another infringement proceeding, which concerned inadequate transposition into the national law of the notification mechanism under the Directives. At the same time, the Commission also opened a new proceeding concerning 'structural separation' as regards the role of the Latvian Ministry of Transport in the electronic communications sector.

The introduction of mobile number portability for pre-paid customers as of 1 February 2008 had a tangible impact as the total number of ported mobile numbers more than doubled in 2008. At the same time, it has also given rise to inter-operator disputes over the relevant wholesale charges. Following the imposition of regulatory remedies in 2007, a consultation was launched in September to boost the take-up of wholesale broadband access products and local loop unbundling (LLU), which has not seen much progress so far. In March 2008, the new entrant mobile network operator (MNO) reduced voluntarily its mobile termination rates, which means that all three Latvian GSM/UMTS MNOs now have symmetric termination rates.

Discussions continued during 2008 on the introduction of a universal service compensation mechanism but no tangible progress was made. The new provisions introduced in 2007 concerning rights of way appear to be causing confusion among operators and additional delays.

Organisation of the NRA

Latvia has notified multiple national regulatory authorities in the electronic communications sector under the Framework Directive — the Public Utilities Commission, the Electronic Communications Office (ECO), the Ministry of Transport, the State Data Inspectorate and the Consumer Rights Protection Centre. Among these various regulators, it is the Public Utilities Commission (*Sabiedrisko pakalpojumu regulēšanas komisija* — SPRK), which has the broadest regulatory responsibilities, including market analysis, designation of significant market power (SMP) operators and imposition of regulatory obligations.

In October 2008, the Commission launched a new infringement proceeding against Latvia under Article 3 of the Framework Directive, which provides for ‘structural separation’ of regulatory functions exercised by the national regulatory authorities from their activities associated with ownership or control. The Commission held that this provision was breached in the case of the Latvian Ministry of Transport, which is in charge of preparation of Government decisions regarding frequency allocation and the national numbering plan and at the same time exercises activities associated with ownership or control in State-owned communications undertakings.

Decision-making

At the same time in October 2008, the Commission closed the infringement proceeding against Latvia concerning inadequate transposition into the national law of the notification mechanism provided in the regulatory framework. This was possible following the latest amendments to the Electronic Communications Law passed earlier in July. The Latvian legislator solved one of the outstanding transposition problems raised by the Commission by taking a step further than the current regulatory framework requirements in the area of consultation. Instead of adopting a provision concerning the binding effect of Commission decisions regarding proposed designation of SMP operators, the new legislation imposes an obligation on the SPRK to abide by Commission views regarding remedies proposed in relation to such operators.

In assessing the operation of SPRK, some industry representatives expressed the wish that it would play a more pro-active role, referring in particular to its cautious approach in resolving disputes related to number portability charges, which are described in more detail later on. In 2008, SPRK continued its practice of organising public hearings on new regulatory initiatives, which operators considered to be of great significance especially for technically complex matters where efficient consultation can contribute to improving quality of decisions. While the consultation process was generally viewed positively by the operators, the feedback provided by SPRK on the comments made by the industry was nevertheless still considered to be inadequate.

On the other hand, the consultation efforts of the Ministry of Transport in the preparation of the new national numbering plan and latest amendments to the frequency allocation plan were regarded as leaving room for improvement. It was, however, noted as a positive development that, during 2008, the Ministry of Transport did not anymore resort to urgent decision-making procedures, like those which had been applied in 2007 for the adoption of a Government decision revising rates of administrative charges collected by the ECO, which caused dissatisfaction within the industry about the lack of consultation.

Regarding appeals against the SPRK decisions in the electronic communications sector, the experience to-date remains limited. Only two SPRK decisions have been appealed to the administrative courts so far, of which one appeal was subsequently withdrawn by the applicant. Admission of third parties to such proceedings is subject to the general rules of administrative procedure and decided by the relevant administrative court. Given the limited number of cases, the jurisprudence in this area remains limited. However, in the two appeals heard so far, which both concerned SPRK decisions on mobile termination rates, the administrative court rejected the applications of operators, who were not the direct addressees of the decisions concerned, to be admitted to the proceedings as third parties.

The aforementioned amendments to the Electronic Communications Law also tackled the issue of confidentiality of market data submitted by communications providers to the SPRK.

These amendments prevent the providers from presenting their submissions as confidential with the exception of data relating to revenues. Views diverged among operators on this new provision. Some were concerned that it would compromise their legitimate business secrets and should be interpreted restrictively. On the other hand, the proponents of this amendment were sceptical as to whether it will have the expected effect because it was not clear how the SPRK will tackle the submissions that will continue to be presented as confidential despite these new legal requirements.

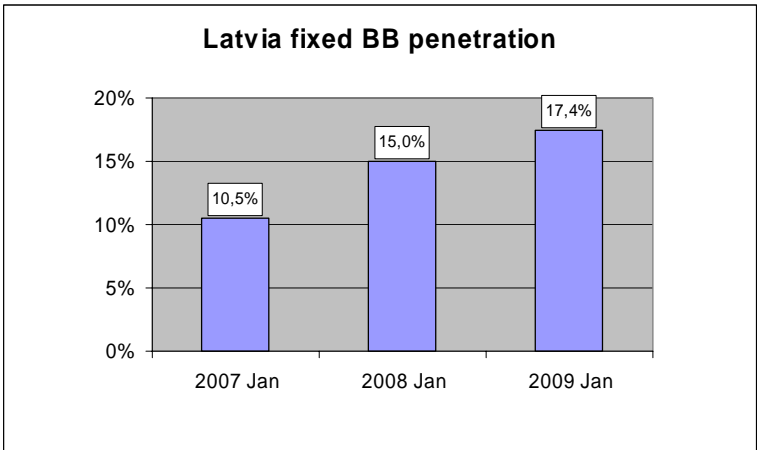
MARKET AND REGULATORY DEVELOPMENTS

The total turnover for the Latvian telecommunications sector was about €730 million as at 31 December 2007. Revenue from the fixed markets was €132 million and from the mobile markets €296 million. The total value of tangible investments in telecommunications networks stood at €120 million. The fixed incumbent invested €47 million, mobile operators invested €70 million and alternative operators invested €3 million.

Broadband

Market situation

The growth of Latvia’s broadband market slowed down significantly during 2008 — the broadband penetration rate increased by about 2.4 percentage points to reach 17.4% in



January 2009 compared to 15.0% in January 2008. This growth rate is much smaller than 4.5 percentage points recorded in the previous one-year period and the gap accordingly widened between Latvia’s and EU average broadband penetration rate, which increased by 2.8% percentage points to reach 22.9% in January 2009.

In terms of access speeds, Latvia has a lower share of fixed broadband lines in the 2 to 10 Mb/s range, which is the most common in the EU (53.0% compared to 60.8% on average in the EU), and a lower than EU average share of lines in the top range of 10 Mb/s and above (8.8% compared to 14.1%). The share of low-speed lines (up to 2 Mb/s) is accordingly larger than the EU average (38.1% compared to 25.1%).

As regards mobile broadband, the Latvian penetration rate of 8.0% is also below the EU average of 13.0% as of January 2009. Moreover, among the EU countries, which provided this type of information to the Commission, Latvia also has the lowest penetration rate of mobile connections using only dedicated data cards/modems/keys typically allowing mobile Internet via laptops (0.4% compared to the EU average of 2.8%).

As far as broadband coverage in Latvia is concerned, national DSL coverage⁶³ increased from 72% at the end of 2006 to 87% at the end of 2007, while the coverage in rural areas nearly doubled from 37% to 65% over the same period. The DSL rural gap with national coverage accordingly narrowed from 35 to 22 percentage points. In addition, cable began to be rolled out in rural areas bringing cable rural coverage from 0% to 5% at the end of 2007, thus reducing the gap with national coverage from 60 to 50 percentage points. National cable coverage accordingly increased from 50% to 65%.

The fixed incumbent's broadband market share has increased over the past year to reach 46.4% in January 2009 compared to 44.2% a year ago. It ranges from a relatively small share in Riga, which is due to the significant infrastructure-based competition, to a much higher share outside the capital, where the incumbent's DSL lines remain the dominant infrastructure. The main broadband competitors are Ethernet and cable operators. It is estimated that in Riga the residents of multi-apartment buildings would normally have a choice between three to four alternative broadband providers and price competition is accordingly strong. Fibre to the Home (FTTH) broadband access solutions have been deployed by both the fixed incumbent and some alternative network providers in some pilot sites in cities, in particular in the new build sites. If these initial deployments turn out to be successful, the fixed incumbent could launch a broader fibre deployment programme later on in certain densely populated residential areas.

A widely used method of providing broadband in multi-apartment buildings in cities is a wireless solution using the unlicensed 2.4 and 5.4GHz frequency bands. Although the national frequency allocation plan authorises the use of these frequencies only for low-power transmissions, the alternative broadband providers are using them in excess of the authorised power levels as a means to provide broadband to multiple users. Since these frequency ranges are not licensed, their use is not controlled by the ECO, which would intervene only on the basis of specific complaints. Therefore, interference between providers using this solution is commonplace and the quality of their service is often poor. However, these providers make significant savings on network costs and can provide service at lower prices than other players thus distorting the market.

The regional development project to improve access to broadband in Latvian rural areas was completed in 2008. Within the framework of this project, a CDMA wireless network has been built across the country allowing minimum access speeds of 256/128 Kb/s (the real speeds being about 800 Kb/s according to measurements). However, it is recognised that this CDMA broadband solution is technically unable to satisfy the needs of customers should their number and the traffic volume increase. Therefore, the Latvian authorities expect that local retail broadband providers will use this newly built network as a core network and provide the 'last mile' connections using other technologies, which will guarantee higher data rates for customers in rural areas.

Regulatory issues

In 2007, the SPRK imposed a range of remedies on the fixed incumbent in the wholesale unbundled access market and the wholesale broadband access market. Nevertheless, the past year has not seen much progress in the take-up of the wholesale products offered by the incumbent in these markets, which remains almost non-existent with LLU in particular, being still at zero level. In terms of access prices, the monthly average total cost for full LLU in

⁶³ Source: IDATE reports 'Broadband coverage in Europe'.

Latvia (€9.63) is below the EU average (€10.88) while the monthly cost in the case of shared access (€5.50) is slightly above the EU average (€4.13).

The lack of take-up is explained by the specific market conditions in Latvia where it remains relatively easy and cheaper for alternative operators to duplicate infrastructure. For example, according to estimates made by some operators, it is possible to recover the costs of a broadband network in a densely populated urban area within three years. SPRK is nevertheless concerned at the lack of interest in LLU and wholesale bitstream products by alternative operators which is why, in September 2008, it issued a consultation document concerning the fixed incumbent's reference offers for unbundled access to local loop and broadband access as well as concerning terminating segments of leased lines and the minimum set of leased lines markets, in which regulatory remedies were also imposed in 2007. In this document, the SPRK announced that it will use the feedback received in this consultation to analyse and, if necessary, to make amendments in these reference offers.

Mobile Markets

Market situation

As of October 2008, the Latvian mobile penetration declined to 95.6%, which was one of the lowest in the EU. On the other hand, the average consumer price for mobile services in Latvia was €12.84 per month, which is below the EU average of €19.49, and average mobile tariffs were reported to have decreased during 2008, in particular for corporate clients.

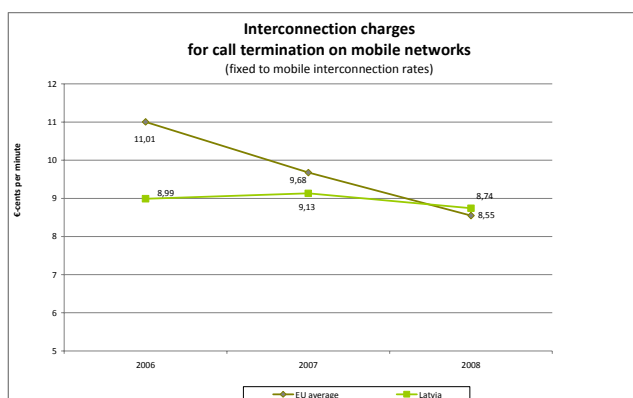
MNOs observed a sharp rise in the usage of data services, especially after the introduction of flat rates with unlimited consumption. Mobile TV is available to 3G users and DVB-H standard transmissions were being tested internally by one MNO.

The mobile virtual network operator (MVNO) business is struggling in Latvia — two MVNOs operating on the new entrant's network ceased activity in 2008 bringing the number of independent active MVNOs down to four (the fifth and largest Latvian MVNO, although remains a legally separate entity, was acquired in 2007 by its network provider, one of the established MNOs).

Regulatory issues

The mobile termination rates (MTRs) of the two established Latvian MNOs were set by the SPRK at their current level of €0.0874 in 2005, which is slightly above the EU average rate of €0.0855 as of October 2008.

They remained unchanged after the market analysis and the imposition of regulatory remedies, including price controls, on these operators in 2006. The new entrant MNO was subjected to lighter regulatory controls, excluding in particular price controls, when it was also designated as having SMP on the relevant call termination market in 2007. The new entrant had commercially agreed higher MTRs up until March 2008 when it decided voluntarily to reduce its MTRs in order to align them with those of the two established MNOs. Accordingly, the



three Latvian GSM/UMTS operators now have symmetric termination rates and it is only the fourth MNO using CDMA technology, which continues to have a higher MTR.

The SPRK decision of 2005 imposing the above MTRs prior to market analysis was appealed by one of the established MNOs. The district administrative court found the decision of the SPRK to be unlawful in the first instance in 2007 but its judgment was appealed to the regional administrative court, which in 2008 upheld the SPRK decision.

Roaming

Both the Eurotariff and the transparency requirements of the Roaming Regulation have been implemented by Latvia's mobile operators. Latvia is one of the few remaining Member States, which has not yet notified rules on penalties applicable to infringements of the Roaming Regulation, for which the deadline was 30 March 2008. However, the relevant amendments to the Code of Administrative Offences are in the parliamentary procedure and their adoption is expected soon.

Fixed markets

Market situation

In the fixed voice telephony market, the incumbent's market share by retail revenues fell significantly — from 91% in December 2006 to 76% in December 2007. On the other hand, its market share by the volume of traffic slightly increased from 94% to 96% in the same period. Carrier pre-selection (CPS) services are being provided for international calls by a number of undertakings. Concerning local calls, increasing numbers of users switch to mobile communications and the fixed voice market share is declining substantially. According to some estimates, the volume of mobile calls is currently three times the volume of fixed voice calls.

Regulatory issues

In 2007, the SPRK imposed a range of remedies on the fixed incumbent in retail access and call markets, including price control. In the context of implementing these remedies, during 2008 the SPRK notably continued approving the fixed incumbent's retail call rates to customers of new alternative operators. On the other hand, these price control remedies have not prevented the fixed incumbent from bundling unlimited voice calls on its network with its offering of broadband (and IPTV if the customer subscribes to its triple-play product). In 2008, the Competition Council examined a complaint concerning the bundling of voice services with broadband services by the fixed incumbent. It did not find that the fixed incumbent applied predatory pricing but it noted that it is the competence of the SPRK to verify whether the fixed incumbent complies with its retail price control obligations as regards the voice telephony services included in the bundle and if there is a case of cross subsidy.

The charge for terminating calls on the fixed incumbent's network is €0.0114 in the case of both single and double transit. It has not changed compared to a year ago and remains above the EU average of €0.0086 in case of single transit and close to the EU average of €0.0113 in case of double transit.

Broadcasting

Market situation

According to estimates, the Latvian TV broadcasting market has the following market shares by platform: 50% cable, 45% terrestrial and 5% satellite. Even though the take-up of IPTV offered by the fixed incumbent is advancing, its market share is currently insignificant. In certain areas where cable is not available, the wireless Multichannel Multipoint Distribution Service (MMDS) technology is used for TV transmissions as an alternative.

Regulatory issues

In September 2008, the Cabinet of Ministers issued Regulations on the procedure for the introduction of digital terrestrial TV (DTTV). These Regulations provide for the use of DVB-T and DVB-H broadcasting technologies and MPEG-2, MPEG-4 or other compression technologies and of the 174-230 MHz frequency and 470- 862 MHz frequency bands for this purpose. The Ministry of Transport was entrusted with the task of organising a selection procedure to choose the provider of DTTV broadcasting. Regulations also prescribe that the National Radio and TV Council will grant to the winner of the selection procedure the rights of use to these frequency bands for the provision of DTTV broadcasts until 31 December 2013. It accordingly appears that, at least until that date, a possible use of digital dividend for other purposes is not on the agenda of the Latvian authorities. Six applicants applied and the selection procedure was won in December by the fixed incumbent. In January 2009, the results of the selection were endorsed by the Government.

In December 2007, the Latvian national frequency allocation plan was amended to extend the use of MMDS in the 2.6 GHz frequency band until the end of 2013. It had been previously planned to free this frequency band for UMTS/IMT-2000 systems as of 1 January 2008.

Horizontal regulation

Spectrum Management

During 2008, the SPRK launched a number of selection procedures for granting rights of use to radio frequencies, in particular in the 900 MHz and 410-430 MHz bands where the relevant rights of use were granted to mobile providers and in the 450-470 MHz and 25 GHz band where the selection procedures were not completed by the end of 2008.

In addition, SPRK also granted a number of rights to use frequencies without following a selection procedure, which is only required for frequency bands listed in specific Government Regulations. In particular, following amendments to the frequency allocation plan in September 2008 concerning the 2.3-2.38 GHz band, ten undertakings applied to the SPRK for the rights of use to this frequency band. Since a selection procedure was not mandated in this band, the SPRK granted the rights of use to all of them.

In consequence, it is now fully up to the ECO, responsible for the technical management of frequencies, to arrange how and to what extent these ten rights holders will use their frequency assignment because it is clear that only one of them will be able to use this band for nation-wide services such as WiMax, which is referred to as the most likely candidate for deployment in this frequency range. It appears therefore that the SPRK decision in this case has been a mere formality and, in practice, it will be the ECO that will assign this spectrum band to users even though, formally speaking, its role is limited to technical implementation of the frequency assignment decisions made by the SPRK.

There is an interest on the part of Latvian MNOs to use 3G services in the 900 MHz band, which would in particular enable them to extend the coverage of mobile broadband services in

rural areas and compete with the current broadband offering of the CDMA mobile operator operating in the 450 MHz band. However, no discussion has yet been started on this issue of spectrum re-farming.

Implementation of frequency Decisions

As far as the Commission spectrum harmonisation Decisions adopted up until 2007 are concerned, Latvia has still not provided information about its implementation of Commission Decisions 2006/771/EC, 2006/804/EC, 2007/90/EC, 2007/98/EC, 2007/131/EC and 2007/344/EC.

Rights of way and facility sharing

A widely reported issue among the operators was the new role of the ECO in the procedures of granting rights of way. According to the amendments to the Electronic Communications Law passed in 2007, ECO was charged with the review and authorisation of construction projects for rolling out electronic communications networks as well as with control functions in this area. The State authorities attached great significance in particular to this new control function of the ECO since, according to them, so far no State institution has in reality dealt with cases of unauthorised network roll-out.

It appears that operators as a rule viewed the ECO's involvement in the authorisation of projects as an additional and time consuming formality, which does not provide any added value since the authorisation of projects by the relevant local authorities continues to be needed anyway. In fact, those operators that followed the letter of the new legal provisions and only applied to the ECO for authorisation of their network projects had run into unexpected difficulties later on because the relevant local authorities refused to accept the putting into operation of their completed objects, arguing that this formality should also be performed by the ECO, which authorised the relevant projects in the first place. However, the law does not provide the ECO with such functions and this has resulted in a deadlock regarding certain projects. Moreover, since ECO is based in the capital Riga, an undertaking wishing to carry out a network construction project outside the capital is now additionally required to travel to Riga to submit documents. According to the ECO, reflection is underway on involving ECO's regional divisions in this new activity in order to make it more easily accessible for operators working outside the capital.

In the context of implementing these new ECO responsibilities, a draft Government decision was drawn up in 2008 to set the charge rates for the relevant ECO's activities. According to the operators, the proposed rates were significant and for certain network roll-out operations would have exceeded the actual cost of the operation concerned. However, following consultations with the industry, the draft decision on the ECO's charges was taken off the agenda. In consequence, the ECO currently performs the approval of construction projects at no extra charge within a few weeks. However, a fast-track procedure is available to those undertakings, which voluntarily enter into contracts with ECO providing for payment of fees, determined by the ECO itself without any Government decision, in return for faster approval of projects.

The Commission will continue to monitor developments in this area closely.

Fees and charges

For several years, the Latvian authorities have been reflecting on the introduction of fees for the use of numbers and frequencies. Operators are concerned about a possible increase in their operational costs and, in particular, question the justification of fees for numbering resources arguing that, after the introduction of the 8-digit numbering system, numbers no longer constitute a scarce resource (with the exception of short codes). The relevant draft regulation was submitted to the inter-ministerial consultation procedure at the beginning of the year but has not seen progress since then. As regards the frequency fees, their introduction was put on hold considering that it should be linked to a general overhaul of the system of state duties.

As regards administrative charges, the SPRK continues not to distinguish its specific administrative costs relating to the regulation of the electronic communications market from those relating to its regulation of postal, energy and railway services. Its costs are covered by a 'regulatory charge' levied on operators in the regulated sectors and set at 0.2% of operators' annual turnover. However, further to the SPRK's proposal, the Cabinet of Ministers reduced, in December 2008, this rate to 0.17% of operators' annual turnover in 2009. Moreover, as a result of an annual adjustment regarding 2007, SPRK also reduced the amount of the charge due in 2008.

Another issue concerning this regulatory charge remains its application to wholesale products, which is regarded by some operators as a disincentive to buy. According to them, this charge applies to the wholesale product twice — both when the wholesale service is provided and when its cost is included in a retail product by another operator. On the other hand, SPRK continues to insist that undertakings purchasing wholesale services have the right to discount their wholesale costs from the amount subject to the regulatory charge. However, this is still not happening in practice since the undertakings concerned claim that they cannot do it in the absence of a proper methodology.

Another national regulatory authority collecting administrative charges in Latvia is the ECO, which is responsible for the management of the use of radio frequencies. All operators using radio frequencies have to pay the rates charged by the ECO for the provision of 'electromagnetic compatibility'. Certain ECO charges were significantly increased by a decision of the Cabinet of Ministers in 2007.

The Commission will continue to monitor developments in this area closely.

THE CONSUMER INTEREST

Tariff transparency and quality of service

Further to the review of certain operators' customer contracts by the SPRK, the Latvian operators are now required to indicate not only the headline but also the guaranteed broadband access speeds in their customer contracts.

Universal service

As in the previous year, in 2008 the SPRK extended the designation of the fixed incumbent as the provider of Universal Service (US) until such time as the universal service compensation mechanism takes effect. The justification advanced for this simple extension was that no other provider would be interested in providing universal service in the absence of a compensation mechanism. However, unlike the previous 2007 extension of designation which was to last

until either the establishment of a compensation mechanism or until the end of 2008, the new extension of designation no longer has such an alternative specified time limit.

At the beginning of 2008, the multi-sector working group established for this purpose presented to the Government a draft concept for the compensation mechanism for US obligations. It proposes a single mechanism for the three industry sectors regulated by the SPRK — electronic communications, post and electricity. According to the concept the costs of universal service are estimated at 1.3% of the annual turnover of undertakings in these sectors, subject to annual revision. It proposes to designate several universal service providers for each of its elements. The eligible customers would then choose from among the designated providers that will be entitled to compensation from the US fund.

As regards the electronic communications sector, it is not intended to include in the US basket access to networks at a fixed location since it is considered to be available to anybody at acceptable prices. The discussion is ongoing about the cost burden of the compensation mechanism, the determination of appropriate volumes and affordable prices for the services included in the US as well as the registration of eligible users. As a result, the concept has not developed any further since its first presentation at the beginning of the year and the prospects of progress are unclear.

In 2007, the fixed incumbent for the first time requested compensation of its net costs for the provision of the US in 2006. The NRA found an unfair burden and confirmed the request for compensation. It was planned to pay this compensation from the State budget of 2008 but this has not happened so far since the necessary resources have not yet been identified. In 2008, SPRK received a similar request concerning the costs in 2007 and, by a decision passed in November confirmed the unfair burden in the provision of the US in 2007.

The Commission will continue to monitor developments in this area closely.

Number portability

Since number portability became available also for Latvian pre-paid mobile customers as of 1 February 2008, the total number of ported mobile numbers more than doubled in 2008. As of October 2008, 64 967 mobile numbers have been ported, which represents 2.99% of all mobile numbers. The number of ported fixed numbers also increased to 16 475 numbers in October 2008 compared to 12 533 numbers in October 2007.

Number portability remains free of charge for both fixed and mobile customers. However, in view of the significant increase of mobile number portability after 1 February, the two established MNOs introduced wholesale charges of about €9.5 for numbers ported out. The new entrant did not accept them and applied to the NRA with a request to set cost-oriented number portability charges. The NRA requested the MNOs to provide justification for charges and the case is yet to be resolved.

Another dispute about number portability charges was pending between the fixed incumbent and one alternative fixed provider. The disputed charge set by the fixed incumbent was about €8.6, which is slightly lower than the EU average of €9.69. This dispute was formally referred to the NRA, which, rather than deciding the case on its merits, decided to impose an obligation on the operators concerned to reach an agreement through negotiations within a fixed deadline. In the absence of such an agreement, the SPRK finally passed a decision in December recognising the rate set by the fixed incumbent as cost oriented.

Consumer complaints

In Latvia, consumer complaints against operators can be reviewed by both the SPRK (except billing disputes) and the Consumer Protection Centre. Both institutions can impose administrative fines on operators and order the payment of compensation to customers. The most common subject matters of disputes are accuracy of bills and quality of services and there has been a significant increase in complaints about the quality of mobile broadband services. The number of complaints concerning fixed broadband has, on the other hand, declined in 2008.

European emergency number 112

At the end of 2007, Latvia put into operation a system for the delivery and transmission of caller location information also for mobile emergency calls. In consequence, the Commission could close in February 2008 the infringement proceeding opened against Latvia on this issue. Emergency services now acquire caller location via the central location database run by the ECO. The computer interface of the ECO's caller location database includes warning to its authorised users in the emergency services about the circumstances in which it can be legally used. However, it depends on the emergency services to ensure that their authorised personnel abide by these strict access rules. In addition, some mobile operators have set up filters to prevent the use of the ECO database for requesting caller location information regarding numbers, from which there is no emergency call in progress or no such call has been made in the immediate past.

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The '116' numbering range was included in the new national numbering plan adopted by the Government in August. The Ministry of Transport subsequently published the list of currently reserved numbers (i.e. 116000, 116111 and 116123), which enables the SPRK to assign them to interested operators. The first assignment was made in December when the '116111' number was assigned to the fixed incumbent. It is expected to become operational in the next few months and the service provider will be the State Inspectorate for Protection of Children's Rights.