Sub-programme 3: Internal Market

I. Title:

Telecommunications Regulatory Authority

II. Location:

Poland, Ministry of Posts and Telecommunications – leading institution, National Radiocommunications Agency (PAR), National Telecommunications and Posts Inspectorate (PITiP).

III. Objectives:

The strategic objective of the project is the harmonisation of Polish telecommunications and postal market regulation with the requirements of the EU internal market. This goal is to be achieved using EU member countries’ experiences and solutions. The harmonisation is necessary to meet the objectives stated in the Accession Partnership (AP) and the National Programme for the Adoption of the Acquis (NPAA).


The project aims at meeting the following priorities listed in the Accession Partnership: short-term (4.1) – economic reform (acceleration of privatisation/restructuring of state enterprises, including telecommunications), and reinforcement of institutional and administrative capacity; as well as medium-term (4.2) – internal market (alignment with the acquis in the field of telecommunications and establishment and operation of a market surveillance system).

The alignment concerns such areas, among others, as market liberalisation, licensing, Open Network Provision, universal service, quality of service, satellite and mobile telephony, standards, type approval, market surveillance, etc. Law alignment in the postal sector concerns, among other things, a gradual postal market liberalisation, a quality improvement of universal service in the sector, meeting EU standards in terms of postal matter delivery dates. In the Accession Partnership’s Annex point 3.2, innovation – telecommunications, says that ‘the acquis now requires governments to ensure that modern telephone service is available everywhere at an affordable price.’ In order to meet this obligation, EU law recommends the creation of a Universal Service Fund in the telecommunications sector which would function within the framework of a regulatory authority and would supervise the provision of service.

Among the priorities listed in the NPAA in the section concerning the telecommunications sector, the project is meant to carry out the first priority for the years 1999-2002: ‘The establishment of a telecommunications regulatory authority and a posts regulatory authority within the scope of „Institution Building” as well as a legal and regulatory framework of the postal and telecommunications markets.’
Comment: The NPAA has recently been revised and its priorities as regards the telecommunications sector have been reformulated to take into account recent developments and new requirements.

IIIa. Immediate (operational) objectives:

The approximation of Polish telecommunications and postal market regulation to the requirements of the EU internal market requires the carrying out of the following immediate objectives:

- provision of support for the preparation of secondary legislation necessary for the functioning of independent regulatory bodies, including the preparation of appropriate rules and procedures,
- effective performance of various organisational activities aiming at the creation of regulatory bodies in the telecommunications and postal sectors,
- performance of organisational activities aiming at the creation of a Universal Service Fund in the field of telecommunications, administered by an independent regulatory authority,
- performance of various organisational activities aiming at the creation of efficient market surveillance systems in the telecommunications and postal sectors, to be administered by independent regulatory authorities, in conformity with EU models.

The goal underlying the immediate objectives of this project is the setting up of independent regulatory authorities in the telecommunications and postal sectors.

IV. Description:

The institution building part of this project will be the subject of twinning.

1) Background.

Currently the Law on Communications of 23 November 1990 with subsequent amendments is still in force, along with pertinent secondary legislation. The function of a regulatory body is being performed by the Ministry of Posts and Telecommunications. This contravenes EU law and practice, since regulatory authorities have to be independent. Also, market regulation itself is not fully in line with EU requirements. Poland has prepared draft Telecommunications and Posts Acts which provide for the creation of independent posts, telecommunications and radiocommunications regulatory bodies regulating the postal and telecommunications sectors.

A list of Phare and other projects which have been carried out to completion or are currently in progress related to the present project and/or whose results may have an impact on it forms Annex 5.

Timetable of stages of the approximation of Polish telecommunications and postal market regulation to the requirements of the EU internal market:

**STAGE I:** end of 1998
obtain governmental agreement of the draft Telecommunications Act

STAGE II:  
beginning of 1999  
- Submission to Parliament of the draft Telecommunications Act  
- Submission to Parliament of the draft Posts Act

STAGE III:  
March 1999  
Appointment of a Plenipotentiary of the Minister (in the rank of Deputy Minister) to lead a Task Force preparing the establishment of an independent Telecommunications Regulatory Authority

STAGE IV:  
end of 1999  
Proposals of a basic structure of the independent Telecommunications Regulatory Authority worked out

STAGE V:  
1st December 1999  
- Date by which the Telecommunications and Posts Acts will be passed by Parliament; coming into force of the provision laying down procedures abolishing the National Telecommunications and Posts Inspectorate and assigning its regulatory duties to the Presidents of independent regulatory authorities

STAGE VI:  
1 January 2000  
- Promulgation of the Telecommunications and Posts Acts

STAGE VII:  
beginning of the second quarter of the year 2000  
- Issue of ordinances laying down the legal status of the Presidents of independent Telecommunications and Posts Regulatory Authorities and an independent National Radiocommunications Agency,  
- Appointment of the Presidents of the independent Telecommunications and Posts Regulatory Authorities,  
- The beginning of the organisation of the independent Telecommunications and Posts Regulatory Authorities,  
- The beginning of financing of the independent Regulatory Authorities from the state budget (financial year zero)  
- Inclusion of the National Telecommunications and Posts Inspectorate in the structure of the independent Telecommunications Regulatory Authority  
- The beginning of the liquidation of the National Radiocommunications Agency as an organ of the Ministry of Posts and Telecommunications.

STAGE VIII:  
by mid year 2000  
- New Acts come into force  
- Appointment of the President of the National Radiocommunications Agency, an independent regulatory authority, and assumption by the Agency of full responsibilities,  
- The beginning of the creation of a Universal Service Fund,  
- The beginning of self-financing of the independent Regulatory Authorities

STAGE IX:  
by November 2000  
TPSA is licensed taking into account also EU accession requirements

STAGE X:  
mid-2001  
- Permission to start assessing Universal Service Fund contributions and to compensate operators from the Fund.

STAGE XI:  
mid-2002  
- The Minister will have issued all ordinances and regulations to the Acts.

2) Project implementation tasks:
Task 1. Analyses, conceptual and organisational activities.

a. Analyses.

The carrying out of the following analyses and studies is envisaged:
- preparatory work for drafting ordinances and regulations related to the Posts and Telecommunications Acts,
- financial analyses and simulations related to the functioning of independent regulatory bodies, including some concerning costs and sources of financing
- simulations related to the functioning of interconnection and a Universal Service Fund,
- expertise concerning setting fees for issuance and possession of telecommunications and/or radiocommunications authorisations,
- expertise concerning risks, difficulties and problems related to harmonisation of law and practice of a country undergoing transition (e.g., Hungary, the Czech Republic),
- analyses concerning research and statistical methods of examining the quality of service, assuring interoperability,
- studies concerning billing systems and their full implementation,
- analyses related to adjusting the numbering plan to a new system of issuing telecommunications authorisations,
- examination of the functioning of the postal and telecommunications market in terms of competition promotion and service accessibility,
- proposals of activities aiming at developing the postal and telecommunications market, and at eliminating negative phenomena,
- analyses of EU pricing policy and of criteria used in setting prices of telecommunications and postal services,
- cataloguing of the current regulatory duties of the National Radiocommunications Agency, the Ministry of Posts and Telecommunications and the National Telecommunications and Posts Inspectorate to provide a detailed description of the duties to be subsumed under the proposed regulatory authorities,
- preparation of a report on functioning and structure of analogous EU institutions charged with market surveillance in the telecommunications and postal sectors,
- elaboration of comparative analyses of methods and tools used in monitoring telecommunications and postal operators - and the services rendered - including those acting in cable TV and cellular telephony, in the context of their compliance with EU regulations,

b. Conceptual and organisational activities.

- defining the optimal organisational and structural model of regulatory authorities; the same for personnel, especially management, and for their remuneration and professional qualifications,
- defining and implementing optimal solutions for independent regulators in terms of, among others, components of market surveillance systems, procedures of handling consumer complaints, making available on the Internet information on the functioning of regulatory authorities,
- co-ordinating organisational solutions, especially in terms of the internal organisation of the Posts and Telecommunications Regulatory Authorities, and independent...
National Radiocommunications Agency, including the positioning of market surveillance divisions,
- preparing co-operation procedures between the independent National Radiocommunications Agency, the Telecommunications Regulatory Authority and the National Radio and Television Council, as well as other inspection agencies, i.e., the State Trade Inspectorate, the State Labour Inspectorate, the Consumer and Competition Protection Office, the Central Office of Civil Engineering Supervision, the Chief Inspectorate of Civil Defence.
- preparing regulatory authorities for activities in emergency situations (co-operation with civil defence organs),
- working out a surveillance and monitoring system of a market based on competition principles, for implementation by independent regulatory bodies,
- setting up rules for recruitment and remuneration of regulatory authorities’ personnel.

Task 2. Training, internships, twinning, secondments and personnel selection.

1. Training conducted by groups of foreign experts (mostly in Poland) for the personnel of the Ministry of Posts and Telecommunications (the Defence Bureau, the Budget and Finance Bureau, the Bureau of the Governmental Plenipotentiary for Rural Telecommunications, the Department of Telecommunications Market Regulation, the Department of Telecommunications Strategy, the Department of Postal Market Regulation, the Department of European Integration and Negotiations and International Relations, and the Legal Department, as well as the National Radiocommunications Agency and the National Telecommunications and Posts Inspectorate) with the purpose of improving professional qualifications in the following areas:
- acquaintance with EU legal regulations,
- market assessment,
- management,
- interpersonal skills,
- information systems operation,
- market surveillance.

The training is meant to help in acquiring necessary skills needed in the regulatory authorities being set up in the following areas, among others:
- interconnection - technical, economic and procedural aspects,
- EU licensing policy and methods of its application
- scarce resources allocation policy (numbering, frequencies),
- universal service – directions of EU policy evolution,
- technical aspects of European telecommunications and postal infrastructure development,
- telecommunications and postal services development,
- information society,
- market surveillance,
- periodical review of the quality of provision of universal service by public operators and preparation of annual reports on the subject.

2. Twinning with analogous institutions in two EU Member States, one being a recognised leader in regulation and service provision, the other having a recently established regulatory agency and experiencing some of the problems Poland is facing in terms of service provision.
3. Personnel internships in twin EU Member State institutions within the framework of twinning.
4. Working visits in countries, like Poland, undergoing transformation (e.g., the Czech Republic, Hungary).
5. Help in finding and recruiting qualified staff for the regulatory authorities.

Task 3. Setting up information systems.

This part of the project will require specification of information systems for the regulatory authorities, and subsequently, the selection, purchase and implementation of appropriate information technology, including: operating systems, basic equipment (hardware and software), basic applications and databases needed for the working of the regulatory authorities. The system should enable collection and processing of information necessary for the functioning of the regulatory authorities, surveillance of operators practices, monitoring quality of services rendered, co-operation with field branches in terms of registration, record keeping and reporting, as well as use of records and reports for research and statistical purposes.

3) Project results:

The project is supposed to deliver the following:
• Creation of foundations of independent posts and telecommunications regulatory authorities as well as of an independent National Radiocommunications Agency
• A report on the functioning and structure of analogous institutions in EU Member States
• Financial and structural analysis of prospective regulatory authorities’ personnel
• Proposal of the mode of operation of a universal Service Fund within the framework of the aforementioned authorities
• Specification of the independent regulatory authorities’ personnel needs (including qualifications)
• Recruitment of the regulatory authorities’ personnel and management
• Hands-on training of part of the personnel of the prospective regulatory authorities and of other institutions connected with the project
• Improvement of qualifications of the regulatory authorities personnel and management
• Alignment of legal and organisational solutions in the concerned fields with EU requirements
• Elaboration of a concept of a market surveillance system ready for implementation, in conformity with EU models
• Creation of part of the information systems of the prospective regulatory authorities (the whole system will require much bigger investment expenditures, beyond the scope of the project)

Thus the foundations of regulatory authorities in the postal and telecommunications sectors as well as the legal and organisational framework for a Universal Services Fund and market surveillance systems are expected to be in place as a result of the present project.

V. Institutional Framework:

The Ministry of Posts and Telecommunications will be the leading institution charged with specifying the scope of the tasks to be carried out, co-executing the project, approving the
final results of individual stages of the project and of the whole project, as well as supervising and monitoring the whole project. The Minister will appoint, in March 1999, his Plenipotentiary, in the rank of Deputy Minister, to lead a Task Force preparing the establishment of an independent Telecommunications Regulatory Authority. The National Telecommunications and Posts Inspectorate and the National Radiocommunications Agency will be the co-operating institutions.

As a result of the Phare'99 project it is envisaged that telecommunications and postal regulatory authorities will be established and start functioning; this would be a key change in the regulation of the telecommunications and postal market, in line with the EU requirements specified in the relevant Directives.

VI. **Budget (in EUR):**

<table>
<thead>
<tr>
<th></th>
<th>Investment (IN)</th>
<th>Institution Building (IB)</th>
<th>Total PHARE (IN+IB)</th>
<th>Recipient Co-financing</th>
<th>International Financial Institutions</th>
<th>TOTAL</th>
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<tbody>
<tr>
<td>Task 1</td>
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<td></td>
<td>562,000</td>
<td>120,000</td>
<td>682,000</td>
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<td>Task 2</td>
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<td>1,058,000</td>
<td>200,000</td>
<td>1,258,000</td>
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<td>TOTAL</td>
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<td>1,662,000</td>
<td>2,200,000</td>
<td>900,000</td>
<td>3,100,000</td>
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Task 1: Analyses, conceptual and organisational activities
Task 2: Training, internships, twinning, secondments and personnel selection
Task 3: Setting up information systems

VII. **Implementation Arrangements:**

The CFCU is responsible for handling tendering, contracting and payments of contracts on behalf of the Ministry of Communications and, once the new institution has been established, on behalf of the telecommunications regulatory authority, which themselves shall be responsible for preparing projects and managing their technical implementation.

*Within the structure of the Ministry, the Minister will appoint, in March of 1999, a Plenipotentiary, in the rank of Deputy Minister, charged with supervising the execution of the whole project and making sure that during the pre-Phare stage of the project proposals of a basic structure of an independent Telecommunications Regulatory Authority are worked out (i.e. by the end of 1999). The Plenipotentiary will be heading a Task Force consisting of representatives of the Ministry, including representatives from: the Department of European Integration and Negotiations and International Relations, the Department of Telecommunications Market Regulation, the Department of Telecommunications Strategy, the Department of Postal Market Regulation, and the Legal Department, as well as of representatives of the National Radiocommunications Agency and the National Telecommunications and Posts Inspectorate.*

VIII. **Equal opportunities:**

The project will be open to both women and men, on an equal basis. Candidate suitability will be judged solely on merits, including professional experience. Taking into account the current employment and remuneration structure at the Ministry of Posts and Telecommunications it can be assumed that women will constitute about 50% of the personnel of the new regulatory
authorities and that female employees will have salaries equal to those of their male counterparts.

IX. Implementation schedule:

<table>
<thead>
<tr>
<th>Activities</th>
<th>Implementation timetable</th>
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<tbody>
<tr>
<td>Preparation of project concept and of Terms of Reference</td>
<td>IV quarter of 1998 - II quarter of 1999</td>
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<tr>
<td>Start of tendering process</td>
<td>III quarter of 1999</td>
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<tr>
<td>Execution of project</td>
<td>IV quarter of 1999 – IV quarter of 2000</td>
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<tr>
<td>Completion of project</td>
<td>IV quarter of 2000</td>
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X. Conditionalities:

The funding to be provided is conditional upon some immediate actions and also certain key milestones taking place. Regarding immediate actions, it is necessary to amend the existing law to create an independent National Regulatory Authority (NRA) having the minister's present powers over TPSA and other actors in the sector, and to promulgate an amended ordinance on interconnection harmonising its provisions more thoroughly with the requirements of Community Directives. It will also be necessary to create an adequately funded and empowered special task force to prepare for the creation of the NRA and, during the period before it is created, carry out the NRA's functions in respect of preparing secondary legislation. The key milestones should be: Parliament should finish consideration of the new law by 1st December 1999, and the implementation programme should be redesigned to ensure that the expected delay (grace period) in bringing the new law into effect once it has been passed by Parliament is no greater than six months. The drafting of TPSA's licence and other secondary legislation should proceed in parallel with the passage of the new law so that there need be no delay in issuing it after the law comes into effect. This will ensure that TPSA is operating under a licence before employee shares become tradeable in November 2000.
Annex 1: Log-frame Matrix.

<table>
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<tr>
<th>Log-frame Planning Matrix for Project</th>
<th>Date of drafting</th>
<th>Planning period</th>
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<table>
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<tr>
<th>Programme number</th>
<th>Project title: Telecommunications regulatory authority</th>
<th>Total budget of project</th>
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<tr>
<td></td>
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<td>2,200,000 EUR</td>
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<table>
<thead>
<tr>
<th>Wider objectives</th>
<th>Indicators of achievement</th>
<th>Sources of information</th>
<th>Assumptions and risks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Acceleration of Polish integration activities in the telecommunications and postal sectors</td>
<td>1. Conformity of Polish solutions in the telecommunications and postal sectors to EU standards</td>
<td>1. Documents of the Polish Parliament concerning the telecommunications and postal sectors as well as matters related to Poland’s integration with the EU</td>
<td>1. Adoption by Parliament of Telecommunications and Posts Acts conforming to EU standards, along with ordinances and regulations, within the planned time-frame</td>
</tr>
<tr>
<td>2. Approximation of postal and telecommunications market regulation in Poland to EU requirements</td>
<td>2. Adoption of Telecommunications and Posts Acts conforming to EU standards, along with ordinances and regulations necessary for the creation of regulatory authorities in the postal and telecommunications sectors conforming to EU standards</td>
<td>2. Documents of the Polish Office of the European Integration Committee concerning the progress of the integration process</td>
<td>2. Allocation by the Government of appropriate resources, both financial and human, necessary for the creation of regulatory authorities in the postal and telecommunications sectors</td>
</tr>
<tr>
<td>3. Strengthening of the institutional and administrative capacity of the state</td>
<td>2. Adoption of Telecommunications and Posts Acts conforming to EU standards, along with ordinances and regulations necessary for the creation of regulatory authorities in the postal and telecommunications sectors conforming to EU standards</td>
<td>3. Documents of the Ministry of Posts and Telecommunications, the National Radiocommunications Agency and the National Telecommunications and Posts Inspectorate</td>
<td>3. Consistency on the part of the government of the Republic of Poland in the creation of a legal and regulatory framework for the operation of the telecommunications and postal market</td>
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<td>4. Alignment of the Polish telecommunications and postal law with the acquis</td>
<td>2. Adoption of Telecommunications and Posts Acts conforming to EU standards, along with ordinances and regulations necessary for the creation of regulatory authorities in the postal and telecommunications sectors conforming to EU standards</td>
<td>4. Documents published in EU Member States and Poland concerning the legal principles and practice of the operation of independent regulatory authorities</td>
<td>4. Financing of a major part of the present project by the European Union</td>
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Intermediate objectives

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<th>Intermediate objectives</th>
<th>Indicators of achievement</th>
<th>Sources of information</th>
<th>Assumptions and risks</th>
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10/12/01
1. Support for the preparation of ordinances and regulations necessary for the functioning of independent regulatory bodies (including their market surveillance responsibilities)
2. Preparatory work for the creation of regulatory authorities in the postal and telecommunications sectors
3. Preparation of the functioning of a Universal Service Fund in telecommunications, administered by the independent telecommunications regulatory authority
4. Preparation of the functioning of market surveillance systems, administered by the independent telecommunications & posts regulatory authorities

<table>
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<tr>
<th>Results of project</th>
<th>Indicators of achievement</th>
<th>Sources of information</th>
<th>Assumptions and risks</th>
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<tr>
<td>(9)</td>
<td>(10)</td>
<td>(11)</td>
<td>(12)</td>
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<tr>
<td>1. Creation of foundations of independent posts and telecommunications regulatory authorities as well as of an independent National</td>
<td>1. Preparation of the project’s TOR by the Ministry of Posts and Telecommunications</td>
<td>1. Analyses and studies done by the Ministry of Posts and Telecommunications, the National Radiocommunications Agency and the National Telecommunications and Posts Inspectorate</td>
<td>1. Consistency on the part of the government of the Republic of Poland in the preparation of ordinances and regulations necessary for the operation of independent telecommunications, posts and radiocommunications regulatory authorities</td>
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<td>2. Creation by the Polish government of a Central Financing and Contracting Unit</td>
<td>2. Documents published in EU Member States and Poland concerning the principles and practice of the operation of independent regulatory authorities</td>
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1. Analyses helping prepare ordinances and regulations necessary for the functioning of independent regulatory authorities (including market surveillance responsibilities) in the postal and telecommunications sectors
2. Specification of standards of training for prospective management and personnel in the postal and telecommunications sectors
3. Analysis of structure models for regulatory authorities in the postal and telecommunications sectors
4. Analysis, based on EU experiences, of models and legal solutions concerning a Universal Service Fund in the telecommunications sector
5. Report on optimal solutions concerning market surveillance systems in EU countries and proposals of the most efficient solutions for Poland.

Assumptions and risks:
1. Timely preparation of an acceptable TOR by the Ministry of Posts and Telecommunications
2. Fulfilment by both the

10/12/01
<table>
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<tr>
<th>Radiocommunications Agency</th>
<th>Telecommunications and Posts Inspectorate</th>
<th>government of the Republic of Poland, including the Ministry of Posts and Telecommunications and the European Commission of the activities preparing the commencement of the project: preparation of Terms of Reference and the signing of Financial Memorandum by the European Commission and the government of the Republic of Poland</th>
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<tr>
<td>2. A report on the functioning and structure of analogous institutions in EU Member States</td>
<td>3. Signing of a Financial Memorandum by the European Commission and the Polish government</td>
<td>3. Submission to Parliament within the planned time-frame of draft Posts and Telecommunications Acts along with the required ordinances and regulations</td>
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<td>3. Financial and structural analysis of prospective regulatory authorities’ personnel</td>
<td>4. Creation by the Ministry of Posts and Telecommunications of a body supervising and managing the project (Steering Committee)</td>
<td>4. Timely creation by the Polish government of the Central Financing and Contracting Unit conforming to EU standards</td>
</tr>
<tr>
<td>4. Proposal of the mode of operation of a Universal Service Fund within the framework of the aforementioned authorities</td>
<td>5. Signing and effective functioning of twinning agreements as well as personnel exchanges accompanying them</td>
<td>5. Selection of suitable twinning partners from EU Member States</td>
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<td>5. Hands-on training of part at the prospective regulatory authorities and at other institutions connected with the project</td>
<td>6. Proposal of the optimal mode of setting up independent regulatory authorities</td>
<td>6. Selection of personnel and management; enabling them to participate in training, internships and organisational activities aiming at the creation of independent posts and</td>
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<tr>
<td>6. Specification of the independent regulatory authorities’ personnel needs (including qualifications)</td>
<td>7. Financial and structural analysis of the prospective regulatory authorities</td>
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<tr>
<td>7. Recruitment of the regulatory authorities’ personnel and management</td>
<td>8. Ensuring a high standard of personnel and management training and internships</td>
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<tr>
<td>8. Improvement of qualifications of the regulatory authorities’ personnel and management</td>
<td>9. Furnishing the telecommunications, radiocommunications and posts regulatory authorities with suitable information technology—computers, databases, software, operating systems</td>
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<td>9. Alignment of legal and organisational solutions in the concerned fields with EU requirements.</td>
<td>10. Organisation of seminars, conferences and preparation of pertinent documentation</td>
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Documents published in EU Member States and Poland concerning the principles and practice of the operation of independent regulatory authorities

2. Reports of the Steering Committee and minutes of Steering Committee meetings

3. Reports of the Central Financing and Contracting Unit

4. Timely creation by the Polish government of the Central Financing and Contracting Unit conforming to EU standards

5. Selection of suitable twinning partners from EU Member States

6. Selection of personnel and management; enabling them to participate in training, internships and organisational activities aiming at the creation of independent posts and
<table>
<thead>
<tr>
<th>Inputs</th>
<th>Indicators of achievement</th>
<th>Sources of information</th>
<th>Assumptions and risks</th>
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<tr>
<td>(13)</td>
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<tr>
<td>1. Training and internships for personnel of the Ministry of Posts and Telecommunications, the National Radiocommunications Agency and the National Telecommunications and Posts Inspectorate (see Annex 11, task 2)</td>
<td>1. Training, internships, seminars and conferences – carried out 2. Signing and execution of contracts for technical assistance for the Ministry of Posts and Telecommunications, the National Radiocommunications Agency and the National Telecommunications and Posts Inspectorate in the context of creating independent telecommunications, posts and radiocommunications regulatory authorities 3. Signing of contracts, purchase and installation of equipment for the prospective telecommunications, posts and radiocommunications regulatory authorities</td>
<td>1. Analyses and studies done by the Ministry of Posts and Telecommunications, the National Radiocommunications Agency and the National Telecommunications and Posts Inspectorate 2. Reports of the Steering Committee and minutes of Steering Committee meetings 3. Reports of the Central Financing and Contracting Unit</td>
<td>1. Suitable, high quality training, internships, seminars and conferences – carried out 2. Signing and timely execution of contracts for high quality and useful technical assistance for the Ministry of Posts and Telecommunications, the National Radiocommunications Agency and the National Telecommunications and Posts Inspectorate in the context of creating independent telecommunications, posts and radiocommunications regulatory authorities 3. Signing of contracts, purchase and installation of high quality and useful equipment for the</td>
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National Radiocommunications Agency with the necessary information infrastructure (see Annex 11, task 3)

prospective telecommunications, posts and radiocommunications regulatory authorities

4. Selection of personnel and management for independent telecommunications, posts and radiocommunications regulatory authorities
Annex 2: Budget breakdown (in EUR)

<table>
<thead>
<tr>
<th>Task</th>
<th>Investment (IN)</th>
<th>Institution Building (IB)</th>
<th>Total PHARE (IN+IB)</th>
<th>Recipient Co-financing</th>
<th>International Financial Institutions</th>
<th>TOTAL</th>
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<td>Task 1</td>
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<td>562,000</td>
<td>120,000</td>
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<td>682,000</td>
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<td>Task 2</td>
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<td>200,000</td>
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<td>Task 3</td>
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Annex 3:
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<tr>
<th>Programme Title</th>
<th>Telecommunications regulatory authority</th>
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<tr>
<td>Projects</td>
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<td>Sub-Projects</td>
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<td><strong>Implementation Schedule (Quarters)</strong></td>
</tr>
<tr>
<td></td>
<td>Date of Drafting: March 99</td>
</tr>
<tr>
<td></td>
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<tr>
<td></td>
<td><strong>Budget Allocation</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Cost Estimate</strong></td>
</tr>
<tr>
<td></td>
<td><strong>PLANNED</strong></td>
</tr>
<tr>
<td></td>
<td><strong>MEUR</strong></td>
</tr>
<tr>
<td>(1)</td>
<td>D</td>
</tr>
<tr>
<td>Project</td>
<td>D</td>
</tr>
<tr>
<td>Total Programme</td>
<td>D</td>
</tr>
</tbody>
</table>

Legend:
- D = design of sub-projects.
- C = tendering and contracting.
- I = contract implementation and payment.
### Annex 4:

**COMMITMENT (CONTRACT) SCHEDULE**

<table>
<thead>
<tr>
<th>Programme Title</th>
<th>Telecommunications regulatory authority</th>
</tr>
</thead>
<tbody>
<tr>
<td>Projects</td>
<td>Expected cumulative Contractual Commitments</td>
</tr>
<tr>
<td>Sub-Projects</td>
<td>PLANNED</td>
</tr>
<tr>
<td>(1)</td>
<td>(2)</td>
</tr>
<tr>
<td>Total Phare support</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Million EUR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Phare support</td>
<td>2.2</td>
</tr>
</tbody>
</table>
## DISBURSEMENT (PAYMENT) SCHEDULE

**Programme Title**: Telecommunications regulatory authority  
**Planning Period**: 09/99 – 12/2000  
**Date of Drafting**: March 99

<table>
<thead>
<tr>
<th>Projects</th>
<th>Expected cumulative disbursement (Payment) Schedule</th>
<th>Budget Allocation Cost Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sub-Projects</td>
<td></td>
<td>Million EUR</td>
</tr>
<tr>
<td>(1)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Phare Support</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Annex 5: Relation of project with previous Phare projects and other funding

The following is a list of Phare and other projects which have been carried out to completion or are currently in progress related to the present project or whose results may have an impact on it:

- **National Phare Programme PL.9313**: technical assistance for the Ministry of Posts and Telecommunications:
  - Assessment of the economic impact of entry to the Single Market on the telecommunications sector in Poland (just completed)
  - Restructuring of Polish Posts (in progress)
  - Analysis of conformity of the Polish draft Law of Telecommunications Law to the aquis (just completed)

- **EBRD Programme**:
  - Poland - telecommunications regulatory development programme (in progress)

- **Phare/Fiesta II Programme**:
  - Analysis of legal and institutional changes in the telecommunications sector since the year 1990 (just started)

- **Ministry of Posts and Telecommunications Programme**:
  - Analysis of EU Directives and examination of divergence of the current telecommunications law from the EU law (in progress)

Annex 6

Not applicable.

Annex 7

**List of relevant Laws and Regulations**

- Polish Telecommunications Law of 23 November 1990 with subsequent amendments
- Directive 97/13/EC of the European Parliament and the Council of 10 April 1997 on a common framework for general authorisations and individual licences in the field of telecommunications services
- Directive 97/33/EC of the European Parliament and the Council of the 30 June 1997 on interconnection in Telecommunications with regard to ensuring universal service and interoperability through application of the principles of Open Network Provision (ONP)
- Council Resolution of 7 February 1994 on universal service principles in the telecommunications sector OPJ C 048 16 February 94 p.1
• Commission Statement concerning Council resolution on universal service in the telecommunications Service 94/C 48/06 OJ C 48/8 16 February 94
• Draft Posts Act adopted by the Polish government in September 1998
• Draft Telecommunications Act adopted by the Polish government in September 1998

Annex 8

The present project is based on, among others, the following European Union and Polish documents, including Government Strategic plans:

1. Accession Partnership (AP),

2. National Programme for the Adoption of the Acquis (NPAA),

3. Commission opinion on Poland’s application for membership of the European Union (1997),

4. An outline of strategy for the development of the telecommunications market in the years 1998-2001,

5. An outline of strategy for the development of the postal market in the years 1998-2001

Documents 4 & 5, adopted at the Council of Ministers meeting of 25 August 1998, underline the necessity of the creation of regulatory authorities, required by the EU law, and conclude that this would result in a better functioning of the telecommunications and postal market, and would introduce new mechanisms of market surveillance.