

SUMMARY NOTIFICATION FORM

MARKET 2: Call termination on the public telephone network provided at a fixed location

In accordance with the EFTA Surveillance Authority Recommendation of 2 December 2009 on notifications, time limits and consultations provided for in Article 7 of the Act referred to at point 5cl of Annex XI to the Agreement on the European Economic Area (Directive 2002/21/EC of the European Parliament and of the Council on a common regulatory framework for electronic communications networks and services), as adapted by Protocol I thereto.

SECTION 1

Market definition

Please state where applicable:

1.1	<i>The relevant product/service market. Is this market mentioned in the Recommendation on relevant markets?</i>	Section / Paragraph
	<p>The relevant product market is the wholesale market for call termination on the public telephone network provided at a fixed location. Call termination comprises the transmission of voice traffic from the last interconnection-capable exchange to the subscriber.</p> <p>The market covers the termination of voice calls in an individual fixed network.</p> <p>The market includes voice as well as fax and modem dial up connections with the exception of dial up connections to the internet. Termination services by means of Voice over Broadband (VoB) are components of the market, while termination services by means of Voice over Internet (VoI) are not.</p> <p>The market notified corresponds to market 3 in the EFTA Surveillance Authority's (ESA) Recommendation on relevant</p>	Chapter 2.2 – 2.4

	markets.	
1.2	<i>The relevant geographic market;</i>	
	The geographically relevant dimension of the fixed network call termination markets is the geographical area over which the network of the respective operator extends.	Chapter 2.5
1.3	<i>A brief summary of the opinion of the national competition authority, where provided;</i>	
	There is no national competition authority in Liechtenstein.	Chapter 1.8
1.4	<i>A brief overview of the results of the public consultation to date on the proposed market definition (e.g. how many comments were received, which respondents agreed with the proposed market definition, which respondents disagreed with it);</i>	
	A national consultation was conducted between 27 April and 30 June 2009. Eight responses were received. None of the respondents disagreed with the proposed market definition. An additional limited consultation was conducted between 22 January and 19 February 2010. The responses and an assessment document are published in full on AK's website, to the extent they have not been labelled confidential by the originator.	Chapter 1.3 Cf. published responses and assessment document on AK's website
1.5	<i>Where the relevant market is different from those listed in the Recommendation on relevant markets, a summary of the main reasons justifying the proposed market definition by reference to Section 2 of the Authority's Guidelines of 14 July 2004 on market analysis and the assessment of significant market power under the regulatory framework for electronic communications networks and services, and the three main criteria mentioned in recitals 6 to 14 of the Recommendation on relevant markets and Section 2.2 of the Explanatory Note accompanying the corresponding Commission's Recommendation on relevant markets.</i>	
	Not applicable.	

SECTION 2

Designation of undertakings with significant market power

Please state where applicable:

2.1	<i>The name of the undertakings designated as having, individually or jointly, significant market power.</i> <i>Where applicable, the name of the undertakings considered no longer to have significant market power;</i>	Section / Paragraph
	AK designates Telecom Liechtenstein AG (TLI) as the individually dominant undertaking on its termination market. There are currently no other operators that offer fixed call termination services for lack of own connected subscribers.	Chapters 3.2 – 3.4
2.2	<i>The criteria used to designate an undertaking as having significant market power, individually or jointly, or not;</i>	
	AK relied on the following indicators for the SMP-designation of TLI in the market at hand: <ul style="list-style-type: none"> - 100% Market share; - Insurmountable barriers to market entry and non-existence of potential competition; - Termination service is a monopoly service; - Lack of countervailing buying power. 	Chapter 3.2 to 3.4
2.3	<i>The name of the main undertakings (competitors) active in the relevant market;</i>	
	Due to the termination monopoly, each fixed operator's call termination market constitutes a separate market. Consequently, there can never be more than one active undertaking.	Chapter 3.3
2.4	<i>The market shares of the undertakings mentioned above and the basis for calculation of market share (e.g. turnover, number of subscribers).</i>	
	TLI disposes of a 100% market share based on the number of call origination minutes.	Chapter 3.2
	<i>Please provide a brief summary of:</i>	
2.5	<i>The opinion of the national competition authority, where provided;</i>	

	Not applicable. Cf. point 1.3 above.	
2.6	<i>The results of the public consultation to date on the proposed designation(s) as undertakings having significant market power (e.g. total number of comments received, numbers agreeing/disagreeing).</i>	
	Seven of the eight respondents agreed with AK's finding of SMP in this market. Only Swisscom (Schweiz) AG rejected on principle the notion of operator-specific termination markets and the potential of termination operators to behave to an appreciable extent independently from competitors and customers.	Publication of responses on AK's website

SECTION 3

Regulatory obligations

Please state where applicable:

3.1	<i>The legal basis for the obligations to be imposed, maintained, amended or withdrawn (Articles 9 to 13 of Directive 2002/19/EC (Access Directive));</i>	Section / Paragraph
	Based on Art. 23 para. 1 KomG, AK intends to impose the following specific obligations on TLI: <ul style="list-style-type: none"> – Access obligation (Art. 12 AD; Art. 37 VKND); – Price controls (Art. 13 AD; Art. 38 VKND) by means of cost-oriented prices, based on historical full cost accounting; Benchmarking (Art. 38 para. 2 VKND) as an ancillary measure; – Transparency obligation (Art. 9 para. 1 AD): the obligation to have a reference offer approved and published (Art. 9 para. 2 AD; Art. 34 para. 3 and Art. 35 VKND); – Internal and external non-discrimination obligation (Art. 10 AD; Art. 34 VKND); – Accounting separation (Art. 11 AD; Art. 36 VKND) as an ancillary measure. 	Chapter 5
3.2	<i>The reasons for which the imposition, maintenance or amendment of obligations on undertakings is considered proportional and justified in the light of the objectives laid down in Article 8 of</i>	

	<i>Directive 2002/21/EC (Framework Directive).</i> <i>Alternatively, indicate the paragraphs, sections or pages of the draft measure where such information is to be found;</i>	
	See market analysis.	Chapter 5
3.3	<i>Where the remedies proposed are other than those set out in Articles 9 to 13 of Directive 2002/19/EC (Access Directive), please indicate what “exceptional circumstance” within the meaning of Article 8(3) of that Directive justify the imposition of such remedies.</i> <i>Alternatively, indicate the paragraphs, sections or pages of the draft measure where such information is to be found.</i>	
	Not applicable.	

SECTION 4

Compliance with international obligations

In relation to the third indent of the first subparagraph of Article 8(3) of Directive 2002/19/EC (Access Directive), please state where applicable:

4.1	<i>Whether the proposed draft measure intends to impose, amend or withdraw obligations on market players as provided for in Article 8(5) of Directive 2002/19/EC (Access Directive);</i>	Section / Paragraph
	Not applicable.	
4.2	<i>The name of the undertakings concerned;</i>	
	Not applicable.	
4.3	<i>What international commitments entered into by the EFTA State are to be met.</i>	
	Not applicable.	