

Conclusions of the EU Facilitator on Telecoms, 13 November 2016

These conclusions are based on the agreed and signed September 2013 ‘Arrangements regarding Telecommunications’ and the Action Plan deriving from those Arrangements.

Following a series of meetings under the EU-facilitated Dialogue on Telecoms, the parties agreed, on 13 November 2016, the following:

1. Mts d.o.o. will operate in compliance with the Kosovan legal and regulatory framework for telecommunications and the provisions detailed in these Conclusions. Once its licenses have been issued in accordance with points 3 and 4 of the ‘Arrangements regarding Telecommunications’, potential technical issues arising from the implementation of these licenses will be resolved directly between the company and ARKEP.
2. Mts d.o.o. will be allocated 60.000 numbers in the range 047X. Each customer will be allowed to use a 06X number in parallel with their 047X number and on the same SIM card. Should additional numbers be required, mts d.o.o. will request them to ARKEP.
3. It will be possible to reach every mts d.o.o. customer on both numbers equally during the validity of the temporary authorisation. The 06X number will be the primary number until the end of the migration period specified in line with the timeline under points 1.5 and 1.6 of the Action Plan. After this the 047x number will be the primary number. Mts d.o.o. will be responsible for ensuring the technical application of this dual numbering approach.
4. Mts d.o.o. will be responsible for allocating a new IMSI number to their mobile customers. These numbers will come from a designated block from the existing IMSI range 22003X, which will be reserved for customers in Kosovo.
5. Mts d.o.o. will be responsible for registering all its customers under Kosovan legal and regulatory framework (including giving them a new SIM card). This registration will begin 3 months after the temporary authorisation is issued. It shall last 3 months, and may be prolonged for a further 2 months if necessary.
6. Mts d.o.o. will be allowed to continue to use its existing core elements and IT platforms for its mobile operations.
7. Mts d.o.o.’s standalone operations for fixed telephony will be implemented within 17 months.
8. Until provisions under points 6 and 7 are met, requests for the lawful interception of mts d.o.o. mobile telephony users, as well as for mts d.o.o. fixed telephony users will be dealt with by competent institutions in accordance with the Mutual Legal Assistance arrangement.
9. Both sides agreed on thirty locations. Frequency bands have been agreed as follows: Mts d.o.o will be allocated the following frequency blocks:
 - Frequency band 900 MHz: 2*3.2 MHz in 22 existing locations
 - Frequency band 1800 MHz: 2*15 MHz in 17 existing locations in the northern part of Kosovo
 - Frequency band 2100 MHz: 2*10 MHz in 17 existing locations in the northern part of Kosovo

This allocated frequency spectrum will be used for the provision of public mobile telephone services and mobile broadband services on a technologically neutral basis, i.e. 2G, 3G, 4G technology will be used in allocated spectrum on all existing sites (in accordance with Decision N°.04/88 for further liberalization of mobile broadband services, and Decision N°.400 of ARKEP on further liberalization of mobile broadband services through allowing the use new technologies which enable advanced mobile services).

A recalibration of frequencies and annual fee adjustment will be required for eight stations to be reflected in the temporary authorisation. The modalities for this will be agreed by both sides by 18 November 2016, within the framework of these conclusions.

10. For allocated spectrum on 900 MHz and 1800 MHz, Mts d.o.o will be paying on a quarterly basis, during temporary authorisation. The price will be calculated in accordance with relevant ARKEP methodology and decision for 900 MHz and 1800 MHz for non-restricted operator, approved on 22.10.2015. The current scaling factor of 3,34% of the annual fee and of the one-off fee is calculated on the basis of a 60,000 number block divided by the total population of Kosovo. For allocated spectrum on 2100 MHz, the same methodology will apply once this is regulated by ARKEP.

11. In accordance with point 3.5 of the Action Plan, the EU will facilitate the transfer of fixed assets to be used by Mts d.o.o. The assets currently used by Serbian company (as defined in 3.2) will be transferred to Mts d.o.o. These assets are transferred without any customs, taxes or charges, and free of any conditions or restrictions. Kosovo will issue a final and enforceable act for mts d.o.o to be able to manage its assets in a proper way (i.e. taking loan guarantees).

As regards the next steps:

- Mts d.o.o. will bring all the documentation required for an increase of capital to the Kosovo Business Registration Agency by 26/11. Mts d.o.o. will also submit all necessary documents to register their immovable assets by 26/11.
- The KBRA will issue the final approval for the increase of capital of Mts d.o.o. by 29/11, Registration of immovable assets will also be confirmed by 29/11.

The Kosovar side will facilitate this process.

Technical problems relating to the registration of immovable property at the municipal cadastral offices will not affect the overall timetable.

12. The above applicable conditions will be written into the license for fixed telephony services and the temporary authorisation for mobile services for mts d.o.o.. In accordance with the Telecoms Action Plan, these documents will be delivered to the EU facilitator by 29/11.

13. The Parties will review the content of the draft licenses, and the documents confirming the transfer of assets to mts d.o.o. (mentioned in point 11 above) and the draft letter that Serbia will send to the ITU agreeing that code +383 can be allocated to Kosovo. If these documents are in accordance with these Conclusions, by 3/12, Serbia will send a letter to the ITU agreeing that dialling code +383 can be allocated to Kosovo.

14. Upon publication of the code allocation in the bulletin of the ITU, the EU facilitator will hand over the license and temporary authorisation to mts d.o.o.

15. Immediately after the 3-digit dialling code is allocated to Kosovo, the EU will facilitate discussions on the remaining issues as defined in the updated Action Plan.

16. An implementation group, chaired by the EU, will regularly review implementation of the above provisions, upon request of one of the Parties.

Source: Government of the Republic of Serbia, Office for Kosovo and Metohija
<http://www.kim.gov.rs/eng/pregovaracki-proces.php>