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#### IV. LICENSING ACTIVITIES

In compliance with the policy of the European community towards liberal license regimes, Ordinance No 13 from 22.12.2003 on the definition of the types of telecommunication activities, subjected to individual licensing and registration by a general license (promulgated SG, issue 2 from 09.01.2004) ensured benign conditions for the performance of certain telecommunication activities. The basic principle was to issue individual licenses for telecommunication activities, for which it is necessary to provide individually determined scarce resource. The individual licenses are issued also for activities of great public importance and the operators have to comply with specific requirements, satisfying particular needs – for example, the provision of fixed voice telephone service and/or universal telecommunication service.

The gradual setting up of long-term conditions for the development of a competitive telecommunication sector started on 01.01.2003 with the elimination of the monopoly of the BTC PLC on the financed voice telephone service, on the service “leased lines” and the trans-border transition. The liberalization of the telecommunication market became a fact with the adoption of Ordinance No 10 from 29.06.2004 on the conditions and the procedures of the interconnection of telecommunication lines (promulgated in SG, issue 60 from 9.07.2004), Ordinance No 12 from 05.05.2004 on the conditions and the procedure of issuing of individual licenses for the provision of fixed telephone service (promulgated in SG, issue 46 from 28.05.2004) and the Ordinance of the ways and procedures of providing the service “leased lines” from 29.01.2004 (promulgated in SG, issue 10 from 6.02.2004).

After the coming into force of the currently effective Telecommunications Act, in 2004 the individually issued licenses for the construction, maintenance and operation of public telecommunication fixed telephone network and the provision of voice service were brought into compliance with it, as a result of which 5 individual licenses were issued for the telecommunications by a public fixed telecommunication network and provision of access to fixed voice telephone service and 4 individual licenses were issued for the telecommunications by a public fixed telecommunication network and provision of an access to voice telephone service by the selection of an operator service. By the end of 2004 licenses were issued on the telecommunication by public fixed telecommunication network and provision of the fixed voice telephone service to other 6 operators, and for the telecommunications by a public telecommunication network for the provision of an access to voice telephone service by the selection of an operator service – another 4 operators.

Individual licenses were issued for telecommunication by public telecommunication network for the provision of the service “leased lines”, including international lines.

In the past year a tender was conducted with secret bidding for the issue of an individual license for telecommunication by public mobile telecommunication network by the TETRA standard with national coverage and for the period of 15 years. Only one of the 9 candidates, who had declared their intentions, took part in the tender and as a result one individual license was issued.

In connection with the adopted strategy of the Council of Ministers and its further amendment for the introduction of universal mobile telecommunication systems UMTS (Universal Mobile Telecommunications System) in Bulgaria, ensuring data transmission at a high rate, including the possibility to offer multimedia services, a high-rate mobile access to Internet, etc., CRC declared its intentions to issue three individual licenses for telecommunications by public cellular telecommunications in conformity with the UMTS standard with national coverage and in 2005 the tender is expected to take place.

In 2004 CRC declared its intention to issue individual licenses by a competitive procedure, for telecommunications by telecommunication networks for terrestrial digital TV broadcasting on the territory of 8 towns – Bourgas, Varna, Gabrovo, Dobrich, Plovdiv, Rousse, Sliven and Stara Zagora.

By issuing Ordinance No 7 from 04.10.2004 on the conditions and the procedures for issuing individual licenses without a tender or a competition for realization of telecommunications by a telecommunication network from the fixed radio service (promulgated in SG, issue 93 from 2004) the conditions and the procedures were determined for the licensing of the public and isolated networks of the type “point to point” and of the isolated networks of the type “point-to-multipoint”. The first individual license was issued on the telecommunications by a separate telecommunication network from the fixed radio service of the type “point-to-multipoint” in the frequency range 3.6 - 3.8 GHz.

After the submitted applications for the issue of individual licenses for telecommunications by public telecommunication networks from a fixed radio service of the type "point to any points" in the frequency range 3.4 - 3.6 GHz with national coverage, the CRC conducted a study of the technical possibilities for issuing the required individual licenses. As a result the Commission declared its intention to issue by a competitive procedure, the individual licenses. By the end of the term 14 candidates filed applications for the issuance of an individual license.

The satellite systems are playing an increasingly important role in the Global informational infrastructure. These could provide the best, the easiest and the most economical possibilities for including the remotest regions in the international information society.

In 2004 there continued the licensing of new telecommunication networks from the fixed satellite radio service and towards the end of the year the trade activities will be implemented by 7 operators – BTC PLC, TELEPORT BULGARIA AD, TELENOR BULGARIA EOOD, NETERA EOOD, BULSATCOM AD, TRANSAT AD, CITS AD and TRANS TELECOM OOD. The satellite telecommunication network of CITS AD started with the construction of 5 terrestrial stations on the territory of the country in Sofia, Rousse, Bourgas and Sliven. The total number of the stations, planned for the country is 26 in all the regional 26 centers and towns with definite communication interest. CITS AD aims at constructing an independent telecommunication network for the transmission of data, voice, video, providing public services, connected with the easy and convenient for the users' use of Internet, e-mail services, video conferences, distance training, process control, file transfers. TRANS TELECOM OOD constructed a public VSAT network, whose aim is to provide the transition medium for the communication services, offered by the company, from the following classes: video, voice, data-base, on the basis of digital technologies and standard.

The network of TELENOR BULGARIA EOOD has been operating since 2001 and was constructed as a transmission terrestrial fixed satellite station in the region of the Vitosha mountain, KRC Kopitoto, which realizes the connection with the satellite BIFROST-2 of the satellite organization "Telenor Satellite" AS. The station is meant to broadcast TV and radio programs, as well as tele-text in digital format. In 2004 the operator had provided satellite transmission of 15 TV and 8 radio programs.

The complex license of BTC PLC includes an activity of telecommunication by public telecommunication network from a fixed satellite radio service. The platform for the satellite transmission for digital TV and radio programs is equipped additionally for the possibility to broadcast 12 TV and 24 radio programs. The reliability of the system was increased by the introduction of a system for control and management. This service is provided for the national and regional cable and air operators.

The effective Telecommunications Act introduced a registration regime for the cable networks for the transmission of radio and TV signals and the networks for data transmission. General License No 201 was issued not to telecommunications by public cable telecommunication network, but for the broadcasting of radio and TV programs and for providing telecommunication services through it; and General License No 217 for the telecommunications by public telecommunication network for data transmission without using a scarce resource and providing telecommunication services through it. After their coming into force, all the issued 1353 individual licenses and licenses for cable networks and 39 individual licenses for data networks without using the numerical capacity, were brought into compliance with the Act and the operators were given official certificates for the registration by a general license. A process could be observed of the cable operators reaching still further to smaller and smaller settlements and providing the services at an increasing rate of coverage of the territory of the country.

Number of registered operators under General License No 201 in 2004 per regions

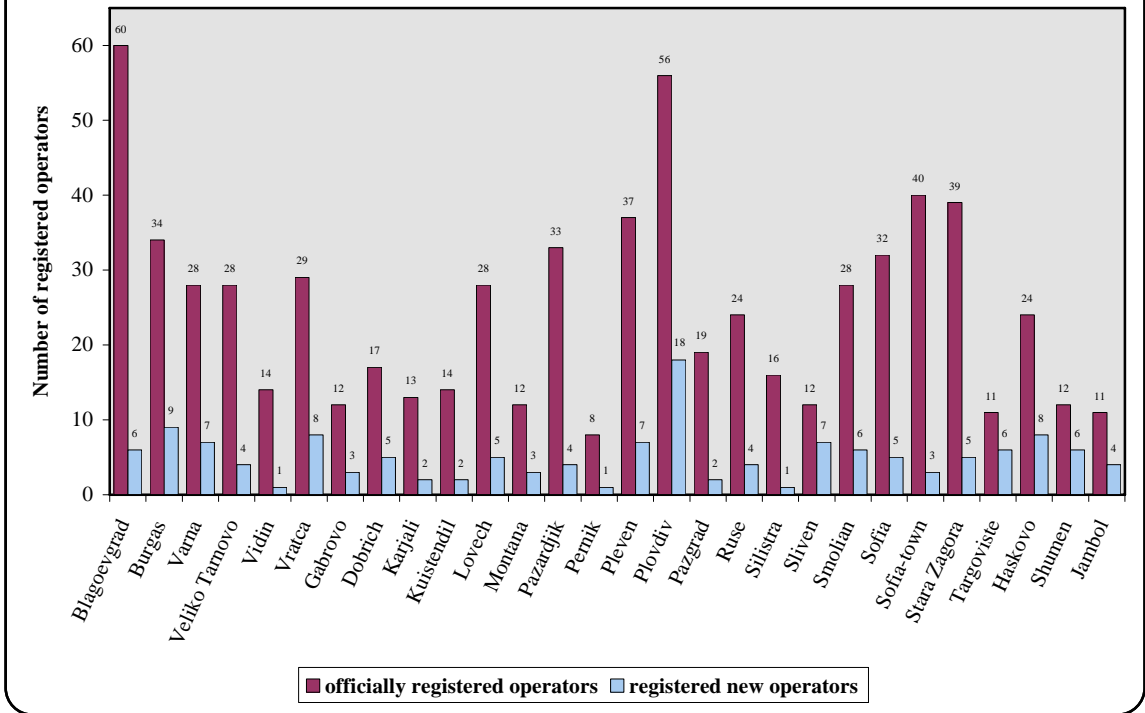


Fig. 78

Number of registered operators under General License No 217 per regions

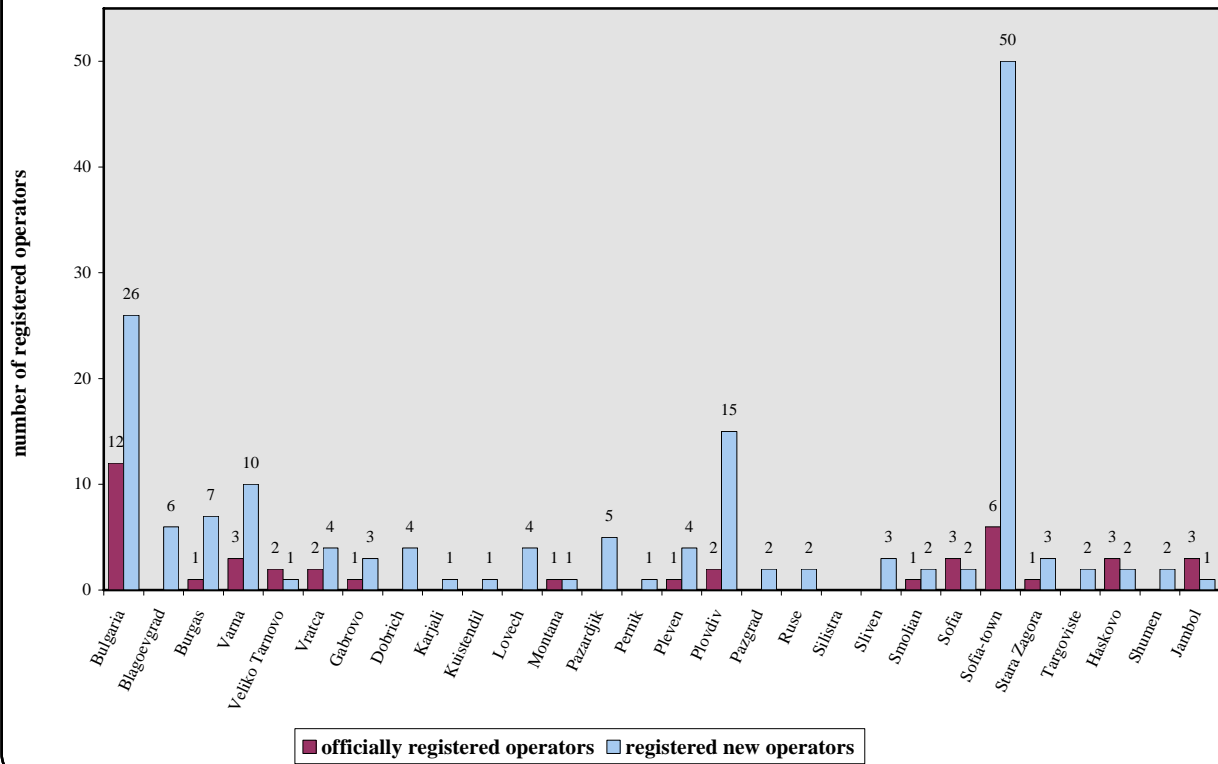


Fig. 79

In 2004 the CRC brought all general licenses in compliance with the Telecommunications Act and issued the new General License No 211 on the carrying out of telecommunications through private telecommunications networks from a mobile radio service (PMR) – for short-term events and General License No 220 on the carrying out of telecommunications through public networks RLAN from a mobile radio service.

## 1. INDIVIDUAL LICENSES

### 1.1. Individual licenses issued pursuant to the Telecommunications Act

Table 9

Code	Carrying out of telecommunications through:	By 2004 (No.)	2004 (No.)	Total (No.)
100	Public telecommunications network and provision of telecommunications services	1	-	1
101	Available and/or new telecommunications networks for terrestrial analogue broadcasting	221*	-	221
102	Telecommunication networks for terrestrial digital broadcasting	1	-	1
106	Telecommunication mobile networks for personal calls	8	1	9
107	Telecommunication mobile TRUNK networks	2	-	2
110	Telecommunication mobile cellular networks in conformity with GSM standard	2	1	3
112	Telecommunication networks from the fixed satellite radio service	50	8	58
113	Telecommunication networks from the fixed radio service – radio relay lines **	32	49	81
114	Telecommunication mobile cellular networks in conformity with NMT standard	1	-	1
115	Telecommunication networks from a fixed radio service of the kind “point-to-multipoint”	-	1	1
116A	Public fixed telecommunication networks and provision of a fixed voice telephone service	-	6	11
116B	Public telecommunication networks for the provision of the service access to a voice telephone service through the service selection of an operator	-	4	8
117	Public telecommunication networks for data transmission with provided individually defined scarce resource – numbers	48	-	5
120	Private telecommunication mobile networks PMR ***	883	63	946
121	Telecommunication networks for the provision of the “leased lines” service, inclusive of leased international lines	-	11	11
122	Telecommunication mobile networks in conformity with TETRA standard	-	1	1
<b>Total:</b>		<b>1249</b>	<b>145</b>	<b>1394</b>

\* This number included the issued individual licenses for terrestrial radio broadcasting of radio signals with national and local coverage as well as for terrestrial broadcasting of television signals with national and local coverage

\*\* The total number of licensed sections, inclusive of to issued individual licenses for the carrying out of telecommunications through telecommunication networks from the fixed radio service – radio relay lines, is 5383, of which 1733 in 2004.

\*\*\* The total number of the frequencies provided for the realization of telecommunications through private telecommunication mobile networks PMR in the issued licenses is 4646, 852 of them being provided for in 2004.

**1.2. Licenses issued after the entry into force of the Act to Amend the Radio and Television Act (promulgated SG, issue 99 of 2003)**

**Table 10**

<b>Code</b>	<b>Activity</b>	<b>2004 (No.)</b>
102	Television broadcasting with local coverage	6
104	Radio broadcasting with local coverage	84
<b>Total:</b>		<b>90</b>

**1.3. Individual licenses brought in compliance with the provisions of the Telecommunications Act**

**Table 11**

<b>Code</b>	<b>Realization of telecommunications through:</b>	<b>2004 г. (No.)</b>
101	Available and/or new telecommunication networks for terrestrial analogue radio broadcasting	44
110	Telecommunication mobile cellular networks in conformity with GSM standard	2
114	Telecommunication mobile cellular networks in conformity with NMT standard	1
116A	Public fixed telecommunication networks and provision of a fixed voice telephone service	5
116B	Public telecommunication networks for the provision of the service access to a voice telephone service through the service selection of an operator	4
<b>Total:</b>		<b>56</b>

**1.4. Amendments, supplements and transfers of individual licenses pursuant to the Telecommunications Act**

**Table 12**

<b>Amendments, supplements and transfers</b>	<b>Number</b>
By 2004	1561
2004	217
<b>Total:</b>	<b>1778</b>

**1.5. Canceled, revoked, suspended and superseded licenses pursuant to the Telecommunications Act**

**Table 13**

<b>Code</b>	<b>Realization of telecommunications through:</b>	<b>By 2004 (No.)</b>	<b>2004 (No.)</b>	<b>Total (No.)</b>
101	Available and/or new telecommunication services for terrestrial analogue radio broadcasting	65	-	65
106	Telecommunication mobile networks for personal calls	1	1	2
112	Telecommunication networks from the fixed satellite radio service	5	7	13
113	Telecommunication networks from the fixed radio service – radio relay lines	2	3	5
120	Private telecommunication mobile networks PMR	44	56	100
<b>Total:</b>		<b>117</b>	<b>67</b>	

## 2. GENERAL LICENSES

### 2.1. Registration certificates issued under General License pursuant to the Telecommunications Act

Table 14

No	General License on realization of telecommunications through:	By 2004 (No.)	2004 (No.)	Total (No.)
201	Public cable telecommunication networks for broadcasting of radio- and television programs	- *	663	663
202	Satellite networks for reporting purposes – SNG	11	1	12
203	Telecommunication networks SAP/SAB, inclusive of ENG/OB	4	2	6
205	Radio stations and radio location stations of floating objects and radio stations of aeronautical objects	104	47	151
207	Radio equipment from the amateur radio service	4176	82	4258
212	Private telecommunication networks from a mobile radio service PMR	9	8	17
215	Private telecommunication networks from the fixed satellite radio service – VSAT networks **	5	18	23
216	Provision of a telecommunication service “access to satellite systems”	-	1	1
217	Public telecommunication networks for data transmission without using scarce resource	- *	184	184
<b>Total:</b>		<b>4309</b>	<b>1006</b>	<b>5315</b>

\* By 2003 the activity was implemented through an individual license

\*\* The registration comprises 701 VSAT stations, of which 137 in 2004

### 2.2. Other issued documents, related to registration under General License pursuant to the Telecommunications Act

Table 15

Kind of document	By 2004 (No.)	2004 (No.)	Total (No.)
Permits for radio amateur qualifications	1305	86	1391
CEPT licenses	178	11	189
HAREC certifies	107	7	114
Attachments to the registration certificates under General License No 203	1	-	1
Attachments to the registration certificates under General License No 212	9	7	16
Attachments to the registration certificates under General License No 215	5	18	23
Permits for ship radio stations	291	98	389
Permits for airplane radio stations	320	84	404
<b>Total:</b>	<b>2420</b>	<b>311</b>	<b>2731</b>



### 2.3. Examinations for radio amateur qualifications

Table 16

<i>Examinations/Examined</i>	<i>By 2004 (No.)</i>	<i>2004 (No.)</i>	<i>Total (No.)</i>
Examinations	33	5	38
Examined persons	1107	64	1171

CRC continued to keep public registers with topical information under the issued individual licenses and the amendments and supplements made to them, as well as for the issued registration certificates under general licenses on its web site [www.crc.bg](http://www.crc.bg).