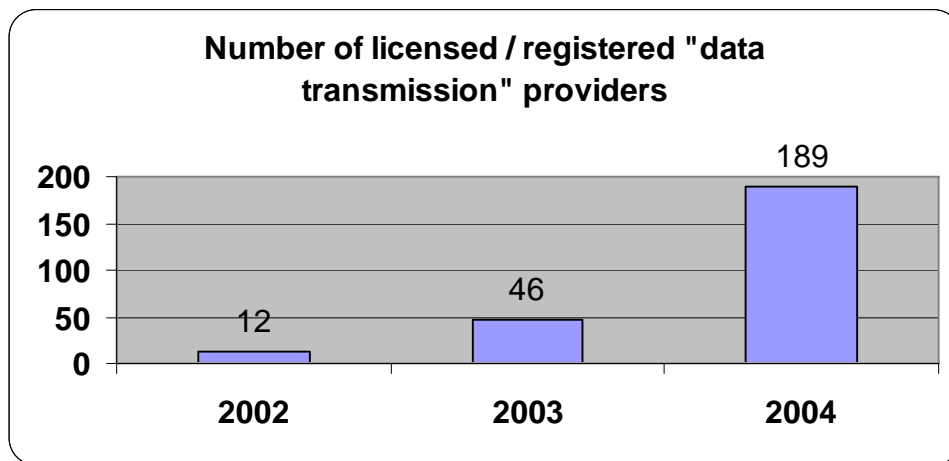


## 6. DATA TRANSMISSION NETWORKS

After the entry into force of the Telecommunications Act (promulgated in the State Gazette, issue 88 of 07.10.2003), the telecommunication activity “construction, maintenance and operation of public telecommunications networks for data transmission without using scarce resource” passed onto a more disencumbered registration regime. In conformity with General License No 217 dated 23.12.2003 for carrying out telecommunications through public telecommunication networks for data transmission without using of scarce resource and provision of telecommunication services through it, an official registration of the operators was implemented. In 2004 35 of the operators were officially registered under General License No 217 as well as another 154 new ones. The operators which use scarce resources – numbers of the NNP – remain on individual licenses. They amounted to 5 in 2004 as well.

Thus as of the end of 2004 the number of operators authorized for data transmission networks reached 189, 18 of which declared that they did not implement any activities during the past year.

The revenues of 4 licensed operators for construction, maintenance and operation of public telecommunications services from the fixed radio service are also included in the “data transmission” segment, as they have to provide data transmission, access to Internet and VoIP through radio relay lines. These are NETERA Ltd, TRANSAT PLC, ORBITEL Ltd and ATLANTIS NET Ltd.



**Source:** Data submitted to CRC

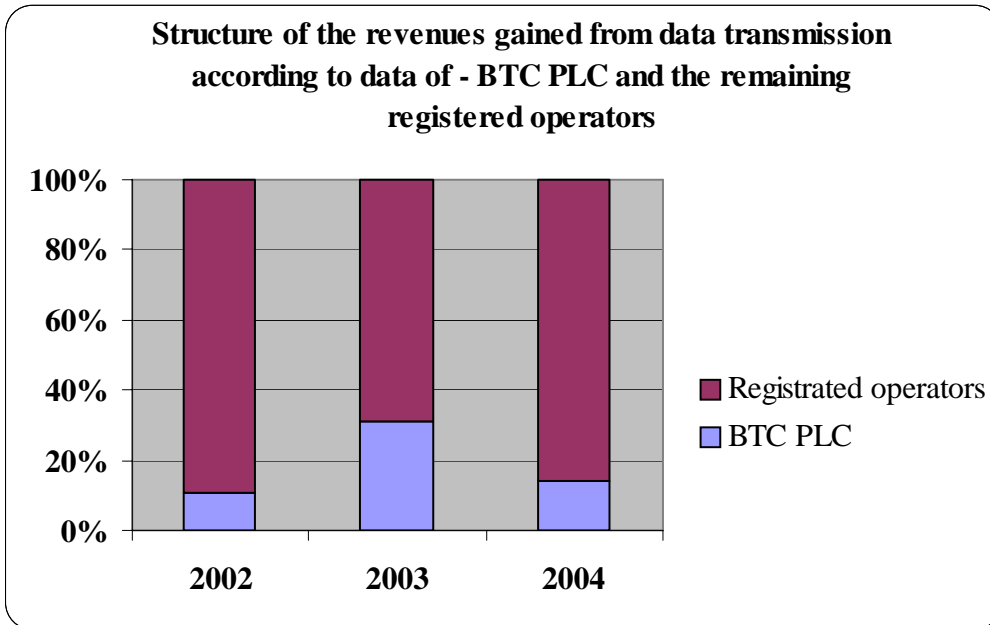
**Fig. 63**

The increasing number of operators is due to the registration of data transmission networks of more and more Internet service providers.

In 2004 the volume of the “data transmission” market segment amounted to BGN 51,3 million<sup>1</sup>, having grown up by 81 % compared to 2003. This big growth is due to the newly registered operators, which were included in the Internet segment as providers, rendering the service in a free regime during the preceding years.

Revenues from carrying out telecommunications through construction, maintenance and operation of a public telecommunications network from the fixed satellite radio service – through radio relay lines are also included in the “data transmission” segment. During the year a decrease of the BTC PLC revenues compared to 2003 was observed - from 48% to about 14%). In an absolute value BTC PLC reported an increase of the revenues from its data transmission activity in 2004 (Fig. 64).

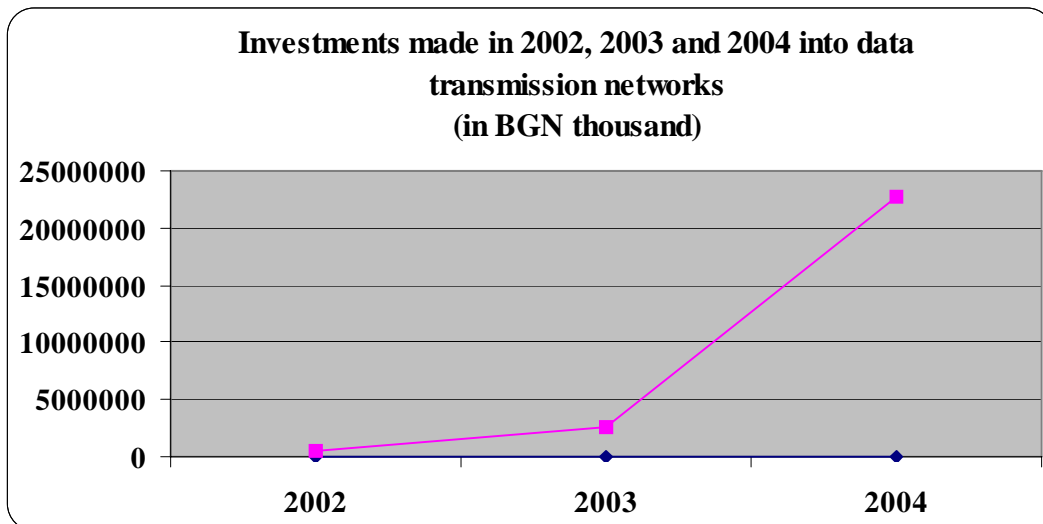
<sup>1</sup> From the total structure of the telecommunications market from this amount excluded are a part of the revenues gained from the Internet access service provision, which are duplicated within the framework of the activities declared under General License 217 and on the Internet access service provision.



Source: Data submitted to CRC

Fig. 64

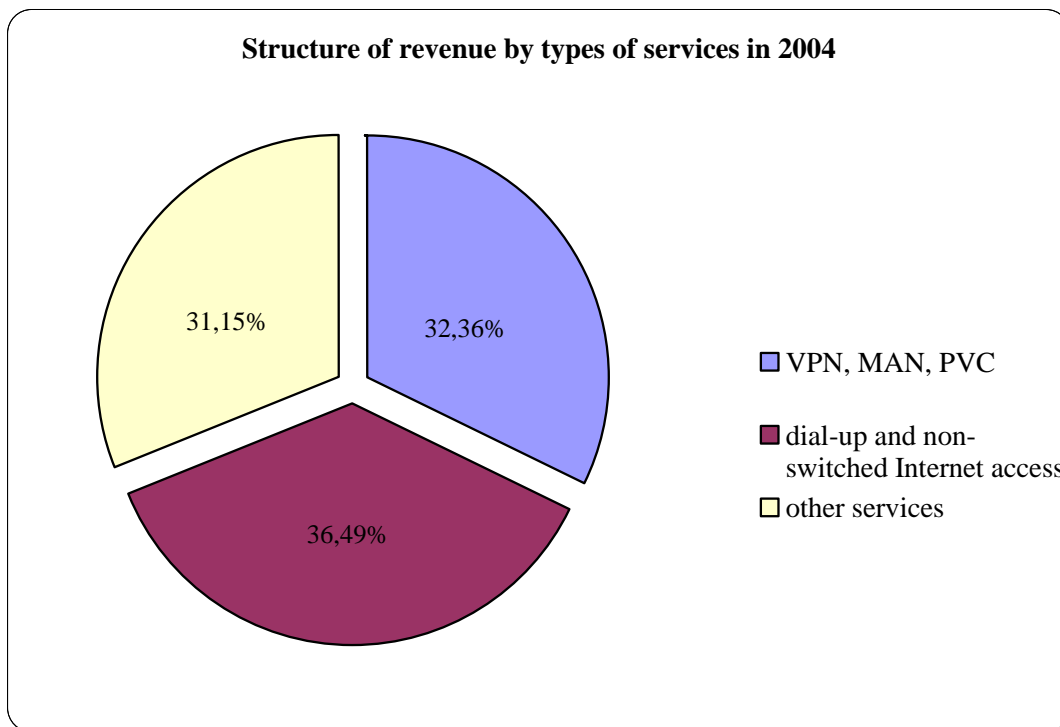
For the past year the amount of BGN 22,766 million invested into data transmission networks was declared, which is nearly twenty times more than the preceding year (Fig. 65).



Source: Data submitted to CRC

Fig. 65

The analysis of the revenues distributed by types of services shows an almost proportionate distribution (Fig. 66). The operators declared to realize clients' virtual networks, dial-up and non-switched Internet access as well as complementary services such as VoIP telephony, hosting, collocation, maintenance of Internet sites.



**Source:** Data submitted to CRC

**Fig. 66**

Five of the registered operators declared to provide voice telephony through Internet by means of their networks. Another twenty operators announced their intentions to provide VoIP in 2005.