

# BG: The curious case with the licensing of the ISPs

“If you want the government to solve your problem, make it a problem of the government”, Ivan Kostov, Prime-Minister

## 1998 - 1999

- Government introduces licenses for the ISP
- Internet Society files a case at the Supreme Administrative Court
  - Biggest problem: find a lawyer
  - 10 months of PR campaign
  - Hundreds of publications in all media
  - International support

# Some evidence

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**HOT NEWS from Nov. 9, 1999**

## **Bulgarian prime minister says Internet licensing is no good for Bulgaria**

Governmental Information Service:

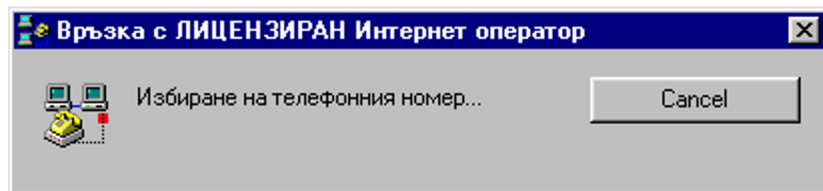
The [Bulgarian] prime minister Ivan Kostov recommended to the Committee for post and telecommunications [Ministry of telecommunications] to start negotiations with Internet Society - Bulgaria to find an alternative dispute resolution, out of court, "pro" or "contra" the licensing of Internet

According to the prime minister it's not possible to tell the world we fight against the visa restrictions, and at the same time in Bulgaria to restrict one, eventhough virtual, possibility to connect young Bulgarians to the world.

"The problem which will determine the future of the information society in Bulgaria for the next decades must be solved with consensus", says the prime minister Ivan Kostov.

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# Some evidence



# Some evidence



**Изпратете мнението си до Президента и до шефовете на КПД и ДКД!**  
Гласувайте [направо в нашия сайт](#) или звъннете на 9492322 - г-н Славински!

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[ISOC-Bulgaria first reaction](#) [More news in English](#) [APC supports us](#)

[The Motion in Bulgarian](#) [Letter from Vinton Cerf](#) [Letter from Don Heath](#)

[Open Society](#) Many documents, translated in English. Don't write anything on the password field.

## CLAIM MOTION

by **Internet Society - Bulgaria**  
versus

**subsections 4, 9 and 11 of Title II of Decree RD 09-235/1998 by the head of the Posts and Telecommunications Committee (6 Gourko str., Sofia 1000), published in the State Gazette, issue 154/12. 28. 1998, pursuant to art. 5, subsection 1 of the Supreme Administrative Court Act**

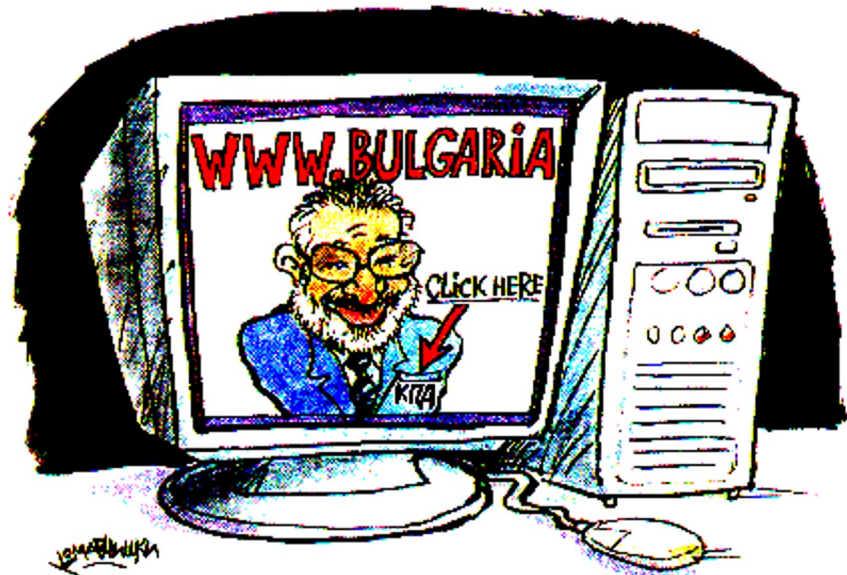
The decree in its part under dispute contradicts:

- I.
  - art. 2, 3, 7, 10, 16, subsec. 3, and art. 17 of the Telecommunications Act;
  - the "Sector Policy in Telecommunications" adopted with decision N 570/1998 by the

# Some evidence

Тур

Христо Комарницки



# Some evidence

## **Кавалджиев против цензурата в Интернет**

Вицепрезидентът Годор Кавалджиев изрази принципното си становище против контрола върху достъпа до информация, както и против всяка цензура въобще и в частност против разрешителния режим за Интернетта у нас, съобщиха от Интернет общество – България.

Това стана след 45-минутна среща между председателя на организацията и втория човек в републиката на 18 октомври.

Шефът на Интернет общество – България разяснил на вицепрезидента, че в основата на решението на КПД стоят политически (контрол върху личната кореспонденция и съдържанието на уеб страниците) и икономически (парите под масата, които корумпираните чиновници ще събират) причини.

# Some evidence

It is my general view, which I believe to be consistent with Internet Society principles, that competitive provision of Internet service is in the best interest of the public and that licensing has the potential to reduce the benefits of competition without any return for the restriction.

Sincerely,

Vinton G. Cerf  
Chairman, Internet Society

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# Conclusions

We won, despite the whole government machine

We won, despite some ISPs applying for a license

We won, because we were right

Our win was a win for all ISPs and all Internet users in  
Bulgaria

# Conclusions



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## [7] Information note from Bulgaria

	Format	Size	Posted	
English	Word	37937 bytes	2010-10-20	[7]

**Document :** ITU-SG PP Information Document 7

**Title :** Information note from Bulgaria

**Date :** 2010-10-18

**Source :** Bulgaria (Republic of)

**Meeting :** 2010-10-04

**Access :** Restricted to [TIES users](#) [ITU-SG]

# Conclusions

## 4.1. Facts<sup>6</sup>

- Internet was introduced in Bulgaria in 1989 with first Bulletin Board Systems and dial-up access starting to take off and becoming popular in 1990. In 1999 there were 76000 users in the country (less than 1 %). Until 1995 there were only 2 Internet Service Providers (ISPs). Flat (monthly) charge was introduced in 1996.
- Licenses and registration for ISPs were removed in 1999, after being briefly introduced by the government at the end of 1998, and challenged successfully at the Supreme Administrative Court by ISOC-Bulgaria<sup>7</sup>.
- VoIP became legal in 2001<sup>8</sup>.
- Currently there are more than 1000 ISPs in Bulgaria<sup>9</sup>.
- Approximately 50 % of the population is online<sup>10</sup>. More than 55 % have access at speeds above 10 Mbps (according to the survey by Fiber to the Home Council Europe and EC data<sup>11</sup>), that ranks Bulgaria 1<sup>st</sup> in Europe; Sweden is 2<sup>nd</sup>, with distant 36 %.
- Price comparison: Currently in the U.S.A. the average price for an ADSL connection is \$ 45 per month for about 3 Mbps<sup>12</sup>. In Bulgaria users could connect to the Internet at prices, starting from about \$ 15 per month at 100 Mbps<sup>13</sup>, or in some cases – at 1 Gbps. Taking this into account, one could even calculate that Internet access for end-users in Bulgaria is 90 times, and in some cases 900 (nine hundred) times cheaper than the one in the U.S.<sup>14</sup>.

<sup>3</sup> See [List of Countries](#) by GDP (nomina)

<sup>4</sup> See also ITU publication [Measuring the Information Society 2010](#)

<sup>5</sup> See same list as above; for example Syria is 68<sup>th</sup>, Saudi Arabia is 25<sup>th</sup>/26<sup>th</sup>, UAE is 33<sup>th</sup>/35<sup>th</sup>/37<sup>th</sup>/

<sup>6</sup> Quoted data is based on researches, being done through the years by ISOC-Bulgaria, as well as survey organizations, for example Market Test, and others.

<sup>7</sup> <http://www.isoc.bg/kpd>

<sup>8</sup> See [record from the session](#) of the Parliament of Bulgaria, April 11, 2001.

<sup>9</sup> According to [this statistics](#), which lists the ISPs only in the big cities and the capital.

<sup>10</sup> Statistics by TGI, October 2009

# Conclusions

## *4.2. Conclusions*

- Internet prices go down, when there is no governmental regulation on Internet and ISPs.
- Internet charges are related to the competition in the telecom market. When there is only one, state-owned or private, telecom, prices are, as a rule of the thumb, always high.
- Subscription fees are related to the number of users. The more users one has in a country, the less subscription fees they pay.
- There is a particularly good opportunity for the developing countries, as ISPs there have to find a way to provide access to people with relatively low income, so they come with creative means to satisfy the demand. An incumbent fixed phone company could hardly do this.
- There is no evidenced relation between the IP addresses and the price of the Internet access.
- We have not found any relation between usage of the IPv4, IPv6 addresses and price of the Internet access<sup>15</sup>.

Questions?

Thank you!