

Appendix B: International Benchmarking

- 1.1 This appendix contains:
- a summary of international ULLS price benchmarks in the third quarter of 2008 based on benchmarking reports compiled by Ovum; and
 - comparison of relevant characteristics of the comparator countries compared to Australia, which demonstrates that the countries selected are appropriate comparators based on reports compiled by Ovum, OECD and the European Regulator Group.
- 1.2 Ovum is an economic consultancy firm that specialises in telecoms, IT service and software. It has global clients ranging from start-ups to Fortune 500 companies and governments¹. Ovum has extensive experience and a reputation for reliability in the telecoms industry.
- 1.3 The Ovum benchmarking reports relied upon were published around October 2007 to November 2008. The reports contain information on the regulatory regime, the state of the market and the socioeconomic environment of the comparable countries mentioned below.

Summary of international ULLS price benchmarks

Table B.1: International ULLS price benchmarks Source Ovum

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- 1.4 Table B.1 should be interpreted as follows:
- Column 1 shows the list of comparator countries;
 - Column 2 shows the ULLS charge in Euro;
 - Columns 3, 4, 5 and 6 show the ULLS charge in Australian dollars (AUD) if the conversion is conducted using the Reserve Bank of Australia exchange rate monthly data of October 2008, July 2008, March 2008 and December 2007²; and
 - Column 6 is an average of the AUD ULLS charge for the months of October, July and March 2008 and December 2007.
- 1.5 Given the strong currency fluctuation in recent months, foreign exchange rates applying in the months before and after the significant drop in the value of the Australian dollar have been included to ensure the analysis remains robust.

¹ <http://www.ovum.com/about/>

² Reserve Bank of Australia, monthly exchange rate, <http://www.rba.gov.au/Statistics/Bulletin/F11hist.xls>

Relevant characteristics of the comparator countries

- 1.6 This section contains a comparison of relevant characteristics of the comparator countries compared to Australia, which demonstrates that the countries selected are appropriate comparators for Australia in terms of the state of the relevant markets, the socio-economic and regulatory environment.
- 1.7 CiC

Annexure B.1 [CiC]