

TELECOM ITALIA: NETWORK ACCESS SUPERVISORY BOARD NOW OPERATIONAL

New governance system implemented to monitor undertakings agreed with AGCOM

Today marked the first session of the independent body tasked with verifying that Telecom Italia executes the voluntary undertakings it submitted to the Communications Guarantee Authority (AGCOM) – undertakings that were approved on 11 December 2008. It is the Board's job to monitor that other TLC companies have access to fixed network infrastructures operated by the Open Access department on equal terms and conditions, and to ascertain that certain service quality targets are achieved.

During today's session, Telecom Italia provided the Supervisory Board with documentation on the fulfilment of undertakings due at this stage. The Board will undertake appropriate enquiries, and then proceed with taking appropriate action.

At the same session, the Board approved a special form that third parties can use to report and complain about any anomalies or shortfalls regarding implementation of the undertakings, making it possible for supervisory activities to begin immediately. The Board also adopted general principles for handling and processing reports and complaints, which are inspired by the ideals of proportionality and transparency. The special form and general principles will be published on the Supervisory Board's web page as soon as is practicable.

The Supervisory Board has five members, who will hold office for three years. Chairman of the Board **Giulio Napolitano** was designated by the Authority and appointed by Telecom Italia, along with fellow Board members **Claudio Leporelli** and **Gerard Pogorel** (nominated by the Communications Guarantee Authority), and **Francesco Chirichigno** and **Sergio Giovanni Fogli** (nominated by Telecom Italia).

The Board, which will convene at least once a month, is empowered to acquire from all Telecom Italia offices the information and data it requires to undertake its functions. Every three months, the Board will submit a report on its activities to AGCOM and Telecom Italia. This report will list any irregularities that have been identified. The Board will also draft an annual report, which will be made publically available.

The Supervisory Board is assisted in its work by a Secretary (Fabrizio Dalle Nogare) and a Supervisory Office; the Board has an independent annual budget.

The setting up of the Supervisory Board marks an important step in the governance of Telecom Italia's undertakings, and is one of the central planks of the agreement reached by Telecom Italia and the Communications Guarantee Authority to guarantee more transparent access to network infrastructures for all operators. Telecom Italia has already implemented 68% of the 220 undertakings approved by the Authority last December.

Rome, 9 April 2009