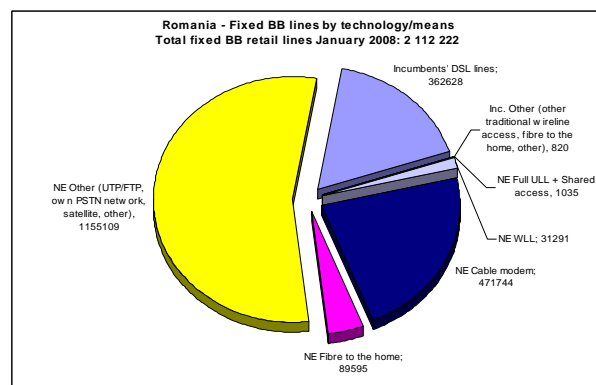
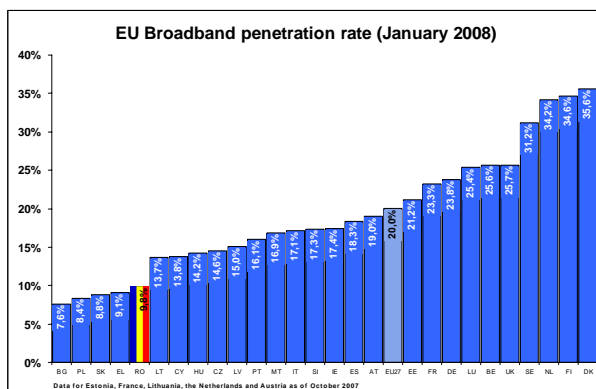


# Towards a Single European Telecoms Market: Focus on Romania



Romania is among the countries with the lowest penetration rates for fixed line (19%) and broadband (nearly 10%). Mobile penetration is growing rapidly. The Romanian Telecoms market is very fragmented, with almost 2 000 operators, amongst which many local cable operators. Problems related to number portability, caller location information and the incomplete provision of universal service persisted in 2007.



## Progress

### Infrastructure competition is flourishing

While broadband penetration is one of the lowest in Europe, competition between infrastructures is flourishing. Operators are providing fixed broadband via xDSL, radio, cable and UTP/FTP connections (neighbourhood networks).

Cable and neighbourhood networks respectively have 22% and 57% of market share while only 17% account for xDSL, which significantly increased in 2007.

### Fixed incumbent's market share going down significantly

In 2007, the fixed incumbent's market share significantly decreased. Based on minutes, the incumbent had an 80% market share for all types of national calls (93% in 2006) and 42% for international calls (57% in 2006).

Consumers have an alternative choice mainly through cable operators.

There are currently 600 cable operators in Romania and consolidation is starting only very slowly. Cable operators provide triple-play services at relatively low retail prices. One of the two major cable operators is also in a position to provide quadruple-play services.

### Mobile penetration on the rise

Mobile penetration reached 96%, up from 68.8% last year, but still under the EU average of almost 112%. Fixed line penetration and fixed line traffic on the other hand are constantly decreasing. In 2007 five mobile network operators provided 2G and 3G services.

## Areas for Improvement

### Regulator's independence in question

In the last 2 years, the national regulator (ANRCTI) was restructured substantially. The Commission is working with the Romanian authorities to make sure that new laws will ensure its independence.

This is particularly important as the Romanian State remains an important shareholder in the fixed incumbent and is 100% shareholder in the national radio and TV transmission company.

### Broadband penetration one of the lowest in Europe

Despite strong growth, broadband penetration was nearly 10% in January 2008 (almost double the penetration rate in January 2007). However, this was one of the lowest penetration rates in the EU.

Access to infrastructure for alternative operators is limited considering the inexistence of a bitstream offer, the low level of unbundled local loops (only 1 035 were fully unbundled), and the low number of subscribers to carrier-selection/pre-selection services provided by the alternative operators.

### Consumer services lacking

Number portability - switching operator without changing number - does not exist in Romania, despite being mandatory under Romanian legislation. It is expected to become available in 2008.

Caller location information is not available for mobile calls to 112 emergency services. An infringement proceeding against Romania is pending on this issue.

There is no comprehensive directory and directory enquiry services.



### European Telecoms sector in Figures

<b>Total value of sector</b>	€300 billion
<b>Total capital investment</b>	€50 billion
<b>Average broadband penetration rate</b>	20.04%
<b>Average mobile penetration rate</b>	111.8%
<b>Average 3G penetration</b>	20%
<b>Average mobile termination rates</b>	€9.67 cents
<b>Average incumbent's broadband market share</b>	46.8%
<b>Average decrease of mobile voice prices between 2006 and 2007</b>	14%
<b>Total Ported numbers in 2007</b>	12 million

## For further information

### Information Desk:

Information Society and Media DG

Email: [info-desk@ec.europa.eu](mailto:info-desk@ec.europa.eu)

Tel: +32 2 299 93 99

Fax: +32 2 299 94 99

### Europe's Information Society Thematic Portal:

[http://ec.europa.eu/information\\_society](http://ec.europa.eu/information_society)

### More information on telecoms:

<http://ec.europa.eu/ecomm>