

LEASED LINES

This section contains an overview of prices charged by incumbent operators in each Member State for national and international leased line services as of 1 August 2000. Price developments are also analysed over the period August 1997-2000. For high speed leased lines, only developments for the period August 1999-2000 are considered.

The figures and information are taken from a study carried out by Teligen Foundation for the Commission. The data collected are those for standard retail prices charged by incumbent operators in each country.

1. INCUMBENTS' NATIONAL LEASED LINES

In the case of national leased line services, three distances are covered: 2 km (local circuits), 50 km and 200 km. 50 km and 200 km lines include a 2 km circuit tail at both ends. This means that the long distance part of the circuit will be 46 km and 196 km respectively.

Furthermore, 4 types of digital circuit are considered: digital 64 Kbit/s, 2 Mbit/s, 34 Mbit/s and 155 Mbit/s. As not all carriers publish prices for all bitrates, information on all countries is not always available. This is especially the case for higher bitrates.

The following charts show the price levels and developments for the 12 combinations.

Where possible, comparisons are made between the EU average, USA and Japan.

The following should be noted:

- All charges are in euro per year, VAT excluded. See the "Appendix on exchange rates" for details on euro exchange rates used herein.
- When different prices apply according to geographical location of the leased line, standard prices chosen for this analysis are those for circuits connecting reasonably large towns. In particular, the following tariffs are considered: for Austria, the "N-Tariff"; for Sweden and Finland, the Green tariffs; for the UK, the tariffs for circuits with one end outside the Central London Zone; for France, in the case of 34 and 155 Mbit/s, the tariffs for circuits with one end in zone A, as defined by France Telecom.
- Finland is not included in the analysis of 64 Kbit/s circuits, because since 1998 Sonera does not publish the prices for full 64 Kbit/s services.
- Prices refer to basic services and only unstructured circuits are considered for 2 Mbit/s services.
- Prices used are standard prices, excluding any discounts, unless specified.
- The expression "EU average" refers to the simple, non-weighted average across EU countries.
- The EU average variation represents the simple, non-weighted average of national variations.
- For the USA, the prices of Nynex/Verizon (New York) and Pacific Bell (California) have been used. The prices refer to intra-LATA intra-State circuits. It should be noted that the bitrates of those services in the USA are different, so that 56 Kbit/s are taken instead of 64 Kbit/s, 1.5 Mbit/s instead of 2 Mbit/s and 43 Mbit/s instead of 34 Mbit/s.

1.1. NATIONAL LEASED LINE PRICES AS OF 1 AUGUST 2000

Please note the corrigendum for A and, consequently, EU averages in chart 1.

1.1.1. 64 Kbit/s

USA prices refer to 56 Kbit/s lines.

Chart 1

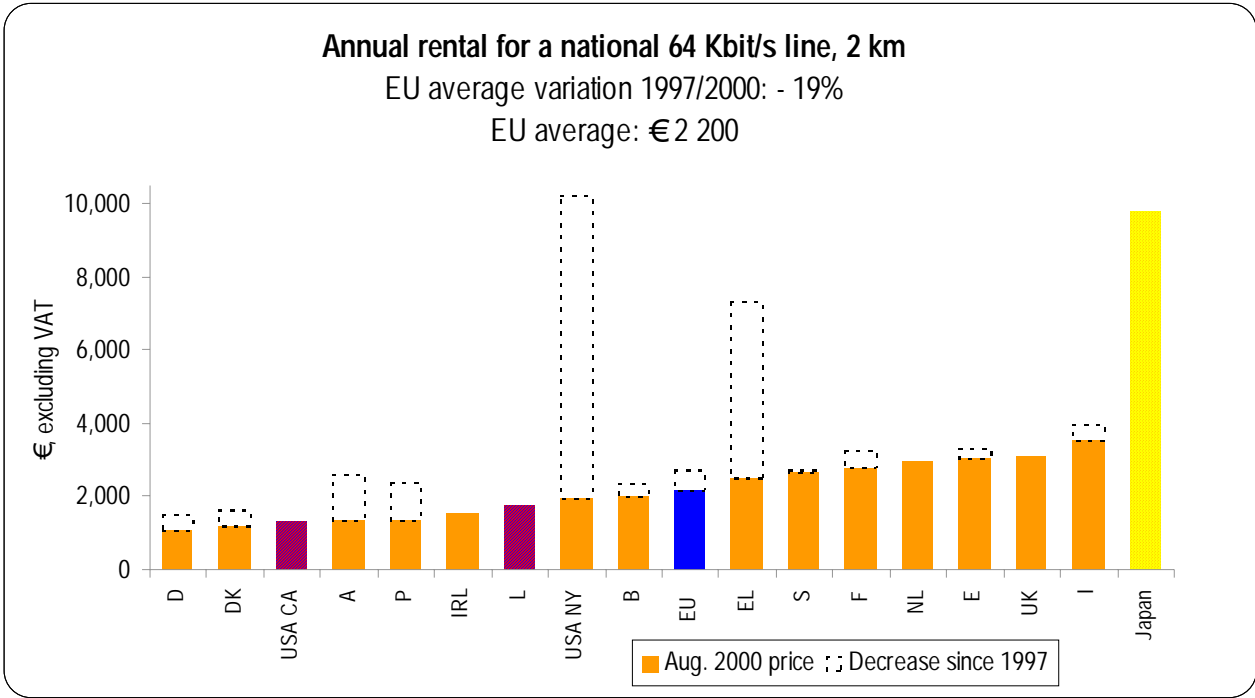


Chart 2

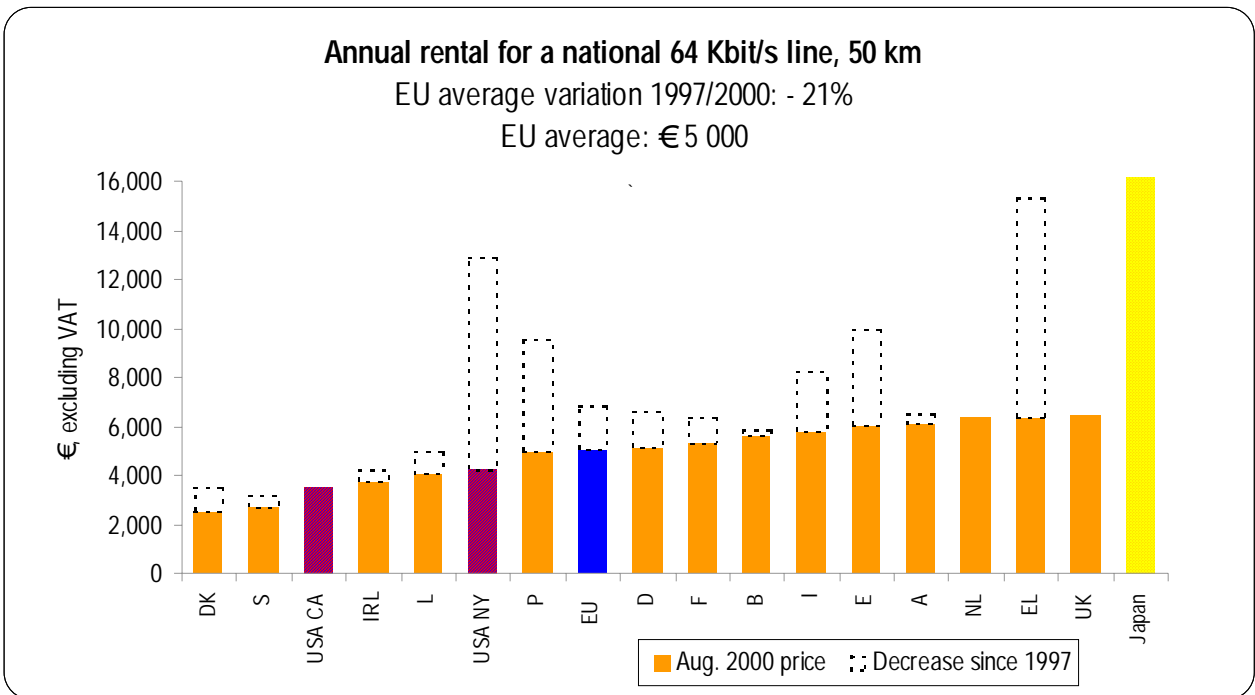


Chart 3

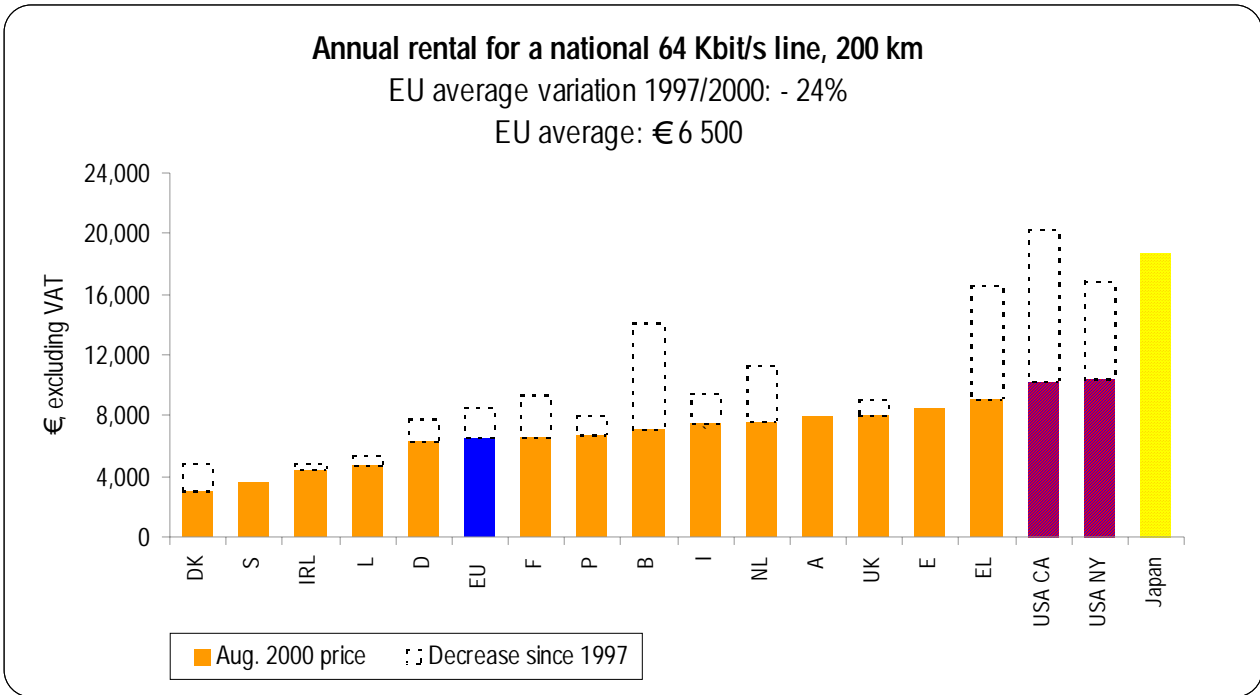
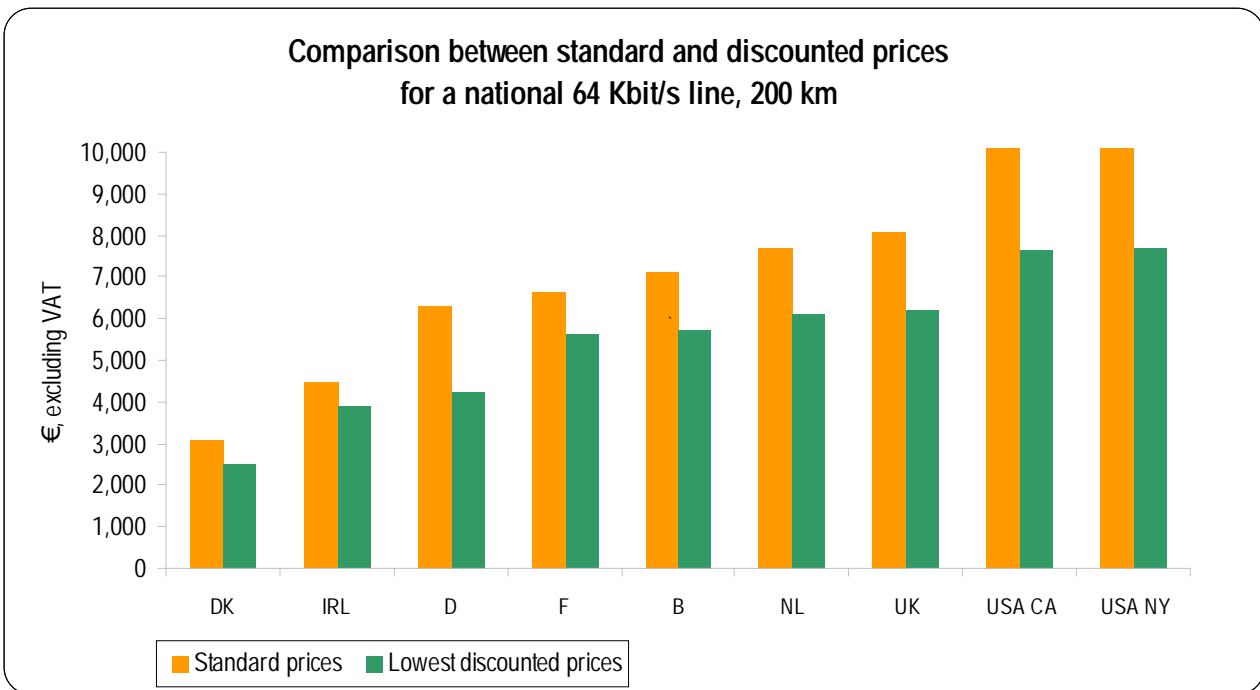


Chart 4



Information on discounts applied by the incumbent operators in the remaining countries is not available.

It should be born in mind, that besides the discounts outlined in the charts, the leased line operators might apply additional discounts on a case-by-case basis.

1.1.2. 2 Mbit/s

USA prices refer to 1.5 Mbit/s lines.

Chart 5

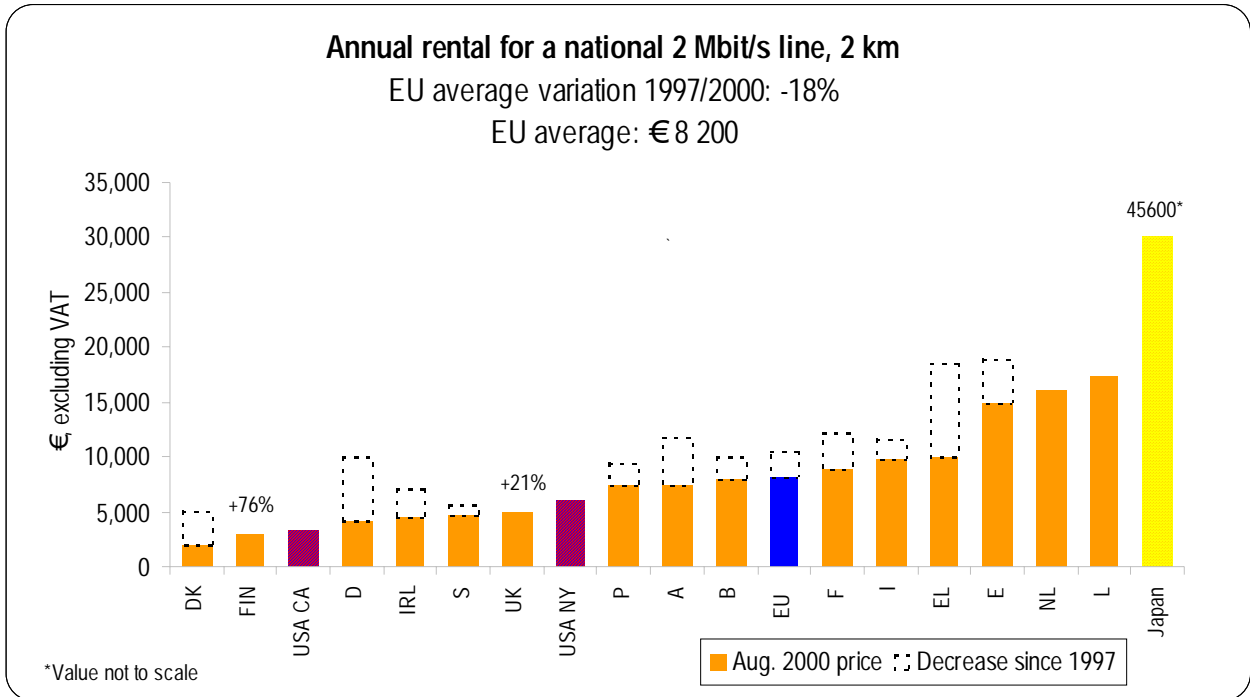


Chart 6

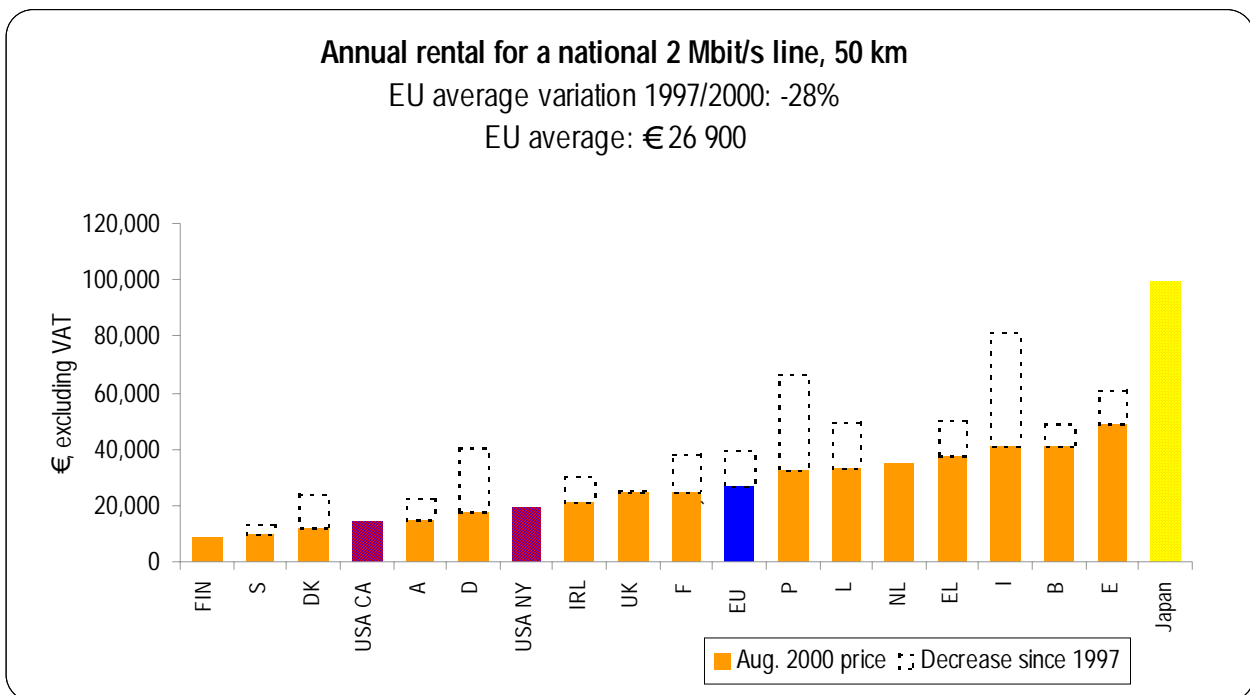


Chart 7

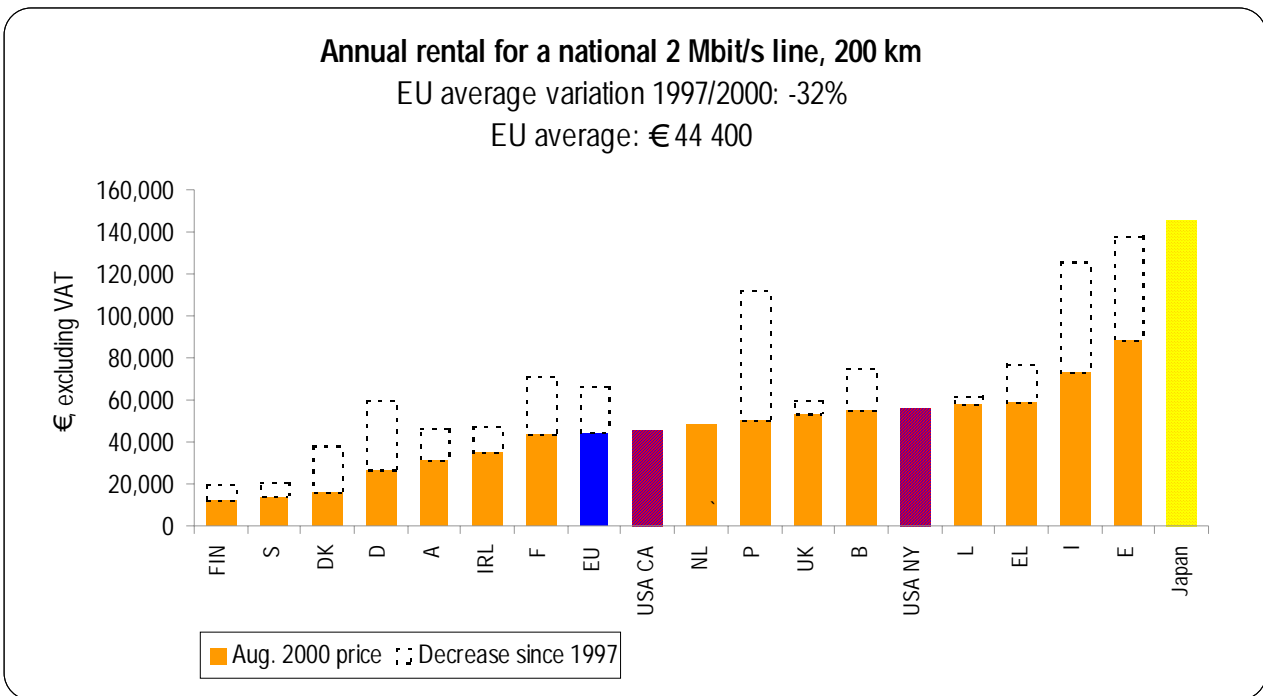
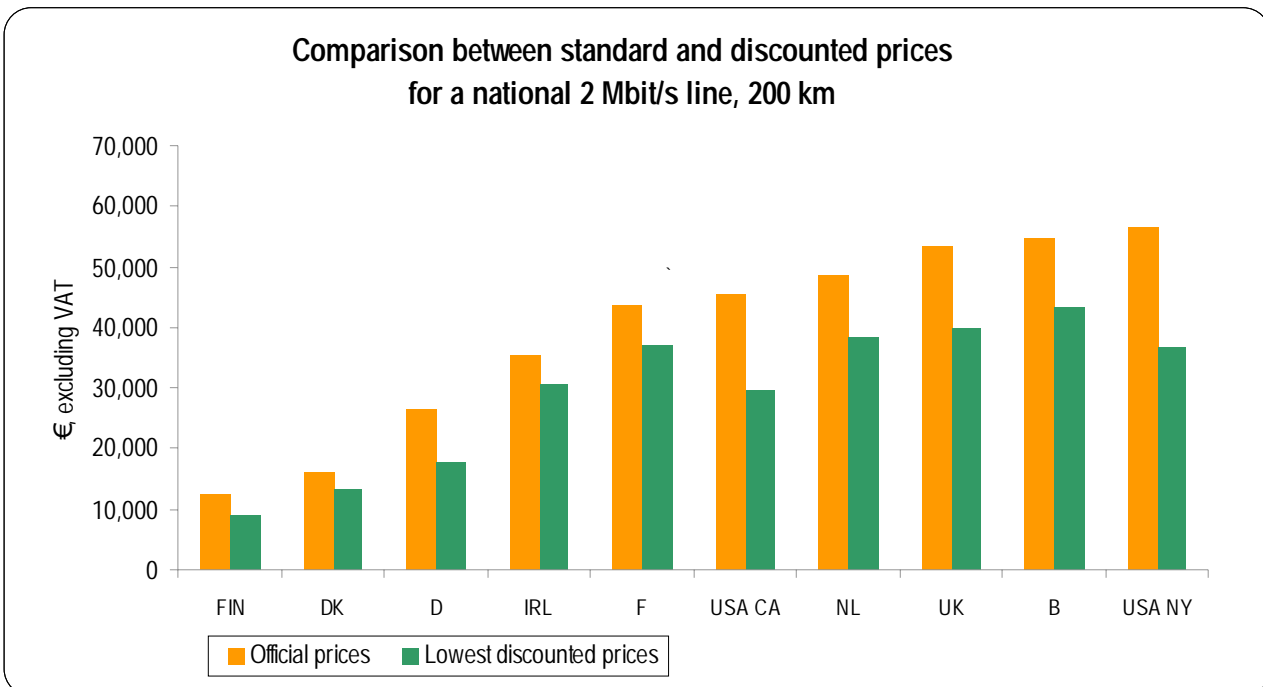


Chart 8



Information on discounts applied by the incumbent operators in the remaining countries is not available.

1.1.3. 34 and 155 Mbit/s

Chart 9

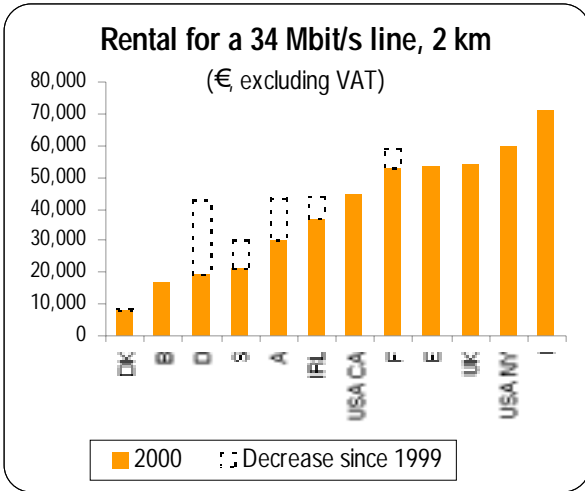


Chart 10

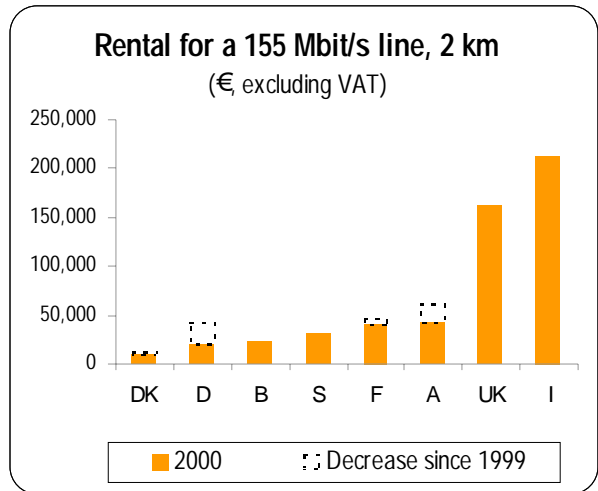


Chart 11

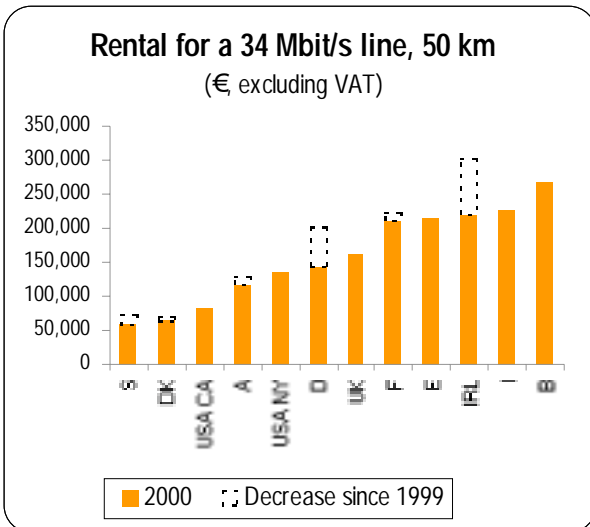


Chart 12

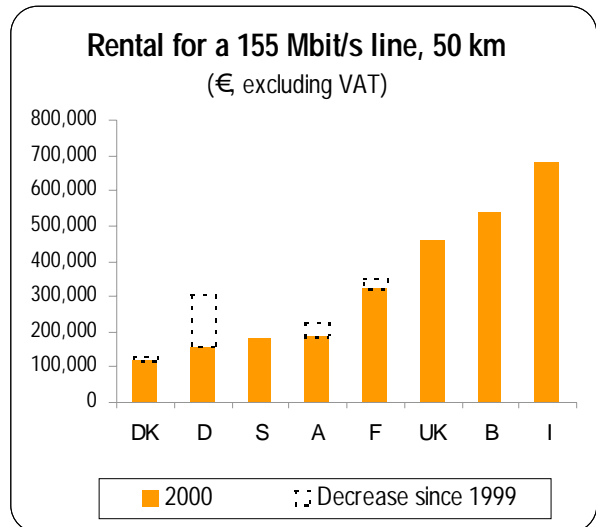


Chart 13

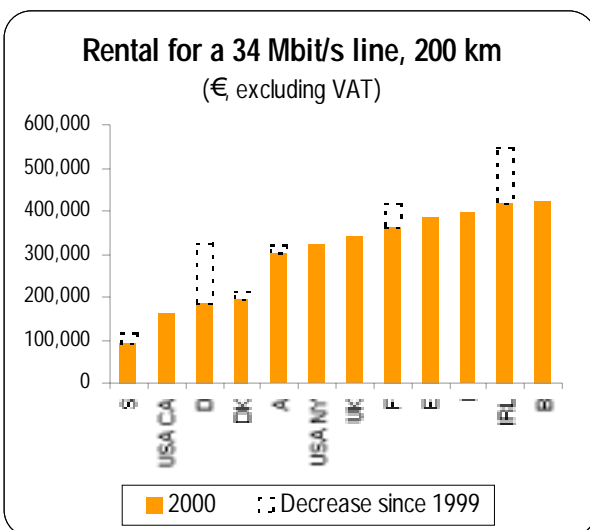
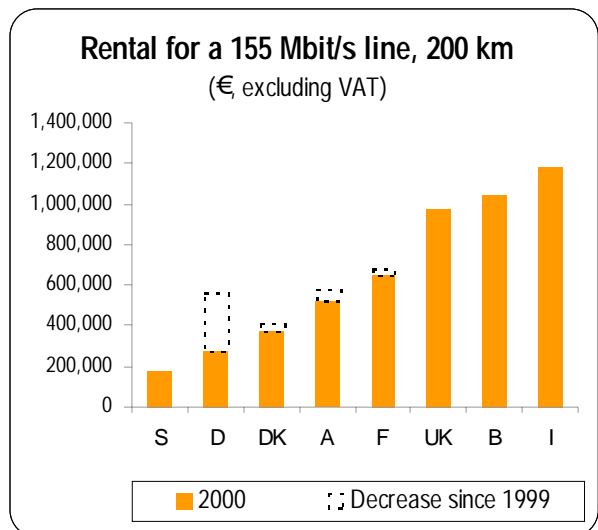


Chart 14



USA prices refer to 43 Mbit/s lines. Information not available for Japan and USA (155 Mbit/s).

1.2. NATIONAL LEASED LINE PRICE TRENDS (1 AUGUST 1997- 1 AUGUST 2000)

Please note the corrigendum for EU averages in chart 16.

1.2.1. 64 Kbit/s

Chart 15

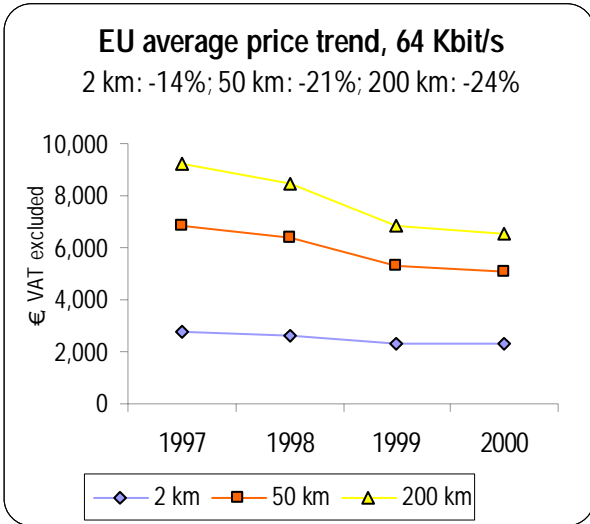
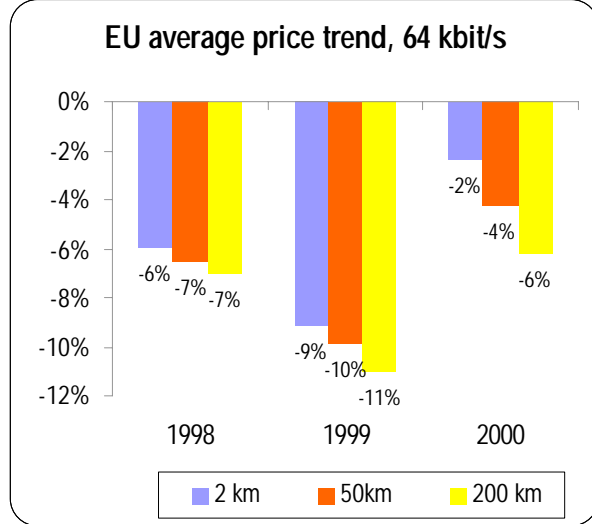


Chart 16



1.2.2. 2 Mbit/s

Chart 17

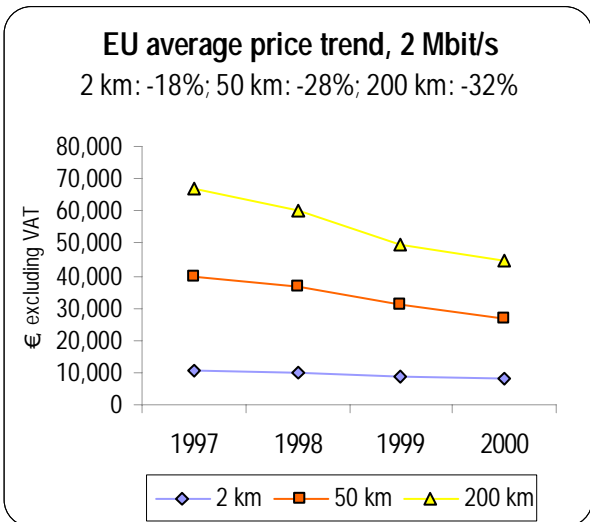
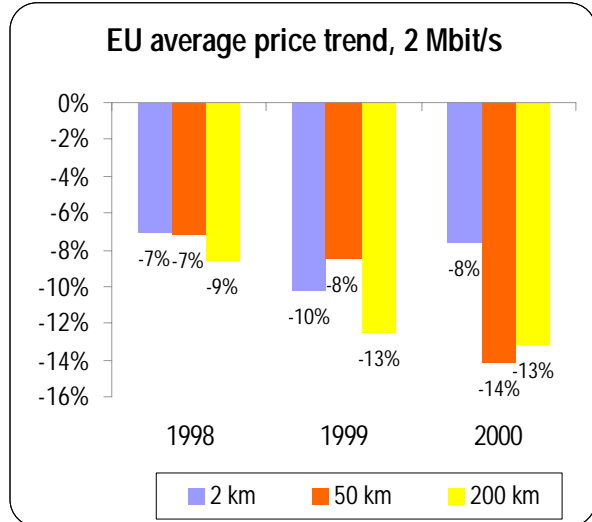


Chart 18



2. INCUMBENTS' INTERNATIONAL LEASED LINES

This section examines the standard retail prices (annual rental) for international leased line services (half-circuits out of each country) charged by the incumbent operators in each Member State as of 1 August 2000. An analysis of the price development over the period from August 1997 to August 2000 is also included.

Three destinations are covered: international half circuits to the nearest EU country (hereafter “near EU”), to the most distant EU country (“far EU”) and to USA. Near and far EU countries are defined in Table 1.

Furthermore, 3 types of circuits are considered: digital 64 Kbit/s, 2 Mbit/s and 34 Mbit/s. Given that price information on 155 Mbit/s international lines is only available for three countries, the analysis of these circuits is omitted.

Table 1: Definition of destination countries.

From:	Near EU	Far EU
B	F	EL
DK	S	EL
D	F	EL
EL	I	DK
E	P	DK
F	B	EL
IRL	UK	EL
I	EL	DK
L	D	EL
NL	D	EL
A	D	EL
P	E	DK
FIN	S	EL
S	DK	EL
UK	F	EL

The following should be noted:

- All charges are in euro per year, VAT excluded. See the “Appendix on exchange rates” for details on euro exchange rates used in this section.
- Germany is not included in the analysis because Deutsche Telekom does not disclose prices for international half circuits.
- The expression “EU average” refers to the simple, non-weighted average across EU countries.
- The EU average variation represents the simple, non-weighted average of national variations.

2.1. INTERNATIONAL LEASED LINE PRICES AS OF 1 AUGUST 2000

Please note the corrigendum for DK and, consequently, EU averages on the basis of figures provided by the NRA in charts 19, 22, 23, 24, 25, 26.

2.1.1. 64 Kbit/s

Chart 19

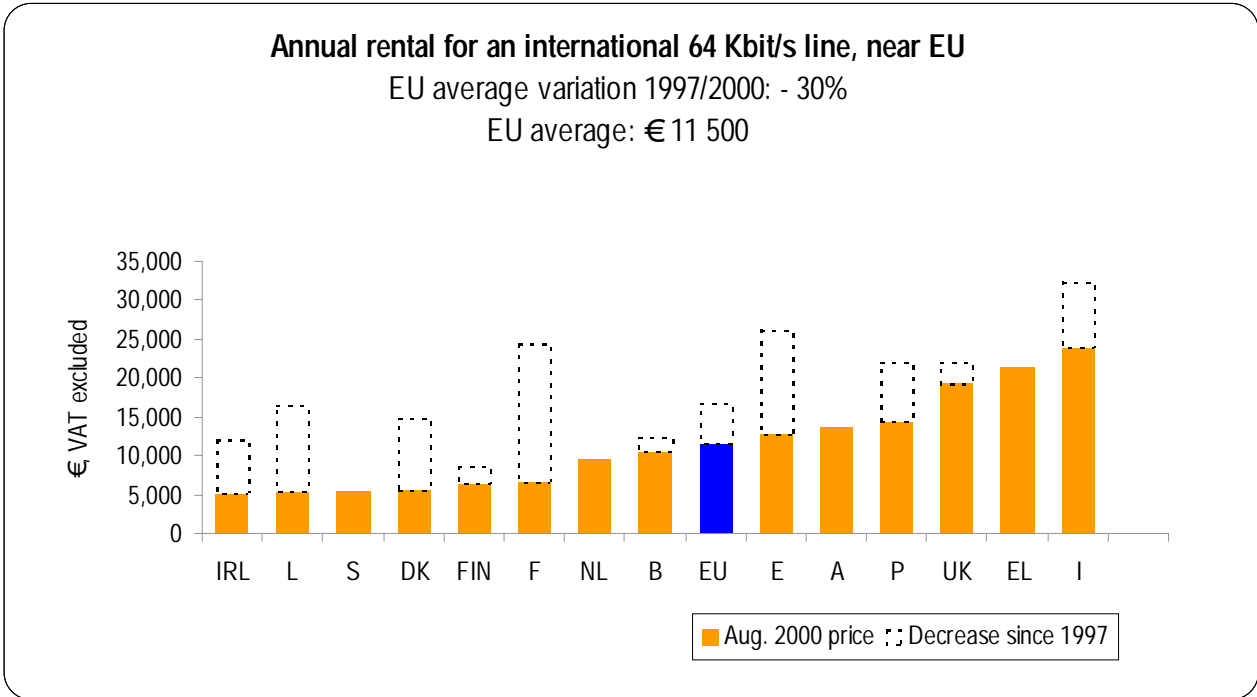


Chart 20

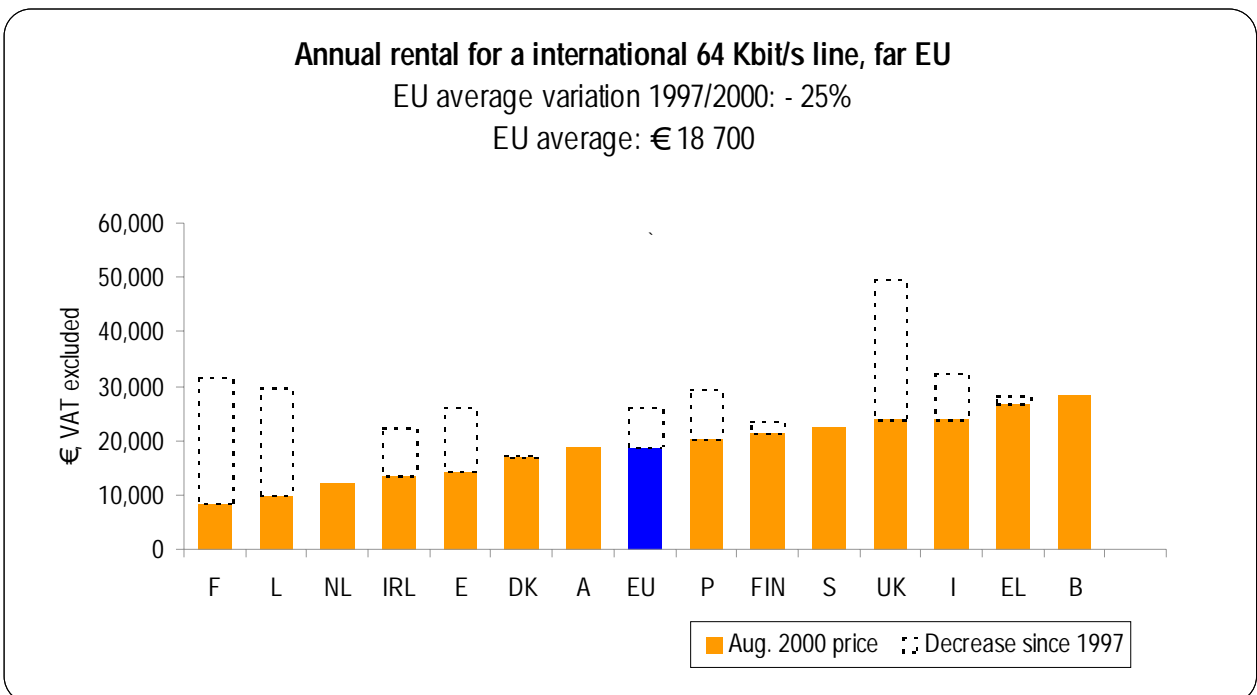
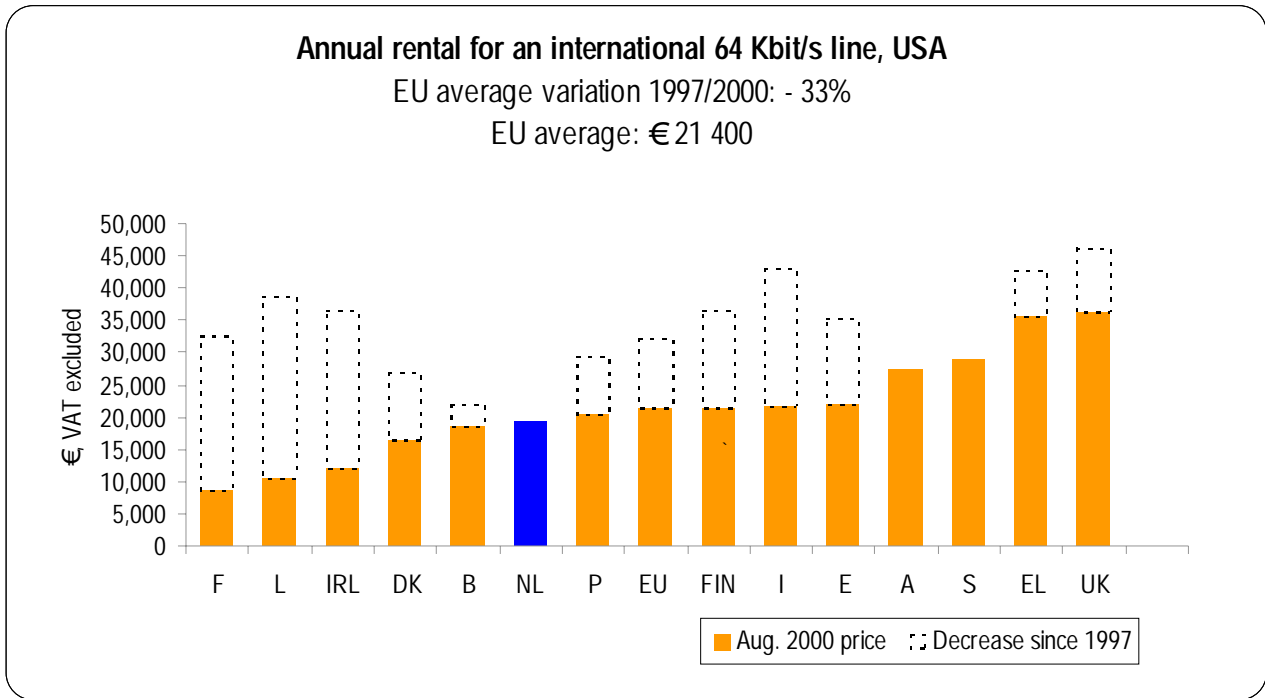


Chart 21



2.1.2. 2 Mbit/s

Chart 22

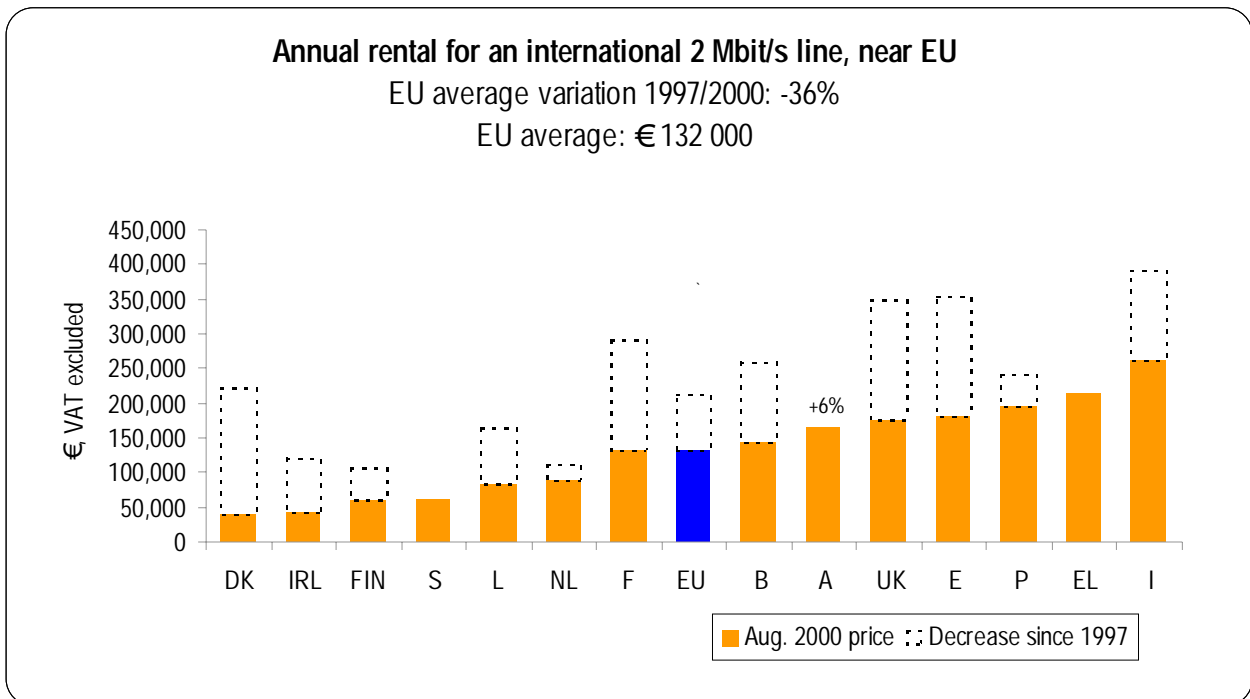


Chart 23

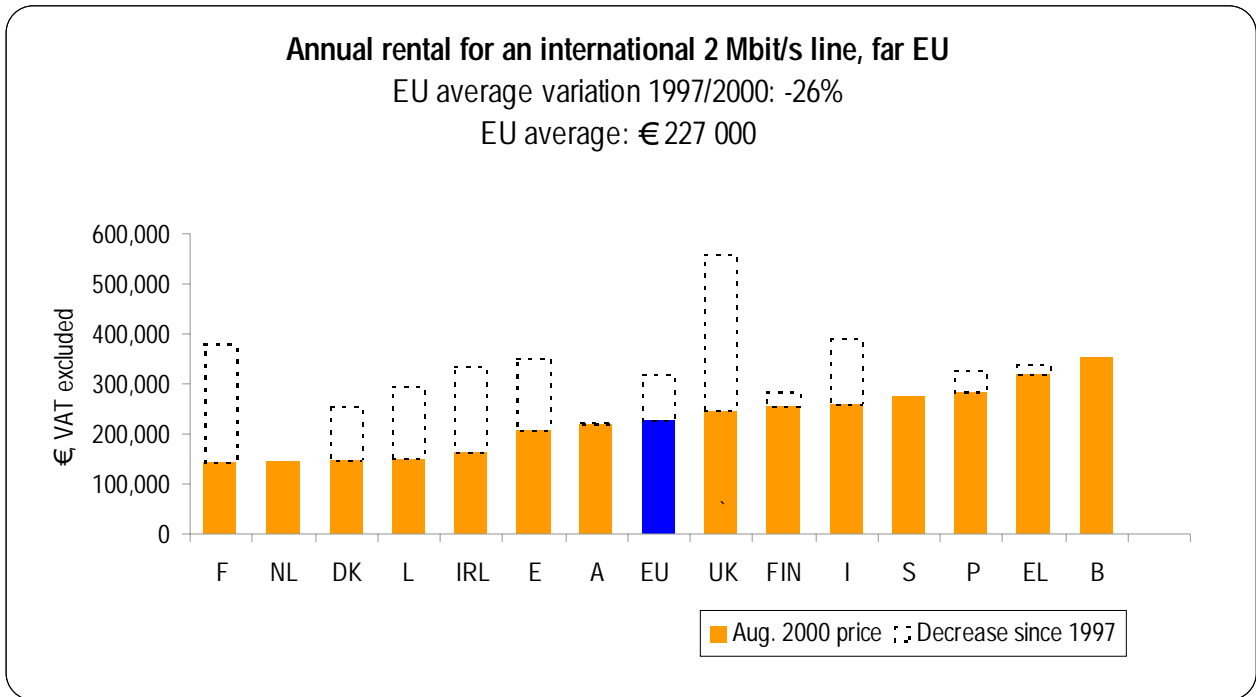


Chart 24

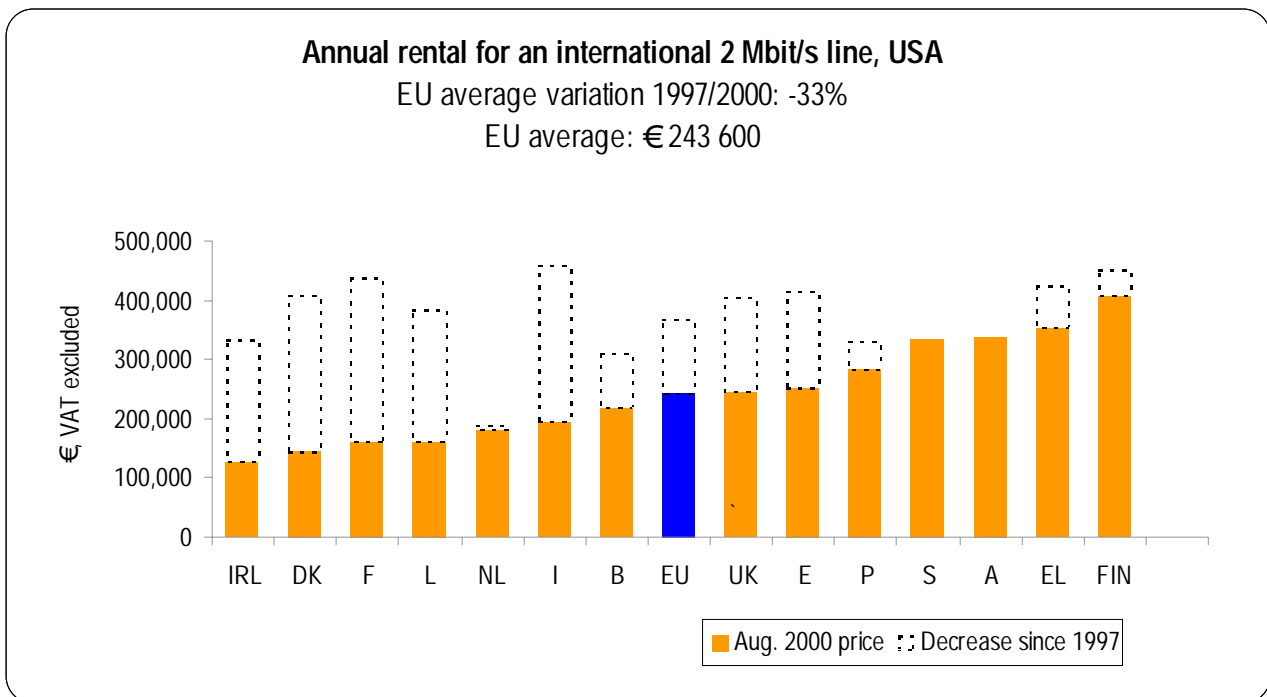
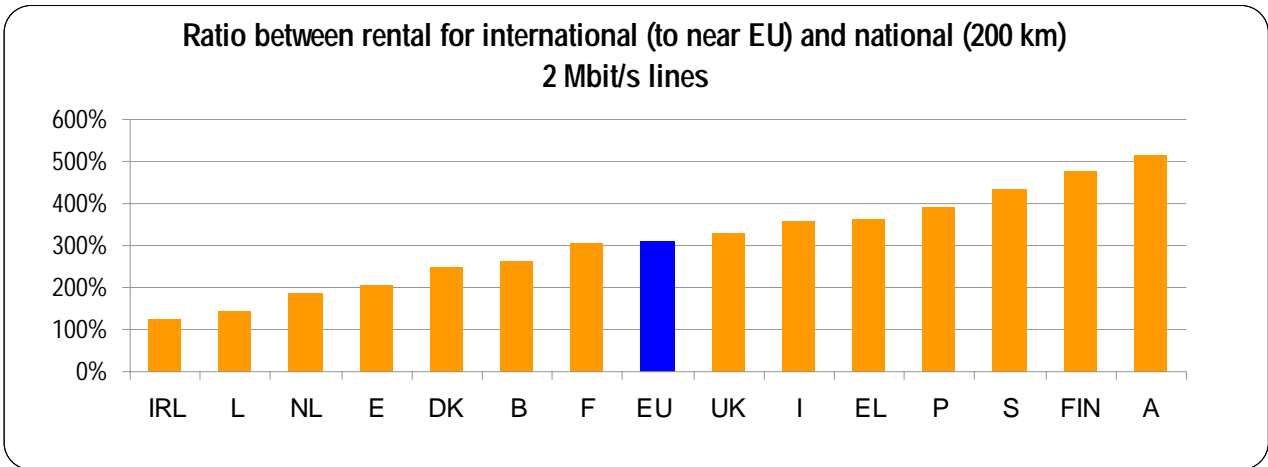


Chart 25



2.1.3. 34 Mbit/s

In all charts for 34 Mbit/s lines, the 1999 data are not available for I and FIN. Therefore, no conclusion can be drawn from the charts as to lack of variation with respect to last year's prices.

Please note that the following charts show monthly rentals.

Chart 26

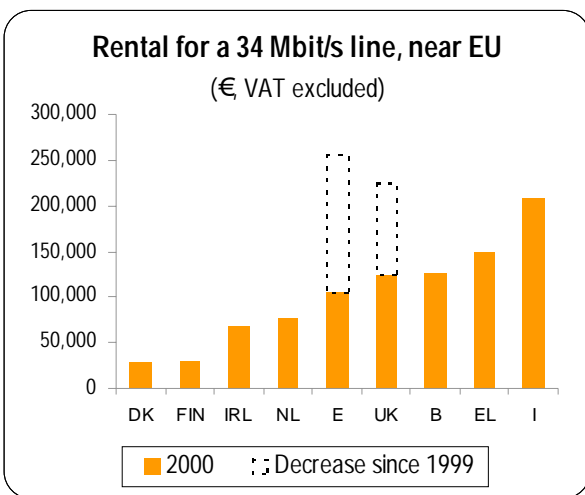


Chart 27

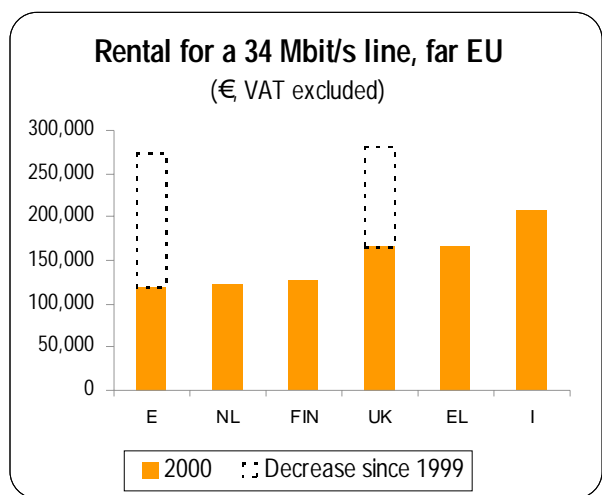
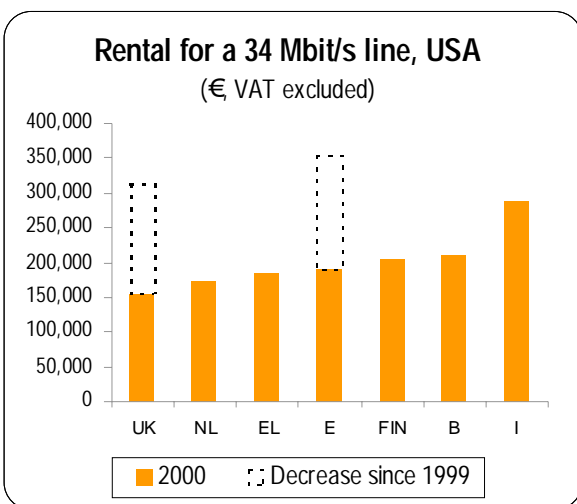


Chart 28



2.2. INTERNATIONAL LEASED LINE PRICE TRENDS (1 AUGUST 1997- 1 AUGUST 2000)

Please note the corrigendum for EU averages, on the basis of new figures for DK provided by the NRA, in charts 30 and 32.

2.2.1. 64 Kbit/s

Chart 29

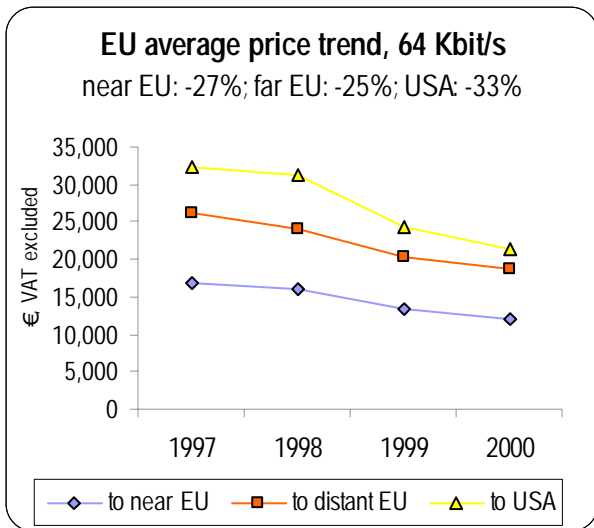
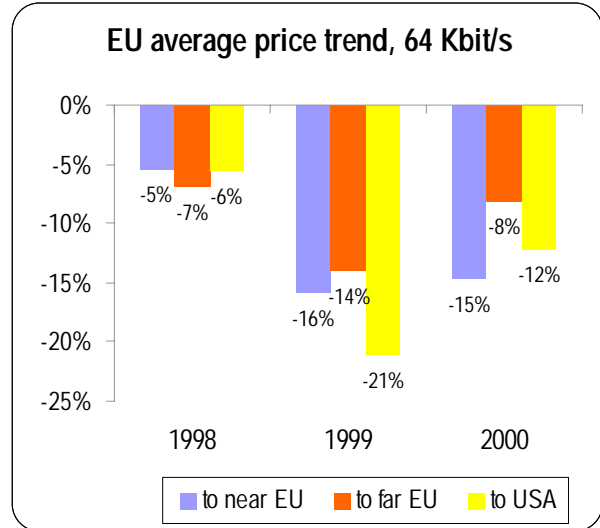


Chart 30



2.2.2. 2 Mbit/s

Chart 31

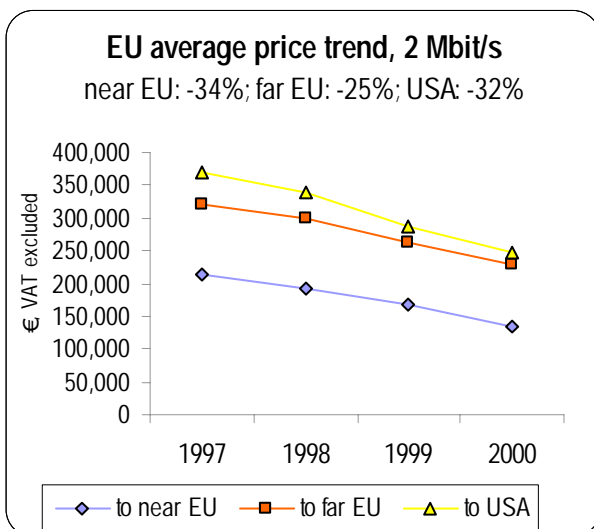


Chart 32

