

APPENDIX

EURO EXCHANGE RATES

This section explains the exchange rates used in the “Telecommunications market data” and “Regulatory issues: complementary data” annexes. For countries belonging to the EMU, the official exchange rates are stated.

1. EXCHANGE RATE USED IN THE SECTIONS ON PUBLIC VOICE TELEPHONY, MOBILE SERVICES AND LEASED LINE TARIFFS IN THE “TELECOMMUNICATIONS MARKET DATA” ANNEX

Retail tariffs have been compared using the euro exchange rate expressed in terms of purchasing power parities (€PPP), in order to compare retail prices between Member States in real terms.

PPPs are widely used by international organisations as an alternative to monetary exchange rates when making international economic comparisons. They are, in effect, “real” exchange rates, based on a comparison of the relative purchasing power of each country’s currency.

Purchasing power parities equate the purchasing power of different currencies. This means that a given sum of money, when converted into different currencies at the PPP rates, will buy the same basket of goods and services in all countries, thus eliminating differences in retail price levels between countries.

The €PPP exchange rates listed below have been calculated using the OECD’s Comparative Price Levels information for May 2000. In order to make comparisons between European Member States more significant, the €PPP has been set up, using the Austrian schilling as the reference currency (because its annual rate of inflation in June 2000 is estimated to be broadly in line with the average inflation rate in the EU).

The use of €PPP does not reflect differences in the underlying costs of providing services. The use of PPP should be limited to international comparisons.

Table 1: Exchange rates August 2000, national currency to Euro

	Exchange rate to euro	
	EURO	EURO PPP
Belgium	0.02479	0.02609
Denmark	0.13407	0.10812
Germany	0.51130	0.51130
Greece	0.00297	0.00385
Spain	0.00601	0.00761
France	0.15245	0.15245
Ireland	1.26968	1.38009
Italy	0.00052	0.00060
Luxembourg	0.02479	0.02582
The Netherlands	0.45378	0.48275
Austria	0.07267	0.07267
Portugal	0.00499	0.00703
Finland	0.16819	0.14884
Sweden	0.11914	0.10012
UK	1.65782	1.40494
USA	1.10132	1.01039
Japan	0.01015	0.00573

2. EXCHANGE RATES USED IN THE SECTION ON LICENSING IN THE “TELECOMMUNICATIONS MARKET DATA” ANNEX

The exchange rates used for the licence fees in the public voice telephony and networks section are the same as in Table 1, except for the following:

	EURO
Denmark	0.130904991
Greece	0.0032021
Sweden	1.146319
United Kingdom	1.4993537

3. EXCHANGE RATES USED IN THE SECTION ON INTERCONNECTION IN THE “TELECOMMUNICATIONS MARKET DATA” ANNEX

The exchange rates used for interconnection charges are the same as in Table 1, except for the following:

	EURO
Denmark	0.1342
Greece	0.0029
Sweden	1.1337
United Kingdom	1.6611

4. EXCHANGE RATES USED IN THE SECTION ON INTERNET (INTERNET ACCESS PRICING) IN THE “TELECOMMUNICATIONS MARKET DATA” ANNEX

The OECD figures expressed in USD have been converted into euro using the average exchange rate calculated over the period from January to March 2000. This exchange rate is: 1.014919.

The €PPP have been calculated using the OECD’s Comparative Price Levels information for May 2000.

5. EXCHANGE RATES USED IN THE SECTIONS ON LOCAL ACCESS AND NATIONAL REGULATORY AUTHORITIES IN THE “REGULATORY ISSUES: COMPLEMENTARY DATA” ANNEX

The exchange rates used are the same as in Table 1, except for the following:

	EURO
Denmark	0.134203
Greece	0.002988
Sweden	0.119017
United Kingdom	1.638706

These exchange rates represent the average exchange rates calculated over the period January-August 2000.

6. EXCHANGE RATES USED IN THE SECTION ON CONSUMER ISSUES (BILLING) IN THE “REGULATORY ISSUES: COMPLEMENTARY DATA” ANNEX

The exchange rates used by Cullen International are the following:

	EURO
Denmark	0.1343
Greece	0.0029
Sweden	0.1170
United Kingdom	1.73