



1

Implementation of the electronic communications framework in the 25 Member States

The 25 EU Member States have completed the transposition of the electronic communications framework into their national legislation. Below are some highlights of the country chapters in the 11th Report on the Electronic Communications Regulation and Markets 2005.

Austria: Implementation of the new regulatory framework is well advanced in Austria. Austria is part of the group of Member States that is most advanced with the notification of market analyses and remedies.

Belgium: Despite the late transposition of the framework into Belgian law in 2005 competition in the Belgian market is steadily increasing in the mobile, fixed voice and broadband segments. These positive market trends could be undermined by legal uncertainty about NRA powers.

Cyprus: Competition still appears to be very limited in the Cypriot electronic communications market, possibly partly due to both retail and wholesale pricing issues in the fixed and mobile markets.

Czech Republic: Regulatory developments were dominated by the adoption of the new law to transpose the regulatory framework. The delay in transposition appears to have had a negative impact on the market review process and in particular on the imposition of regulatory remedies.

Denmark: One of the EU leaders in broadband take-up. The Danish telephony market experienced an accelerating shift from fixed to mobile telephony services due to mobile telephony price competition. During the year, most of the Danish market analysis underwent Commission consultation. Regulatory uncertainty was a matter of concern for operators as some administrative decisions were not final.

Estonia: There is little infrastructure competition in Estonia and still no effective replacement of SMP obligations that expired at the end of 2005. Mobile telephony is the key market, in particular with the advent of 3G services, while broadband penetration outstripped the competition from other EU-10 Member States.

Finland: Due to mobile sector price competition in Finland, the migration from fixed to mobile telephony services has accelerated. While concerns remain of restrictions of the NRA's ability to impose regulatory remedies in some cases, Finland's national regulatory authority is the first in the EU to have gone through the Article 7 consultation procedure for all 18 markets.

France: French users can take advantage of one of the most dynamic and competitive broadband markets in Europe, which has high penetration rates and attractive prices. Considerable progress has been made in France since the last Report concerning transposition, finally completed, and market analyses, although an effort is required to conclude the latter as soon as possible.

Germany: Consumers have benefited from the market developments over the past year, mainly through falling prices for some mobile and broadband products. More resolute and timely action on the part of the NRA in areas such as bitstream access, however, could possibly have led to even greater benefits.

Greece: Transposed four of the five Directives (not including e-Privacy) on 17 January 2006. The Greek electronic communications market has suffered from the lack of transposition of the regulatory framework in 2005.

Hungary: 16 of the 18 markets have been notified to the European Commission given that the electronic communications framework was implemented prior to accession.

Ireland: Obstacles remain to the further development of competition in the fixed and broadband markets, particularly the limitation of the NRA's power to enforce decisions. These issues may have contributed to the lack of a functioning local loop unbundling (LLU) product that would help to further improve Ireland's poor broadband performance, which has shown progress towards the end of 2005.

Italy: The growth in the Italian telecommunication market in 2005 has been mainly driven by broadband and mobile communications. Pro-competitive measures taken by the NRA have almost enabled Italy to close the gap with the EU average broadband penetration rate.

Latvia: Implementation of the regulatory framework has progressed in some areas but the NRA has not yet started the important market review procedure. There are encouraging developments in the mobile sector with the entry of a third network operator.

Lithuania: Mobile penetration is one of the highest in the EU and stands at around 117%. There is little competition in fixed telephony except for several local companies focusing on international calls and VoIP.

Malta: The market continues to be characterised by a limited number of network operators. High fixed telephony interconnection tariffs, a lack of practically available wholesale products on the broadband market, a lack of number portability, as well as retail prices of the fixed telephony incumbent that are not fully rebalanced seem to be the most important regulatory problems.

The Netherlands: Strong infrastructure competition has been intensifying between fixed network and cable operators. They are actively developing consumer-friendly triple play services. Coupled with the quick spread of VoIP, these innovative trends appear to confirm the importance of having a competitive environment.

Luxembourg: The mobile market continues to be stronger than the broadband market, with continued growth and high penetration and the arrival of a third operator. The fixed market is characterised by decreasing revenues and call minutes.

Poland: Despite some progress (e.g. publication of reference offers, implementation of the "112" emergency number) a number of issues that have a significant impact on undertakings (e.g. access to incumbents infrastructure, market analysis in general) and ultimately on consumers (e.g. number portability, directory services) remain unresolved.

Portugal: Regulatory action has led to an improvement in market conditions for new entrants, in particular for broadband. However, the incumbent's position on all markets (including content) remains very strong.

Slovakia: The opening-up of the fixed market to competition has dominated regulatory developments in 2005. The publication of a RIO by the incumbent and the availability of carrier selection have certainly improved market entry prospects. However, a number of market liberalisation instruments have not yet been implemented.

Slovenia: Since the market has been without any SMP obligations for a large part of 2005, it is extremely welcome that the NRA completed a large number of market analyses towards the end of 2005. There is still very little competition in the fixed telephony market.

Spain: Adopted two major parts of the secondary legislation. The review of the level of competition in the relevant markets has been slow and the first market analyses were notified to the European Commission only in late September 2005. However, regulators have been able to promote competition through a number of regulatory measures and Spain has the highest figure of mobile ported numbers.

Sweden: Price competition in the mobile sector has accelerated the migration from fixed to mobile telephony services, while the fixed broadband uptake growth phase continues. The most serious challenge to achieving the goals of the regulatory framework in Sweden is the functioning of the appeal system, where procedures are time-consuming.

United Kingdom: Implementation of the regulatory framework in the United Kingdom is well advanced, since the initial reviews of all relevant markets other than the wholesale national market for international roaming have been completed. The last year has been dominated by the Ofcom's Strategic Review of the telecommunications sector, which resulted in the incumbent fixed network operator entering into legal commitments designed to ensure competing operators get genuinely non-discriminatory access to the enduring bottlenecks in the fixed network.

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