

EU Telecom rules: Where are we now?



The electronic communications market appears to be consolidating into mainly four Nordic groups. Consumer broadband generally became cheaper last year and is still in a relatively strong growth phase. Sweden has the highest mobile phone ownership in the EU, but comparatively low fixed-to-mobile substitution; 98% of the population has UMTS coverage. The regulatory environment remains relatively unchanged from a year ago. The National Regulatory Authority (NRA), PTS, completed the first market analysis round – resulting in Sweden being the EU Member State with the fewest regulated markets – and is starting its second round of analyses. The number and length of appeal procedures and suspensions is still the most important issue. A government-appointed commission proposed measures to improve the situation.

Overview

Broadband

In October 2006 Swedish broadband penetration in terms of subscriptions per inhabitant was 24.6%, making it fourth within the EU but last among the Nordic countries. Local Loop Unbundling compliance control remains an important challenge, and connection prices for fully unbundled local loops are among the highest in the EU. While the decision to regulate the wholesale broadband access market was taken in 2004, there was still no regulated product in 2006 as the appeal case – described above – worked its way through the administrative court system with the appealed-against decision suspended.

Mobile

Mobile call prices continue to be pressured by competition. In an EU-wide Eurobarometer study for the Commission in November 2006, 95% of those polled in Sweden said they owned a mobile phone, thus making Sweden the country with the most widespread mobile phone ownership in the EU. By the end of 2006 3G operators covered around 98% of the population as compared to approximately 85% in March 2005.

Fixed telephony

The foremost effect of the successfully implemented WLR reform seems to be less churn among alternative telephony providers rather than large cuts in the retail subscription price. IP-telephony over own infrastructure (for example cable-TV and new local area networks) has, on the other hand, contributed to the continued substantial decrease in the cost of fixed telephony. On 3 October 2006 PTS decided that the wholesale market for trunk segments of leased lines was effectively competitive and was, therefore, to be free from regulation.

Broadcasting

According to a report prepared for the Commission in 2006¹, approximately 26% of Swedish TV households were using terrestrial, 21% satellite- and 53% cable-TV reception at the end of the third quarter 2005. At that time, approximately 12% of all TV households – or slightly below half of all terrestrial households – were using digital terrestrial reception. Digital switchover in Sweden is progressing in stages. The 5th and final stage – when terrestrial analogue transmissions shut down for the last 33% of the population and digital terrestrial coverage for public service channels will be 99.8% – is to take place in October 2007.

¹Dataxis 2006, Digital Television Data – EU Market for Digital Television.

Important consumer information

Tariff transparency and quality of service	PTS continues to run its web-based price comparison service for most kinds of electronic communications services to consumers.
Universal service	The PTS strategy for services to people with disabilities involves influencing stakeholders to provide tailored services to people with special needs. At the same time, it procures eight separate services to disabled consumers, and is running trial stages of several more. Two former trial-based services have been taken up as regular procured services: a sign language translation service based on 3G video calls (an interpretation centre translates bi-directionally between sign language and voice communication) and the distribution of digital voice books from an electronic archive accessible by nearly all public libraries.
Emergency services	112-recognition is very high. Awareness-raising efforts have been made in strategic media such as on the back of milk cartons. During a two-year trial financed through PTS, 112 is also available as an SMS service strictly for people with hearing or speech impairments.
Number portability	In October 2006 there were 2 million accumulated ported mobile numbers, as compared to 1.3 million a year earlier. In October 2006 there were more than 400 000 ported fixed numbers – compared to under 200 000 a year earlier – as users took advantage of the WLR reform and IP telephony on alternative access networks.
Consumer complaints and out of court dispute resolution	The Consumer Agency includes the office of the Consumer Ombudsman, which can lodge cases with the Market Court. So far that court has not had any cases related to broadband. The new Consumer Bureau for Telecom and internet was set up in 2006 and is funded by SITO. Providing advice and information to consumers, it also has the potential to serve as a form of de facto alternative consumer-dispute resolution mechanism.

Infringement proceedings pending under the EU Telecom Rules: 1

For further information:

Info Desk
European Commission
Information Society and Media Directorate-General

E-mail: info-desk@ec.europa.eu

Tel: +32 2 299 93 99

http://ec.europa.eu/information_society/