



## EUROSTAT QUALITY PROFILE

<b>Indicator (definition)</b>	<b>Market share of the incumbent in fixed telecommunications:</b> local calls, long distance calls, international calls as a percentage of the total market <b>Market share of the leading operator in mobile telecommunication</b> as a percentage of the total market
<b>Eurostat Unit</b>	F-6: Information Society and Tourism Statistics
<b>Other Commission DGs</b>	DG INFSO
<b>European Statistical System Working Group (WG)</b>	WG on Information Society Statistics
<b>Date</b>	2 May 2007

**1. Overall assessment of accuracy and comparability** (Description of quality grades under the following link: [http://circa.europa.eu/Members/irc/dsis/structind/library?!=/general\\_information/quality\\_profiles/annex\\_enpdf/EN\\_1.0\\_&a=d](http://circa.europa.eu/Members/irc/dsis/structind/library?!=/general_information/quality_profiles/annex_enpdf/EN_1.0_&a=d))

A     B     C     Indicator to be developed

Data is collected from reliable sources applying high standards with regard to the methodology. Problems with comparability over time are related to the rapid changes of market structures and to changes in the methodology that some National Regulatory Authorities have introduced in recent years.

### **2. Objective and relevance of the indicator:**

These indicators show data on the market share of the telecommunications incumbent operator in the local, national and international fixed calls markets based on retail revenues. It also presents data on the market share of the largest mobile operator based on the number of subscribers.

This indicator relates to the market structure in network industries and wants to measure the degree to which liberalisation has increased competition in the network industries. The indicator chosen measures the extent to which the market share of the incumbent telecommunications operator (the pre-liberalisation monopolist) has fallen in response to the entry of new competitors. This indicator complements the indicator on prices in the network industries by providing some explanation for the evolution of prices.

The economic reform indicators measure progress in achieving more efficient and better functioning markets. Liberalisation of the telecommunications market has led to increased competition and productivity, resulting in lower prices and greater access to the Internet and other communication services. The telecommunications sector also plays a particularly important role in the economy because its services are increasingly important inputs into the production processes of other sectors, especially in the knowledge economy.

**Restriction of the indicator's relevance and other characteristics which may lead to restrictions in using it in monitoring and reporting**

### 3. Data availability: details

(t<sub>1</sub>: earliest reference year available; t<sub>2</sub>: latest reference year available in May 2007)

	Member States	Candidate and Acceding Countries	US and Japan	EEA-EFTA <sup>1</sup>
t <sub>1</sub>	2001-BE, DE, EL, ES, IE, UK 2002-FR, IT, NL, AT, FI 2003-CY, LV, HU, MT, PL, SI, SK 2004 – LT, PT (no data for long distance and local calls)	-	-	2001 – NO (no data for local calls)
t <sub>2</sub>	2003 - CY 2004- EU-19	-	-	2004 – NO (no data for local calls)

Comments (including information on time series): No data available for Norway for the local calls.

### 4. Overall accuracy

- High  The information is collected by the DG INFSO from the National Regulatory Authorities (NRAs) using an annual questionnaire. In fixed telecommunications the market share is calculated as the share of retail revenues of the total market. Where this is not available, the incumbent's share of minutes of connection is used. In mobile communications the leading operator's share of all subscriptions is given.
- Restricted (sources, errors, methodology, etc.)

### 5. Comparability across countries

- High  Comparability across countries is ensured by the application of the same methodology in all countries. Data are discussed and validated by the NRAs before publication.
- Restricted

### 6. Comparability over time

- High
- Restricted  Comparability problems are related to the rapid changes of market structures. Some MS have changed tariff structures so that the distinction between local and national calls has disappeared. In some cases NRAs have changed the methodology so data for previous series are not fully comparable.

### 7. Development perspective for improving the quality of this indicator (including as far as possible an indication of the burden on Member States and respondents.)

### 8. Contribution to the coherence of the set/potential to qualify for an integrated policy analysis

#### Relevant European legislation:

Directive 2002/21/EC of the European Parliament and of the Council of 7 March 2002 - on a common regulatory framework for electronic communications networks and services (Framework Directive)

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<sup>1</sup> While being a member of the EEA, Liechtenstein has complete or partial exemptions from several statistical requirements due to its size. Thus, Liechtenstein is excluded from this overview as most of the data for structural indicators are missing.