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Ireland performs well in European Commission 9th implementation survey

The European Commission today published its 9th implementation report on the implementation of the Telecommunications Regulatory package. It evaluates how well each European country has performed in implementing regulation of the communications' sector over the last year.

This year the report focuses mainly on the implementation of the new EU Regulatory Framework for electronic communications. The European Commission welcomes the fact that Ireland is one of only eight countries to transpose the New Telecoms package on time. Ireland, through ComReg, is now also among the more advanced of the EU national regulatory authorities carrying out the process of market reviews to determine what, if any, markets may be already be effectively competitive.

The EU report concludes that the situation overall, in the electronic communications markets, is stabilising with growth of around 4% expected next year. The Report, which was adopted by the European Commission today points to renewed business and consumer confidence. Broadband (or high-speed) internet access and mobile communications are seen as the main drivers of growth.

Throughout Europe, the number of fixed broadband access lines has almost doubled over the last year but the report also points out that competitive situation must improve further if the broadband sector is to truly thrive. After a slow start in Ireland, progress is now being made on DSL with the level of take-up now exceeding 1% of total subscriber lines. This represents a significant increase since the initial data was collated by the European Commission. A key part of this growth followed the reduction in the very high level of prices here. Currently over 1,200 customers per week are ordering DSL. While this is clearly an improvement, prices are still high by international standards and if penetration levels - on a par with best practice - are to be achieved then further competition through lower prices will be necessary.

The report also states that among fixed operators, competitive pressure seems to have moved to the local call segment of the market and many countries report increased competition in the Carrier Pre Selection [CPS] market. In Ireland growth levels have been slowing and ComReg has recently intervened to seek to enhance the competitive climate by introducing a range of measures to the industry which should lead to increased awareness of CPS, enable further tariff transparency, and to give customers more time to consider the benefits that CPS may bring..

The Report projects that in 2003 the number of mobile subscribers will grow at a higher rate than in 2002, notwithstanding that the penetration rate is already close to 90% in a number of EU countries.

Note: the full report can be viewed on

http://europa.eu.int/information_society/topics/ecommerce/all_about/implementation_enforcement/annualreports/9threport/index_en.htm

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