BoR (14) 142

Background data

Presented by ECTA in relation to the public hearing on the draft BEREC Strategy 2015-2017 and draft BEREC Work Programme 2015

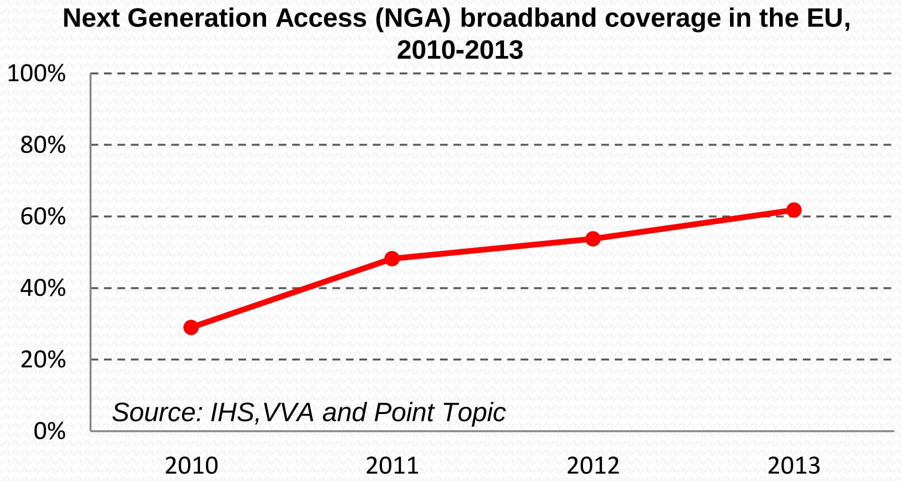
2nd BEREC Stakeholder Forum meeting 16 October 2014, Brussels

NGA investments are steadily increasing

Revenues and investment in the electronic communications sector[13]			
	2010	2011	2012
Revenues	€ 327,3 billion	€334,7 billion	€323,6 billion
Increase	N/A	2,2%	-3,3%
Investment	€ 38,8 billion	€41,5 billion	€42,1 billion
Increase	N/A	6,9%	1,4%

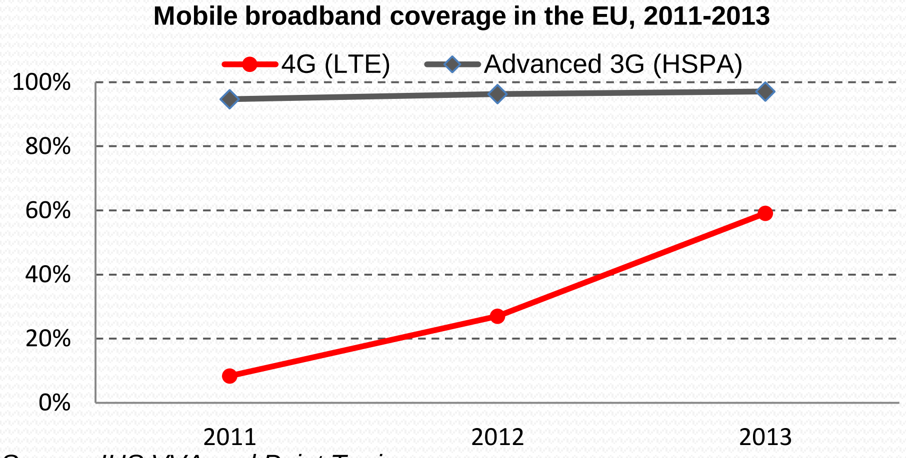
Source: Implementation of the EU Regulatory Framework for Electronic Communications –2014

The coverage of Next Generation Access (NGA) technologies doubled since 2010. NGA covers 62%, up from 54% a year ago.

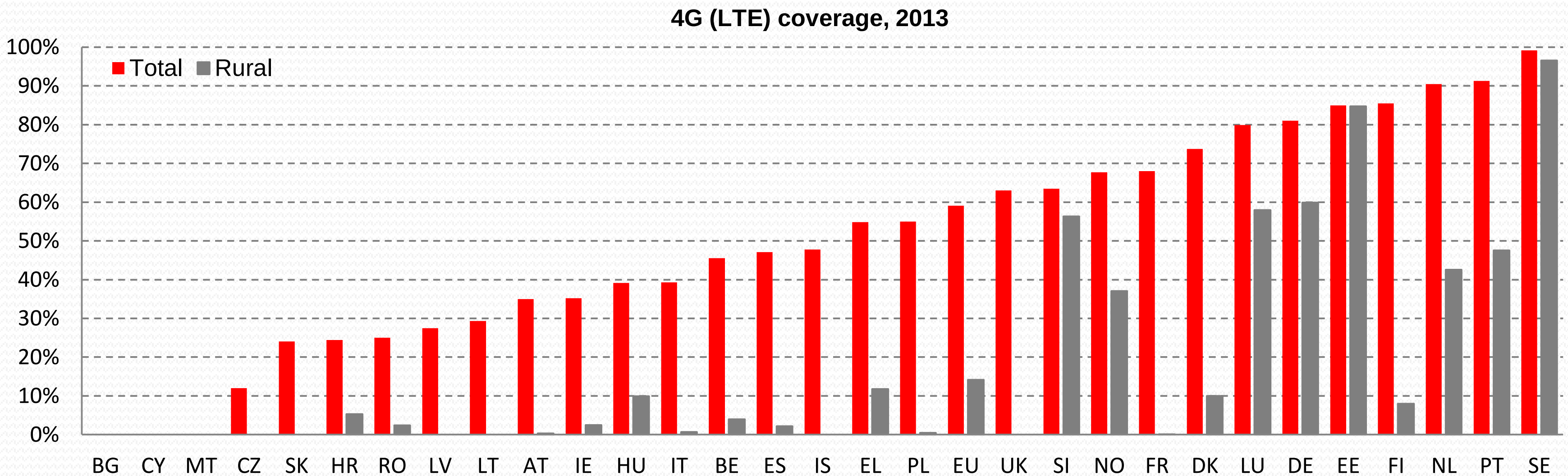


Rapidly increasing 4G (LTE) coverage

4G mobile broadband availability reached 59%, up from 27% a year ago. 4G has been commercially launched in all but three Member States.



Source: IHS,VVA and Point Topic

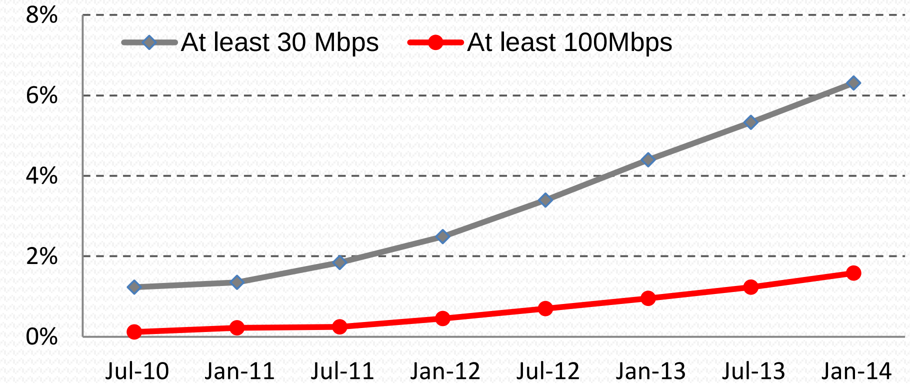


Source: IHS and VVA

Fast & ultrafast BB penetration is low and stagnating

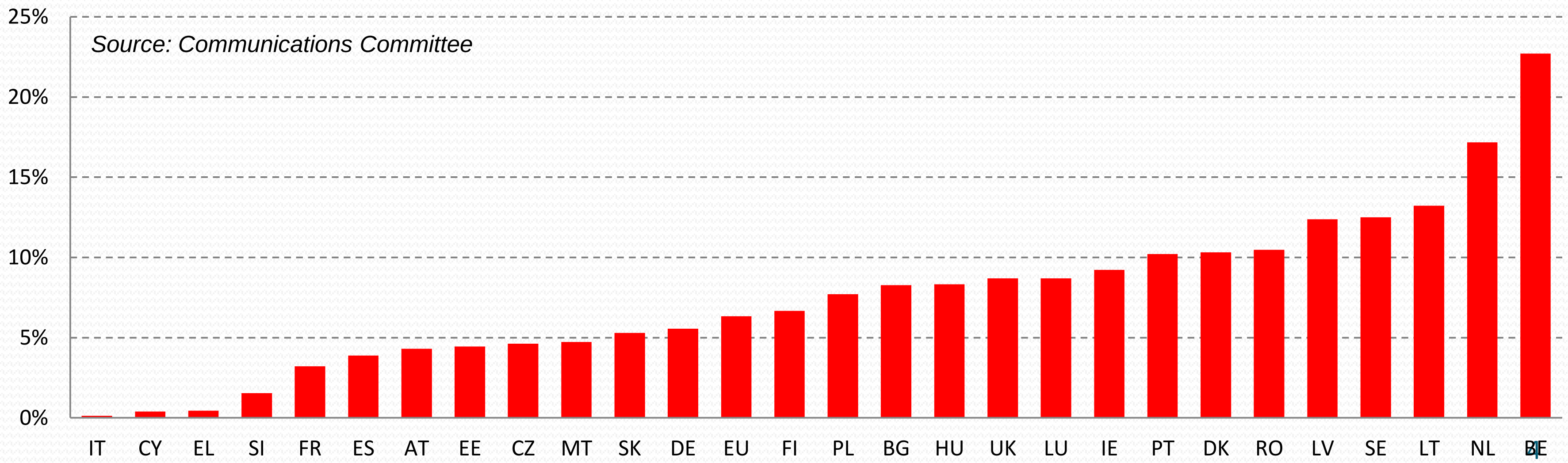
>30Mbps subscriptions are getting popular, while >100Mbps is still rare in the EU. Only an estimated 15% of homes subscribe to fast or ultrafast broadband.

Fast and ultrafast broadband penetration (subscriptions as a % of population) at EU level, July 2010 - January 2014



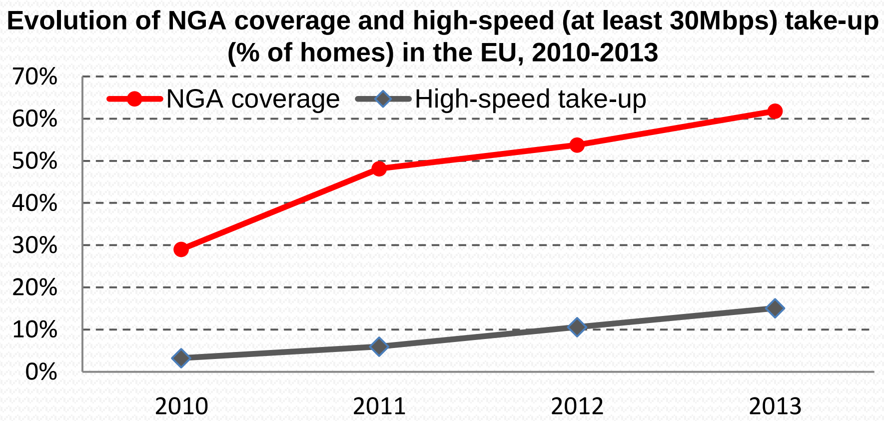
Source: Communications Committee

Fast broadband (at least 30Mbps) penetration (subscriptions as a % of population), January 2014



Fast & ultrafast BB penetration is low and stagnating

The take up of fast broadband (at least 30 Mbps) falls well below the NGA coverage: NGA is available to 62% of homes in Europe, but only an estimated 15% subscribe to fast broadband.



Fast & ultrafast BB penetration is low and stagnating

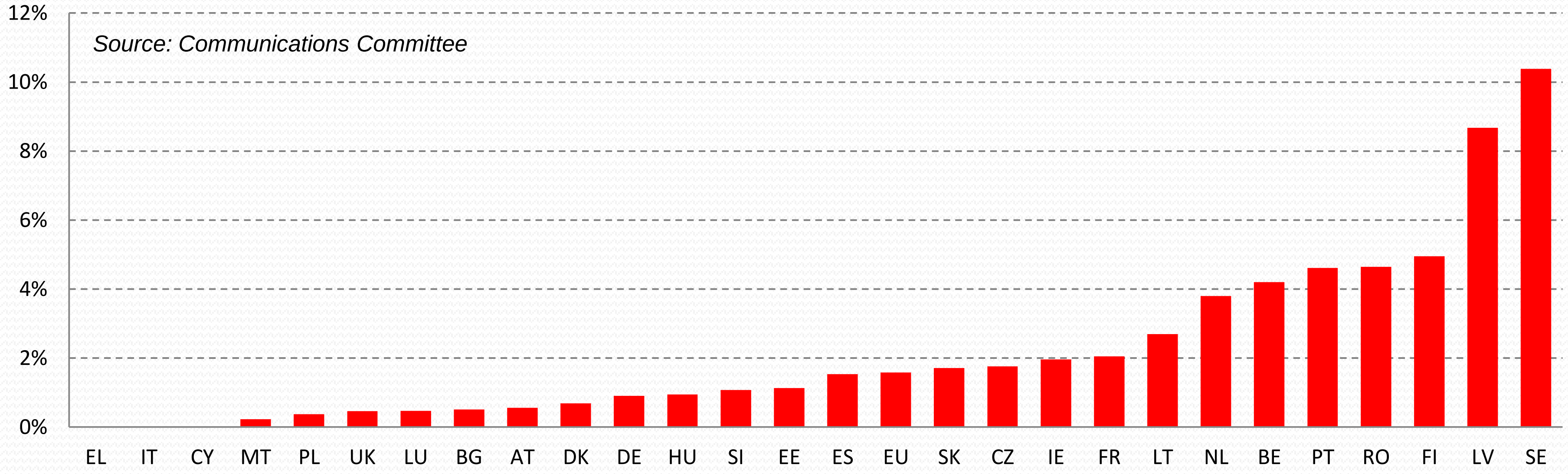
Take-up of ultrafast (>100Mbps) broadband remains marginal at 1.6 subscriptions per 100 people corresponding to 3% of homes.

DAE target

50% of homes subscribing to at least 100Mbps by 2020

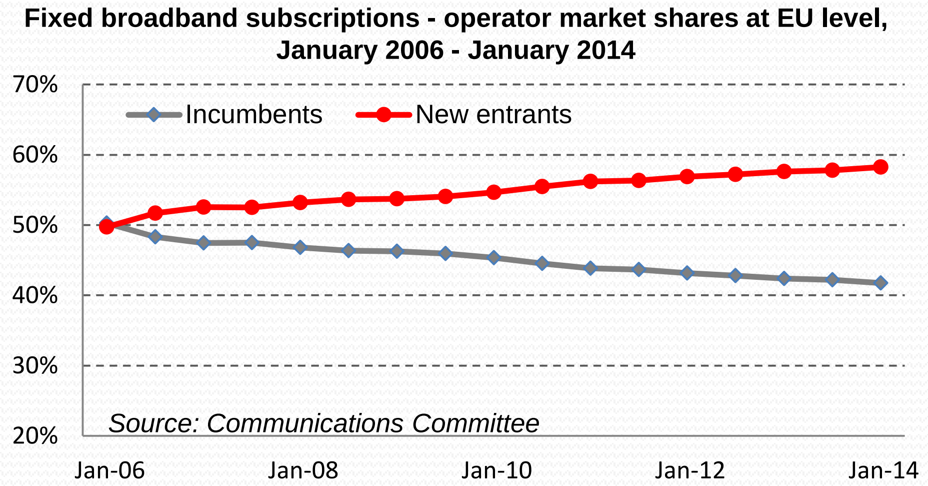
3% in 2013

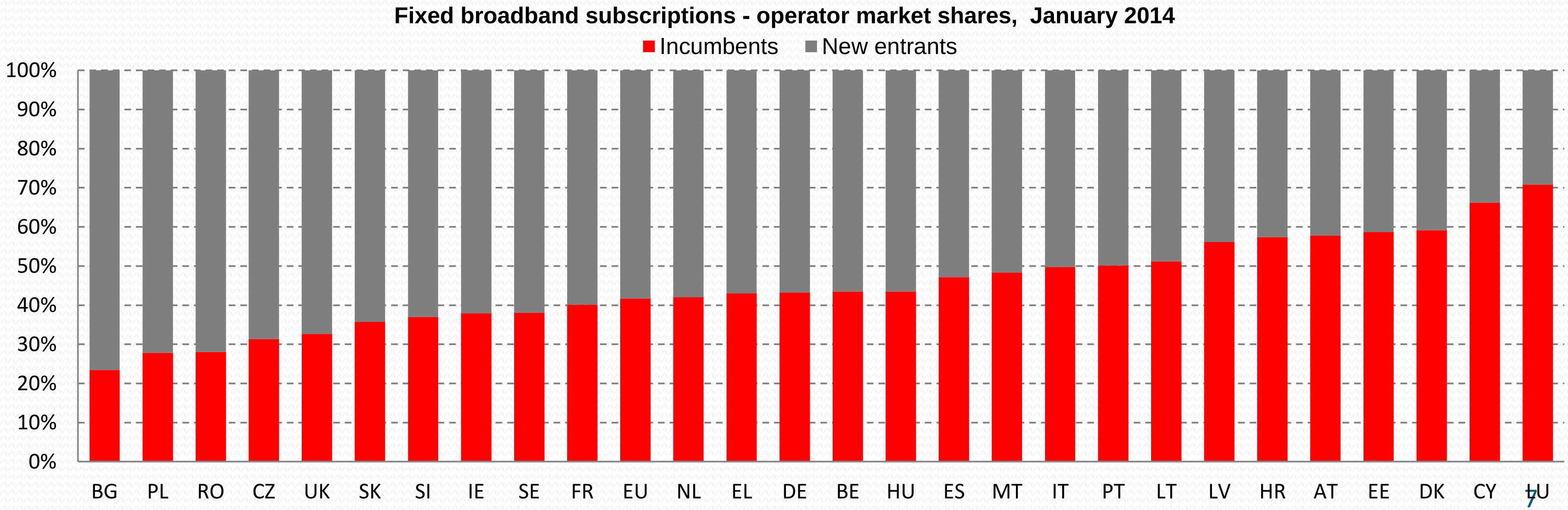
Ultrafast broadband (at least 100Mbps) penetration (subscriptions as a % of population), January 2014



Incumbents still control 42% of fixed BB subscriptions

New entrant operators are continuously gaining market share, but **incumbents still control 42% of the subscriptions.**

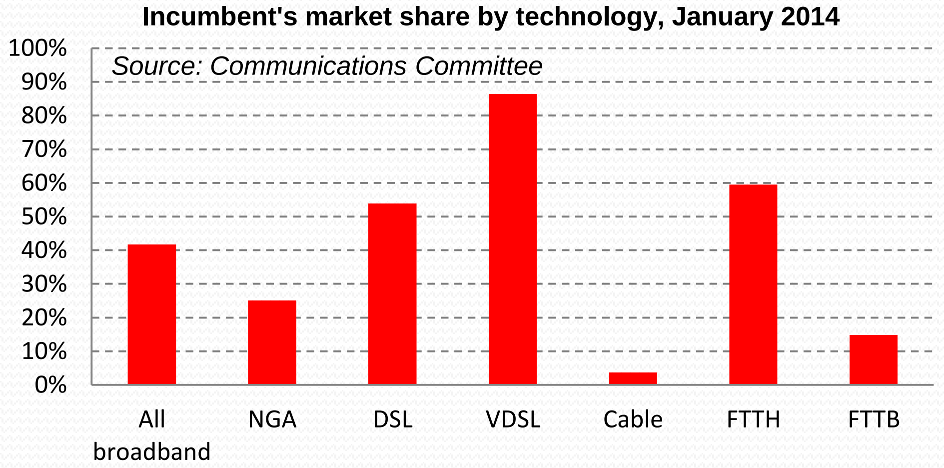


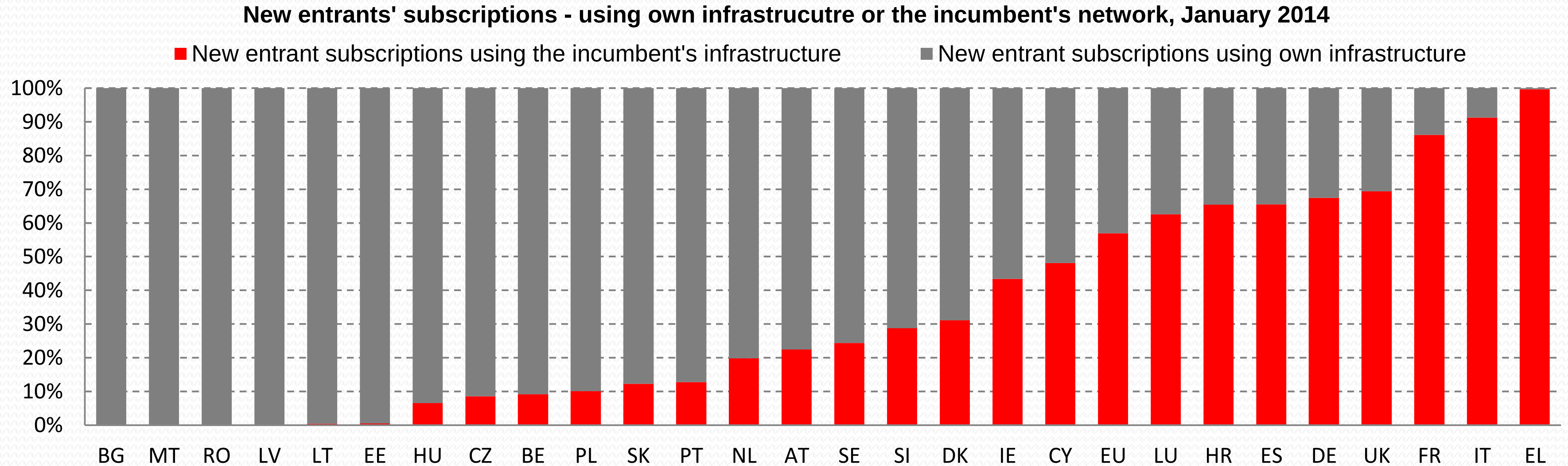


Source: Communications Committee

Incumbents have over 80% of VDSL subscriptions

In the DSL market, unbundling reduced the dominance of incumbents, but in VDSL incumbents have over 80% of subscriptions

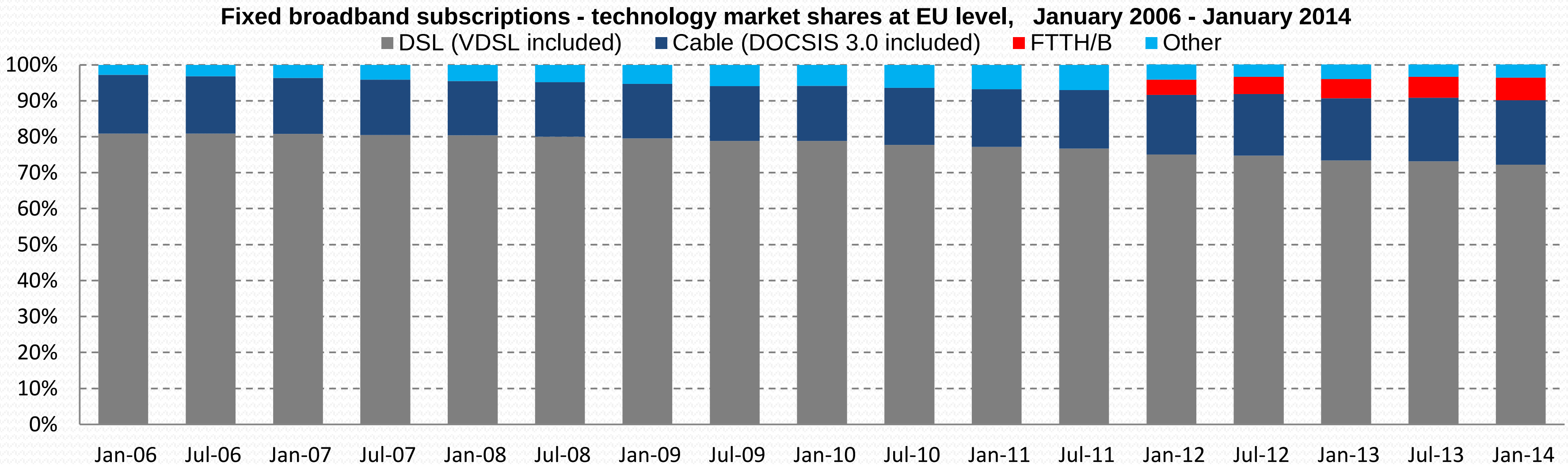




Source: Communications Committee

Over 70% of fixed broadband subscriptions are xDSL

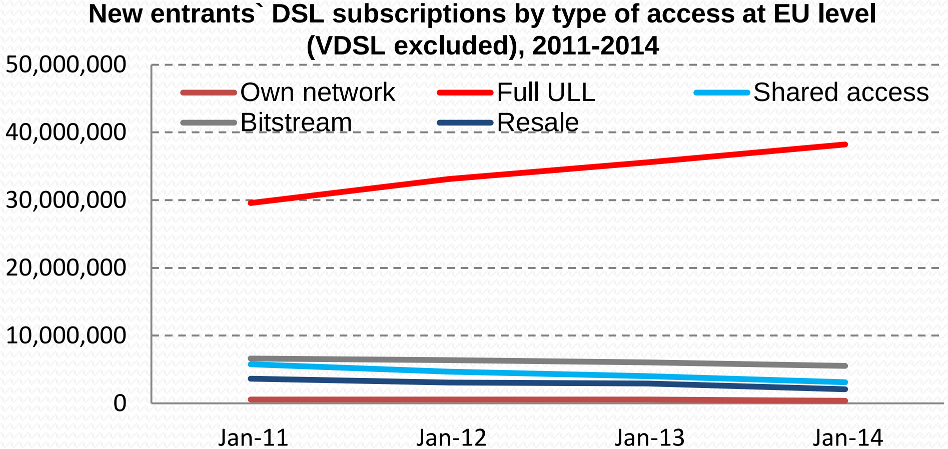
Although the DSL market share has slightly declined since 2009 (8%), it's position can still be strengthened thanks to the increased VDSL coverage.



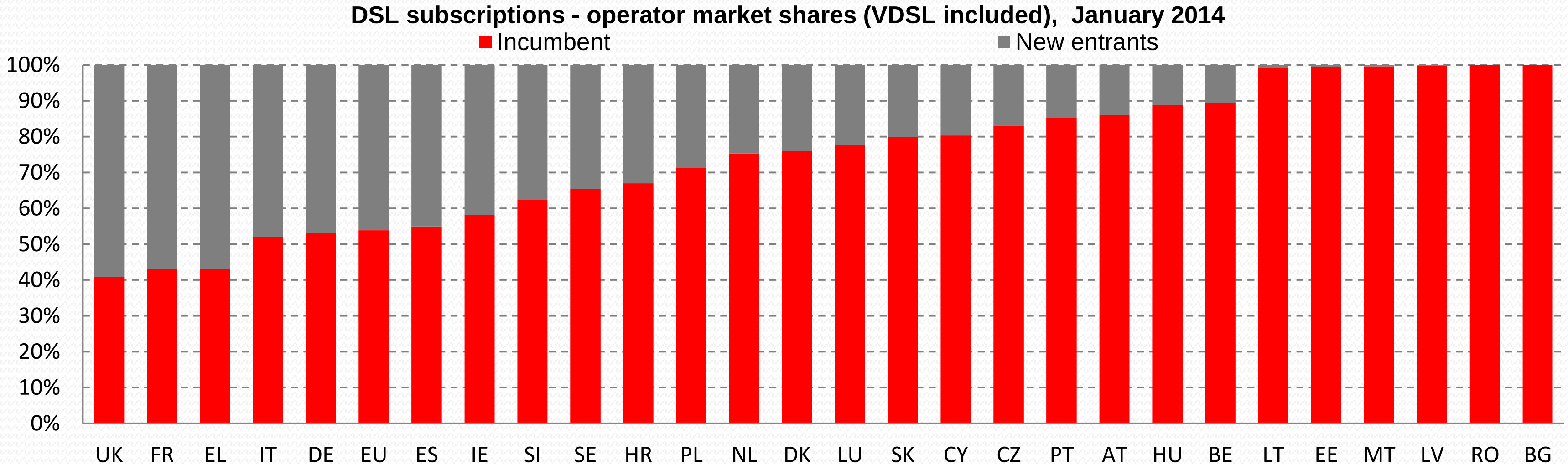
Source: Communications Committee

New entrants mainly use LLU to compete in the provision of BB services

54% of DSL subscriptions belong to the incumbents. New entrants mainly use Local Loop Unbundling to sell DSL.



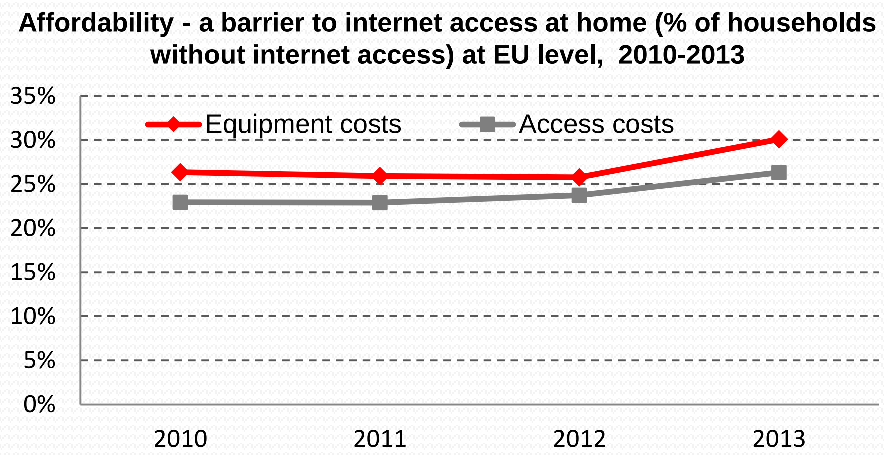
Source: Communications Committee



Source: Communications Committee

Broadband prices are a barrier to take-up

Broadband take-up tends to be lower in countries where the cost of broadband access accounts for a higher share of income



The correlation between fixed broadband take-up and the relative price of broadband access is negative (-66%), so broadband take-up tends to be lower in countries where the cost of broadband access represents a higher share of the income.

26% of those households without internet access considers the broadband access prices a barrier to take-up, while for 30% the required equipment is not affordable.