



Press release
3 March 2010

ECTA study on “Europe’s Digital Deficit” concludes:
European consumers and businesses lose 25 billion euro per year
Reason: uncompetitive telecoms markets

Brussels – 3 March 2010 - Today, Analysys Mason has presented the conclusions of a study on Europe’s Digital Deficit for ECTA – the European Competitive Telecommunications Association (www.ectaportal.be). This morning, Analysys Mason presented the results in the European Parliament in the presence of high officials of the Parliament and several members of staff of DG Competition and DG Information Technology.

The report has the following conclusions:

- Investigation of the telecommunication’s landscape in 6 countries Belgium, Germany, Italy, Poland, Portugal and Spain;
- Incumbent retail market shares are too high;
- The study catalogues a list of potentially anti-competitive and discriminatory conduct by dominant firms;
- Market leaders behaviour blocks market entrants (challengers) to make a return on high investments;
- Market leaders reap constant profits (cf. Belgacom 2009 results)
- Market leaders abuse of dominant position in broadband has a negative impact on possible extra employment in Europe;
- Consumers and businesses in Europe have no freedom of choice; Belgium quoted as the worst pupil in class;
- Competition is the only force behind choice, value and innovation;
- Bad implementation (regulation) is protecting national champions.

Analysys constantly quoted Belgium as a bad example and referred openly to the (even convicted) abuse of dominant position of Belgacom (see details attached in pdf “Europe’s Digital Deficit” p.33-46 on Belgium, and Belgacom’s dominant position on broadband, fixed and mobile).

Enclosed:

- “Final Report for ECTA: Europe’s Digital deficit: revitalising the market in electronic communications” – 3 March 2010
- ECTA: Press release: “Europe’s 25bln euro digital deficit”

KPN Group Belgium nv/sa is a 100% subsidiary of Koninklijke KPN N.V. KPN offers mobile voice and data services in Germany (E-Plus and its sister brands), Belgium (BASE and its sister brands) and the Netherlands (KPN, Hi and Telfort). At the end of 2009, KPN Group Belgium had 721 employees and a market share in number of mobile customers of >25%. In 2009, KPN had a yearly turnover of 802 million euro in Belgium. The company’s headquarters are in Brussels; it positions itself as an innovator in products and services via a segmented, multibranded approach. KPN Group Belgium commercializes the brands BASE, Ay Yildiz, Simyo, Zoniq and BASE business.

[For more information:](#)

KPN Group Belgium, Bart Vandesompele
E-mail: bart.vandesompele@kpngroup.be