



OFFICE FOR COMMUNICATIONS
PRINCIPALITY OF LIECHTENSTEIN

Your letter
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Reference
731.3 / 2023-28095

Contact
GISI

Vaduz
26 April 2024

SUMMARY NOTIFICATION FORM FOR

Market 3b: Wholesale central broadband access provided at fixed location for mass-market products

in accordance with the EFTA Surveillance Authority Recommendation of 2 December 2009 on notifications, time limits and consultations (2011/C 302/05) provided for in the Act referred to at point 5cl of Annex XI to the Agreement on the European Economic Area (Directive 2002/21/EC of the European Parliament and of the Council on a common regulatory framework for electronic communications networks and services), as adapted by Protocol I thereto.

SECTION 1

Market definition

Please state where applicable:

1.1	<i>The relevant product/service market. Is this market mentioned in the Recommendation on relevant markets?</i>	Section / Paragraph
	<p>The defined market includes at the wholesale level access to broadband connections provided centrally at fixed location, which is in demand for the provision of broadband Internet connections for the mass-market. Access to broadband connections is defined as technology neutral and includes residential and business customer connections; it is realised as bitstream or as resale access.</p> <p>This market corresponds to market no. 3b as identified in the EFTA Surveillance Authority's Recommendation on relevant product and service markets within the electronic communications sector (Decision No 93/16/COL of 11 May 2016)</p>	Chapter 5.1.2

1.2	<i>The relevant geographic market;</i>	
	<p>The relevant geographic market is defined as the entire national territory of Liechtenstein.</p> <p>This is in line with the authorisation to provide and operate electronic communications networks and to offer electronic communications services on Liechtenstein territory after notification in accordance with Art. 43 of the Liechtenstein Communications Act (Kommunikationsgesetz, «KomG», LGBL. 2006 no. 91).</p>	Chapter 5.2
1.3	<i>A brief summary of the opinion of the national competition authority, where provided;</i>	
	There is no national competition authority in Liechtenstein.	
1.4	<i>A brief overview of the results of the public consultation to date on the proposed market definition (for example, how many comments were received, which respondents agreed with the proposed market definition, which respondents disagreed with it);</i>	
	<p>AK conducted the national consultation on the market analysis from 26 March to 15 April 2024.</p> <p>The summary of the national consultation is attached.</p> <p>The respondents did not comment on the market definition.</p>	cf. attachment
1.5	<i>Where the relevant market is different from those listed in the Recommendation on relevant markets, a summary of the main reasons justifying the proposed market definition by reference to Section 2 of the Authority's Guidelines of 14 July 2004 on market analysis and the assessment of significant market power under the regulatory framework for electronic communications networks and services, and the three main criteria mentioned in recitals 6 to 14 of the Recommendation on relevant markets and Section 2.2 of the Explanatory Note accompanying the corresponding Commission's Recommendation on relevant markets.</i>	
	Not applicable.	

SECTION 2

Designation of undertakings with significant market power

Please state where applicable:

2.1	<p><i>The name of the undertakings designated as having individually or jointly significant market power.</i></p> <p><i>Where applicable, the name of the undertakings considered no longer to have significant market power;</i></p>	Section / Paragraph
	Not applicable	
2.2	<p><i>The criteria used to designate an undertaking as having significant market power, individually or jointly, or not;</i></p>	
	Not applicable	
2.3	<p><i>The name of the main undertakings (competitors) active in the relevant market;</i></p>	
	<p>On retail level, Internet broadband connections are offered by 14 providers in addition to Telecom Liechtenstein (former SMP operator), whereby AK assigns the 8 providers Telecom Liechtenstein, Hoi Internet, TV-COM, Vestra ICT, Supranet, Li-life web+it, Salt (Liechtenstein) and Speedcom (for business customers) to the mass-market.</p> <p>Currently, providers only provide 3% of Internet broadband connections on the basis of wholesale broadband access, while they provide all other Internet broadband connections on the basis of access to regulated passive infrastructure of LKW and their own active equipment (self-supply). Broadband access as a bitstream or resale connection is offered by the (unregulated) companies Supranet and Hoi Internet.</p>	Chapter 4.2 - 4.4,
2.4	<p><i>The market shares of the undertakings mentioned above and the basis for calculation of market share (e.g. turnover, number of subscribers).</i></p>	
	<p>Market shares are calculated by number of connections.</p> <p>On wholesale level, the providers of wholesale broadband access (Supranet and Hoi Internet) together have a market share of 3%, in terms of wholesale access connections measured against the number of Internet broadband connections of the retail market.</p> <p>On retail level the market shares are:</p> <ul style="list-style-type: none"> • Telecom Liechtenstein 52% • Hoi Internet 12% 	Chapter 4.2 - 4.3, Chapter 6.2

	<ul style="list-style-type: none"> • TV-COM 10% • vestra ICT 9% • Supranet 8% • li-life web+it 3% • Salt (Liechtenstein) 2% • Speedcom (business only) 2% <p>In the period from 2017 to 2023, the retail market share of the former SMP operator Telecom Liechtenstein fell from an initial 68% to 52%. Projecting this trend into the future, TLI's market share is expected to fall below 50% in the next 3-5 years. Even if a market share of 52% may still seem high in absolute terms, the uninterrupted decline in market share of 2 to 4 percentage points per year since 2017 is a strong indication that the competitive strength of Telecom Liechtenstein in the market for internet broadband connections is no longer greater than that of its competitors. As Telecom Liechtenstein has left the wholesale market for broadband access to the providers Supranet and Hoi Internet in the course of the year 2023, it will no longer be able to influence the retail market via wholesale offers for broadband access.</p>	
2.5	<p><i>A brief summary of the opinion of the national competition authority, where provided;</i></p>	
	<p>Not applicable. Cf. point 1.3 above.</p>	
2.6	<p><i>The results of the public consultation to date on the proposed designation(s) as undertakings having significant market power (e.g. total number of comments received, numbers agreeing/disagreeing).</i></p>	
	<p>AK conducted the national consultation on the market analysis from 26 March to 15 April 2024.</p> <p>The summary of the national consultation is attached.</p> <p>The respondents confirmed the finding of absence of significant market power, and the proposed lifting of the existing regulatory measures (Cf. point 3.1 below).</p>	<p>cf. attachment</p>

SECTION 3

Regulatory obligations

Please state where applicable:

3.1	<i>The legal basis for the obligations to be imposed, maintained, amended or withdrawn (Articles 9 to 13 of Directive 2002/19/EC (Access Directive));</i>	Section / Paragraph
	The analysed market is effectively competitive and no longer meets the three-criteria test for ex ante regulation. According Article 16 (3) Framework Directive, and Recitals 16 and 25 of the Market Recommendation of the EFTA Surveillance Authority of 5 November 2016, if the market is effectively competitive and the three-criteria test is not met for a specific market listed in the Market Recommendation, the NRA shall withdraw regulatory obligations placed on undertakings and not impose new regulatory obligations on that relevant market.	Chapter 6.3
3.2	<i>The reasons for which the imposition, maintenance or amendment of obligations on undertakings is considered proportional and justified in the light of the objectives laid down in Article 8 of Directive 2002/21/EC (Framework Directive). Alternatively, indicate the paragraphs, sections or pages of the draft measure where such information is to be found</i>	
	Not applicable.	
3.3	<i>Where the remedies proposed are other than those set out in Articles 9 to 13 of Directive 2002/19/EC (Access Directive), please indicate what "exceptional circumstances within the meaning of Article 8(3) of that Directive justify the imposition of such remedies. Alternatively, indicate the paragraphs, sections or pages of the draft measure where such information is to be found.</i>	
	Not applicable.	

SECTION 4

Compliance with international obligations

In relation to the third indent of the first subparagraph of Article 8(3) of Directive 2002/19/EC (Access Directive), please state where applicable:

4.1	<i>Whether the proposed draft measure intends to impose, amend or withdraw obligations on market players as provided for in Article 8(5) of Directive 2002/19/EC (Access Directive);</i>	Section / Paragraph
	Not applicable.	
4.2	<i>The name of the undertakings concerned;</i>	
	Not applicable.	
4.3	What international commitments entered into by the EFTA States are to be met.	
	Not applicable.	

Attachment: Evaluation of the National Consultation