

## Anexo

### Prós e contras identificados pelo EUROSTAT sobre as 3 abordagens de acompanhamento da evolução dos preços no sector nas comunicações eletrónicas para efeitos do cálculo das PPC

#### PPP current approach

✓ **Pros:**

- All countries participate in the list preparation and data validation. Countries are familiar with the approach and its limitations.
- It does not require particular contacts or agreements between NSIs and external data sources. The countries have generally collected the prices directly from the websites of the providers.

✓ **Cons:**

- Items selected are not always available or necessarily representative in all markets.
- Zero prices and bundling discounts are not included in the prices reported by the countries.
- The approach is based purely on new contracts for which prices can be found on the internet. However, a vast part of the consumption is based on old contracts for which price information is not available.
- Multiple play packages are becoming dominant in most markets. The current approach is mainly dominated by single play offers that are continuously reducing their importance and availability in the markets.

Keeping the current approach relevant is challenging, as the product descriptions have to be adapted to the fast changing market reality. Example: a price for a simple “sub”-service, like a mobile phone call, has become a small piece of a mosaic, of a complex bundle of services for smart-phones. Prices supplied by the participating countries seem to diminish survey by survey, due to the facts mentioned above.

#### OECD T baskets approach

✓ **Pros:**

- Available in 25 European countries. Possibility (paid) to enlarge to other non-OECD countries.
- Some similarities with the current PPP approach, except for bundled telecom services.

✓ **Cons:**

- Selection of baskets, updating scheme, data validation out of EUROSTAT and countries control.
- Country’s usage types are significantly different.
- A common basket for all countries may not adequately represent the particularities of the national markets.
- Ignores subsidies for hardware,, promotions and bundling discounts.
- Ignores the increase of the communications obtained by "community" tariff plans ("zero" cost for calls within the same network).

- Ignores the low-cost fees of the selected operators.
- It does not include multiple play services (bundles).
- Long period of time without updating. Last update was made in 2009.

### **Unit value per access approach**

#### ✓ **Pros:**

- Official data supplied by NRA. NRA's typically have (or can collect) all relevant information.
- In principle is available in all countries.
- Reflects the market trends.
- All telecom providers are considered.
- Corrects major distortions identified on the basket and usage types analysis.
- Easy to compare and to consider for calculations regarding total expense on telecommunications.
- Incorporates total benefits that customers receives, regardless which particular offer the user chooses and for which reasons (data usage, on-net traffic, international calls, etc...)

#### ✓ **Cons:**

- Some problems to understand what is included.
- Data availability may be a restriction. In Portugal the latest data is from the third quarter of 2014.
- Not yet clear how to report bundled data. Operators may report under different assumptions. Example: *Triple/quadruple and quintuple play* services in Portugal are not yet separated. Some harmonisation effort is still needed (within countries and across countries) to cover recent market developments (Bundles), integrated offers or segmentation criteria.
- Not possible to calculate PPPs using standard COICOP classification. All data should be treated in an aggregated way.