TELECOMMUNICATIONS MARKET SNAPSHOT: GERMANY

Key Statistics

Population	82,282,988 (July 2010 est.)
GDP	$2.951 trillion (2010 est.)
Per capita GDP	$35,900 (2010 est.)
Main lines	48.7 million (2009)
Teledensity	63% (2008)
Mobile subscribers	107.102 million (2010)
Mobile penetration	132.2% (2009)
Internet users	65.125 million (2009)
Internet penetration	75% (2008)
Broadband subscribers	22,600,000 (2008)
Spending on telecom equipment and services	$62,012.4 million (2010)
U.S. equipment exports to market	$525,920,629 (2010)

Sources: CIA World Factbook, USITC, WB, BMI and Worldwide Black Book

Market Overview

Germany is the largest and most mature mobile market in Western Europe. Its high levels of urbanization, literacy and affluence along with its strong economic performance make Germany a welcoming telecommunications market. It is predicted that there will be strong prepaid customer growth in the German mobile market. Major players in 2010 included Vodafone Deutschland with 33.3% market share, T-Mobile Deutschland with 32.2%, E-Plus (a mobile unit of KPN) with 18.6% and O2 with 15.5%. Since Germany's first commercial 3G services were launched in 2004 by Vodafone, 3G services are becoming increasingly prevalent. All four mobile operators are continuing to invest in the expansion and upgrade of their 3G network. Deutsche Telekom, Vodafone and O2 are in the process of setting up Long Term Evolution (LTE) networks, following the sale of new frequencies in May 2010.

In the broadband market, there has been significant market consolidation. German cable network operator Kabel Deutschland (KDG) acquired approximately 70,000 cable households from PrimaCom in 2010, allowing KDG to directly access households to offer broadband internet, telephony and premium television services. In the same year, Telecom Italia's German broadband unit HanseNet was acquired by Telefónica O2, which made Telefónica the third largest telecommunications operator in terms of revenue. US-based Liberty Global Inc (LGI) acquired Unitymedia, the second largest cable operator in Germany, in January of 2010.

Finally, the fixed-line market is declining due to the rise of the mobile sector and VoIP usage. Deutsche Telekom (DT), held almost 73.2% of the market at the end of 2009, which was a fall from last year’s figures. Telefónica O2’s fixed-line subscriber base has declined as well.

Telecom Trade Agreements

WTO

As a member of the EU, Germany has made commitments covering both basic and value-added telecom services in the World Trade Organization (WTO). For a list of the country's commitments, go to http://www.wto.org/english/tratop_e/serv_e/telecom_e/telecom_commit_exempt_list_e.htm. Germany is also a signatory to the WTO Information Technology Agreement, which completely eliminates duties on a variety of info-communications technology products by January 2000.

Leading Service Providers

Deutsche Telekom
http://www.telekom.de

E-Plus
http://www.eplus.de/

O2
http://www.o2online.de/

T-Mobile Deutschland
www.t-mobile.de/

Vodafone Deutschland
http://www.vodafone.de/

Contacts

Regulatory

Bundesnetzagentur (BNA)
http://www.bundesnetzagentur.de/

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