

# Recent trends in the Cypriot electronic communications sector\*

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## *Abstract*

The electronic communications sector has experienced rapid growth and dramatic change in recent years. We quantify the development of the sector in Cyprus in two ways. First, we measure the sector's contribution to the economy and to economic growth and provide comparisons with other European countries. Second, we construct a price index for internet services using the hedonic methodology. The sector grew rapidly relative to the rest of the economy from 1995 until 2005 but much more slowly in the last decade. Quality-adjusted prices of internet services dropped by 69% between 2005 and 2013 and have been relatively stable since.

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\* The paper summarizes findings from a joint project with the Office of the Commissioner for Electronic Communications & Postal Regulation (OCECPR).

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