

China probes telecom giants for internet monopoly

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The probe focuses on whether China Telecom and [China Unicom](#), which account for two-thirds of Internet access in China, have used their position to hinder other players from entering the market, China Central Television (CCTV) said.

The powerful National Development and Reform Commission (NDRC), the nation's economic planner, has been investigating the firms since the

first half of this year, said Li Qing, vice director of the commission's price supervision and anti-monopoly bureau.

"They are taking advantage of a dominant market position," she said.

If the allegations prove true, the state-owned firms could be fined one to 10 percent of the revenue they earn from providing Internet services, Li said.

She added that amounted to around 50 billion yuan (\$7.9 billion) annually for China Telecom and 30 billion yuan a year for China Unicom.

Officials at the NDRC could not be reached for comment, while spokespeople for the companies didn't respond to phone calls.

The probe comes after research by a government think-tank criticised slow Internet speed and high service fees in China, the world's largest Internet market with over 500 million users, the CCTV report said.

The average speed of China's broadband services is less than one-tenth that of developed nations including the United States, Britain and Japan, according to the Advisory Committee for State Informatization, which operates under the State Council, or cabinet.

Meanwhile, fees charged by Internet access service providers are as much as three to four times those countries, it said.

[China Telecom](#) is the nation's top fixed-line operator while China Unicom is the second largest [mobile telecom](#) company after [China Mobile](#).

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