

Triologue Negotiations on the EECC – urgent call to ensure competition

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The German Federal Association of Fiber Access Operators („BUGLAS“ - as per German initials) represents those enterprises and operators which are accountable for 70% of the total number and for 85% of competitively deployed FttB/H networks in Germany. Our members, among them NetCologne, M-net, Wilhelm.tel, Deutsche Glasfaser and over 80 other enterprises, plan to connect nearly a million further homes and enterprises directly via fiber up to the end of the next year.

Since the proceedings on the European Electronic Communications Code (EECC) enter the final stage we would like to address our serious concerns regarding the “new definition” of the regulatory framework, especially in the light of Article 74 of the EECC.

We are concerned that the suggestions of the council on the regulatory treatment of co-invest-models are imbalanced and would very probably lead to a significant loss of competitive dynamics. From our point of view, the renouncement of an ex ante regulation for new VHC networks could basically make sense in terms of incentivizing further investment. This renouncement of an ex ante regulation however must compellingly be connected with the safeguarding of competition by other means like open access at reasonable and non-discriminatory terms in combination with a strong “referee”. The latter must be able to effectively intervene in case that significant market power is transferred to the VHC market. Unfortunately, the current proposal of the council does not contain sufficient safeguards to ensure competition.

In our view, the position adopted by the parliament is much more suitable to address the challenges of fiber deployment in the EU by allowing national regulatory authorities flexibility concerning the design of the regulatory framework while safeguarding competition at the same time. Therefore, we strongly support the parliament's position and would like to encourage you to promote it in the current triologue. For your information: We have addressed the German Council representative with our concerns as well.

We would be very glad to further discuss the issues of fiber deployment and the future regulatory framework by meeting you in Brussels or Strasbourg.

Please don't hesitate to contact us for any questions.

Yours sincerely,

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Managing Director BUGLAS

Bundesverband Glasfaseranschluss e. V.