Targeted Public Consultation on the Evaluation of the state aid rules for the deployment of broadband networks

Fields marked with * are mandatory.

Introduction

Although investment in telecommunications network deployment comes mainly from private operators, EU countries also provide public support ('state aid').

EU competition controls play an important role in ensuring this public support does not harm competition (by crowding out private investment, subsidising local monopolies or discriminating against certain technology platforms), while ensuring that public support creates modern infrastructure that reduces the digital divide where commercial operators have no incentives to invest.

The EU rules for public spending on the deployment of broadband infrastructure are:

- The 2013 Broadband Guidelines

- The relevant parts of the <u>General Block Exemption Regulation</u> (General Block Exemption Regulation) (2014)

Taken together, these EU rules are referred to as 'the state aid rules for the deployment of broadband infrastructure'.

In addition, public support in this sector must be in line with the objectives set out in the:

- Digital Agenda for Europe (DAE) (2010)

- <u>Gigabit Society Communication</u> (targets added in 2016 for telecoms network deployment by 2025, in line with expected use, market and technological developments).

Note also that investing in connectivity to achieve the 2025 objectives is a prerequisite for the new EU digital strategy, <u>Shaping Europe's Digital Future</u>.

Why are we consulting?

As part of our evaluation of the state aid rules for broadband infrastructure, we're running 2 consultations in parallel:

- a general questionnaire

- this targeted consultation, which focuses on the technical detail of the Broadband Guidelines and the relevant parts of the GBER.

We would like to know your views on whether the rules:

- have stimulated telecommunications infrastructure deployment and boosted competitiveness in the sector
- respond to both technological developments and socio-economic needs
- meet the new EU strategic objectives in <u>Shaping Europe's Digital Future</u>.

Following the evaluation, we may make some changes (legislative or other).

A summary of our findings from the consultation will be published here in Q3/2021.

To help us analyse your reply:

- please keep your answers concise

- the 'extra comments' box is limited to 3,000 characters (unless stated otherwise), but you can include **doc uments** and **URLs** to relevant online content

- although you can respond 'not applicable/no relevant experience or knowledge' to any question, please **gi ve specific answers as much as possible** (to help us gather solid evidence).

Saving and submitting

If you click '**Save as Draft**' (to break off and finalise your response later), you must save the link that you receive from the EUSurvey tool on your computer. Without it, you won't be able to access the draft again.

After submitting your finalised response, you'll be able to **download a copy**.

Questions marked with an asterisk (*) are **mandatory**. To see how we will protect your data, **read the attached privacy statement**.

Contacts

Still got questions?

For technical problems, please contact our CENTRAL HELPDESK.

You may also contact us via the following functional mail box: COMP-BBGL@ec.europa.eu

Who are we consulting?

The consultation is open to any interested public or private organisation or individual. However, we are particularly interested in feedback from bodies with expertise or experience in the broadband infrastructure sector (industry, academia, consultancy/law firms, all levels of government and any authorities managing or regulating the relevant EU state aid rules).

This questionnaire is in English and the German and French versions will be uploaded in the end of September – but you can respond in **any official EU language.**

Your details

* Language for responding

- Bulgarian
- Croatian

- Czech
- Danish
- Dutch
- English
- Estonian
- Finnish
- French
- Gaelic
- German
- Greek
- Hungarian
- Italian
- Latvian
- Lithuanian
- Maltese
- Polish
- Portuguese
- Romanian
- Slovak
- Slovenian
- Spanish
- Swedish
- * I am responding as

Business association

* If other, please specify

-

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* Organisation name

German Federal Association of Fiber Access Operators (BUGLAS)

Transparency register number

156712634250-38

Country of origin

Germany

* I agree with the personal data protection provisions

Yes

What is your interest and the main reason for responding?

500 character(s) maximum

The German Federal Association of Fiber Access Operators ("BUGLAS" - as per German initials) represents those enterprises and operators which push forward the FttB/H deployment in Germany. Against this background we call for investment-friendly framework conditions enabling a successful realisation of private FttB/H business models.

Please briefly explain your activities/describe your organisation/company and - if applicable - the main goods/services you provide.

500 character(s) maximum

BUGLAS represents those enterprises and operators which are already accountable for about 1.1 million FttB/H connections. Our members, among them NetCologne, M-net, Wilhelm.tel, MDCC and over 150 other enterprises, plan to connect another million further homes and enterprises directly via fiber.

What kind of services does your company provide?

Wholesale

Retail

Both

What kind of technology does your company use?

ADSL/SDSL/HDSL	
VDSL	
VDSL + Vectoring	
G.Fast	
Coax DOCSIS 1.x/2.x	
Coax DOCSIS 3.0	
Coax DOCSIS 3.1	
3G	
4G/LTE	
5G	
FWA	
FTTH	
FTTB	
FTTC	
Other (please specify)	

If other, please specify

200 character(s) maximum

Publication privacy settings

* You can choose whether your identity can be made public with your contribution.

- Anonymous: only your type of respondents and country of origin will be published. All other personal details (name, organization name and size, transparency register number) will not be published.
- Public: your personal details (name, organization name and size, transparency register number) will be published with your contribution.

The Commission will publish the responses to this public consultation. You can choose whether your contribution can be made public, or whether it will remain fully or partially confidential. In case your contribution contains confidential elements, please submit also a non-confidential version to be published.

- Public. Your contribution may be published in full. Tick this box also for the non-confidential version of your contribution.
- Confidential. Your contribution will remain confidential and will not be published.

Technical questionnaire

This consultation relates to state aid rules for the deployment of broadband infrastructure – specifically the <u>B</u> roadband Guidelines and the relevant parts of the <u>GBER</u> (unless otherwise specified).

Section 1 – Service of general economic interest (paras 18 to 27, Broadband Guidelines)

1. Do the Broadband Guidelines provide clear guidance on state aid for broadband deployment as a 'service of general economic interest' (SGEI)?

- Yes
- No
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

2. Do you consider the specific conditions for designing a measure as SGEI adequate (i.e. intervention in white areas only, need to provide universal connectivity, support only the deployment of a purely passive network equipment, obligation to operate the network under a wholesale-only model without the possibility to provide retail services in any case, and provision of all possible access products on a non-discriminatory basis)?

- Yes
- 🔘 No
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

3. Where SGEI projects have been implemented, did they have a sufficiently positive impact on users, without unduly distorting competition?

- Totally
- Partially
- Neutral
- Not at all
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

Section 2 – Additional measures supporting broadband rollout (paras 28 to 29, Broadband Guidelines)

4. Have demand-side measures (such as vouchers for broadband, demand aggregation, etc.) been implemented in your country, with the aim of supporting one or both of the following goals:

- Deploying of broadband infrastructure
- Increasing broadband penetration (take-up)

Please explain

3000 character(s) maximum

BUGLAS has proposed a voucher-based system for the German broadband deployment. However, yet, we are not aware of any concrete implementation plan by the German government.

5. Do the Broadband Guidelines provide sufficient guidance on such measures?

- Yes
- No
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

6. Some state intervention falls outside the definition of state aid and so is not subject to EU state aid rules. In your country, have alternative no-aid measures been implemented to boost broadband coverage /penetration:

- civil engineering?
- regulation?
- easing access rights?
- measures covered by the <u>cost reduction directive</u>?
- others?
- not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

7. Are such alternative measures effective in supporting broadband coverage and penetration?

- Yes
- No
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

8. What kind of demand-side measures was most effective? Please explain.

Section 3 – Role of the National Regulatory Authority (NRA) (paras 42-43, Broadband Guidelines)

9. To what extent have the state aid rules for the deployment of broadband infrastructure favoured the involvement of the NRA in designing aid measures?

- Totally
- Partially
- Neutral
- Not at all
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

The German NRA published general information on neccessary open access requirements (access products and scope of access). The actual design of state aid measures is done by the Federal Department of Transportation and Digital Infrastructure (BMVI).

10. To what extent have the state aid rules for the deployment of broadband infrastructure favoured the involvement of the NRA in monitoring the implementation of aid measures?

- Totally
- Partially
- Neutral
- Not at all
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

11. To what extent have the NRAs been involved in:

	Totally	Partially	Not at all	Not applicable/no relevant experience or knowledge
Designing the state aid measures	\odot	۲	0	0
Monitoring	0	۲	0	0
Mapping target areas	0	0	۲	0
Public consultation	0	0	۲	0
Setting the list of wholesale access products and relevant specifications	۲	۲	0	0
Setting the prices and/or a pricing methodology for wholesale access products	O	0	۲	0

3000 character(s) maximum

12. Have you experienced any (legal or practical) problems with the involvement of the NRA in designing, implementing and/or monitoring state aid broadband measures?

- Yes
- No
- Not applicable/no relevant experience or nowledge

Please explain

3000 character(s) maximum

Section 4 - Next Generation Access (NGA) network and Next generation network (NGN) definitions (paras 55 to 60, Broadband Guidelines)

Type of networks classified as NGA in terms of infrastructure: The state aid rules for the deployment of broadband infrastructure define NGA networks as access networks which rely wholly or partly on optical elements and which are capable of delivering broadband access services with enhanced characteristics, compared to existing basic broadband networks. This means

- (i) fibre-based access networks (FTTx);
- (ii) advanced upgraded cable networks;
- (iii) certain advanced wireless access networks capable of delivering reliable high speeds per subscriber.

13. Is the distinction between basic broadband and NGA networks still relevant?

- Totally
- Partially
- Neutral
- Not at all
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

The importance of the NGA-definition declines rapidly. If new state aid rules come into force, they will likely face an environment of an (almost) comprehensive gigabit connectivity according to the gigabit target 2025 set by the Commission's Gigabit Communication. As a conclusion, the quality of existing networks will be higher than the NGA-standard, such that a more ambitious eligibility threshold for future funding projects will be required.

In order to classify networks, the current state aid rules basically consider download rates. However, in the light of the increased demand for real-time communication between users and machines, a forward-looking network classification scheme should also reflect the increased importance of the upload rate, of technical

parameters (i.e. latency period or package lost rate) and of reliability and robustness parameters. These parameters can only be reliably met by FttB/H-networks. That's why it is prospectively necessary that all areas without an existing or planned FttB/H-infrastructure will become in general eligible.

14. Is this definition of an NGA network still valid, especially in view of the Gigabit and 5G connectivity objectives proposed by the Commission in the <u>Gigabit Communication</u>?

- Totally
- Partially
- Neutral
- Not at all
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

See question 14

15. At this stage of technological and market development, do you think that:

- a. other types of telecom networks should have been included in the definition of NGA networks?
 - Yes
 - 🔘 No
 - Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

See question 14

b. some types of telecom networks should have been left out of the definition of NGA networks?

- Yes
- No
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

16. The Broadband Guidelines state that, to be considered NGA, advanced fixed wireless access networks must provide the relevant speeds reliably. Do you think this requirement:

	Yes	No	Not applicable/no relevant experience or knowledge
ls relevant	0	۲	0
ls clear	0	۲	0

0

 (\bigcirc)

Please explain

3000 character(s) maximum

The Broadband Guidelines describe NGA networks as having the following characteristics: (i) capable of delivering services reliably at a very high speed per subscriber through optical (or equivalent technology) backhaul sufficiently close to user premises to guarantee the actual delivery of the very high speed;

(ii) capable of supporting a variety of advanced digital services including converged all-IP services;

(iii) having substantially higher upload speeds than basic broadband networks.

By referring to the Digital Agenda for Europe targets, NGA networks are generally considered able to provide at least 30 Mbps download speed and ultrafast networks at least 100 Mbps download speed.

17. Is the concept of download speed clear?

- Yes
- No
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

18. Does it take into consideration all relevant aspects?

- Yes
- No

If not, which aspects?

- peak-time speed
- normally available speed
- maximum speed
- minimum committed speed
- other aspects (please give details below)

Please explain

3000 character(s) maximum

19. Do you think the concept of 'substantially higher upload speed':

	Yes	No	Not applicable/no relevant experience or knowledge
Is clear?	0	0	0
Should have been further clarified (e.g. clear thresholds)?	O	O	0

Please explain

3000 character(s) maximum

In the light of the increasing importance of real-time communication between users and machines, the concept of "substantially higher upload speed" should be replaced by the "concept of symmetric bandwiths"

20. The Broadband Guidelines refer to the concept of 'reliability' in defining NGA networks: to be considered NGA, networks must be able to deliver the relevant speeds reliably (cf. para 58, Broadband Guidelines). Do you think that concept:

	Yes	No	Not applicable/no relevant experience or knowledge
Is relevant?	\odot	۲	0
Is clear?	\bigcirc	۲	0
Can be applied in a consistent way	\bigcirc	0	0

Please explain

3000 character(s) maximum

21. Were the technical parameters sufficient when classifying the networks/technologies?

Yes

No

Please explain

3000 character(s) maximum

In order to classify networks, the current state aid rules basically consider download rates. However, in the light of the increased demand for real-time communication between users and machines a forward-looking network classification should also reflect the increased importance of the upload rate, of technical parameters (i.e. latency period or package lost rate) and of reliability and robustness parameters.

22. The Broadband Guidelines state that the impact of nomadic users needs to be considered when assessing the actual possibility for a mobile network to provide NGA services.

	Totally	Partially	Neutral	Not at all	Not applicable /no relevant experience or knowledge

Is the reference to nomadic users valid for assessing mobile networks?	۲	0	۲	۲	۲
Should further guidance have been given?	0	0	0		0

Please explain

3000 character(s) maximum

In the context of state aid rules and the provision NGA services mobile network solutions should only be considered in terms of stationary usage. The typical nomadic usage of mobile networks directly via smartphones and other mobile devices represents a completely different type of usage which should not be part of state aid rules.

The Broadband Guidelines define NGN as backhaul networks which do not reach the end-user, are open for interconnection with other networks and are able to sustain both basic and NGA types of networks.

23. Is the definition of an NGN:

	Yes	No	Not applicable/no relevant experience or knowledge
Clear?	0	0	0
Relevant? Especially in view of the Gigabit and 5G connectivity objectives proposed by the Commission for 2025	0	۲	0

Please explain

3000 character(s) maximum

Since the Commission updated it's objectives regarding connectivity the relevant definitions for state aid purposes should be updated as well. The definition of NGN ist currently not ambitious enough to meet the Commission's objective.

24. Should further guidance on the NGN definition have been given?

- Yes
- Not applicable/no relevant experience or knowledge.

Please explain.

3000 character(s) maximum

Section 5 - Distinction between white, grey and black areas for NGA and NGN networks (paras 73 to 78, Broadband Guidelines and article 52(3), GBER)

The state aid rules for the deployment of broadband infrastructure identify different areas for the same category (basic broadband or NGA):

- 'white' = no infrastructure
- 'grey' -= only one infrastructure
- 'black' = at least two infrastructures of the same category (basic broadband or NGA)

This infrastructure can either be already in place or credibly planned in the near future. For each area, the rules for the broadband infrastructure deployment set specific conditions for public support.

- 25. Is the distinction between the 3 types of area clear?
 - Yes
 - No
 - Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

26. Is the distinction between white, grey and black areas useful for identifying the areas most in need of state aid?

- Totally
- Partially
- Neutral
- Not at all
- Not applicable/no relevant experience of knowledge

Please explain

3000 character(s) maximum

For previous funding projects the distinction between white, grey and black areas turned out to be useful in most cases. However, in the light of the increasing demand for real-time communication between users and machines, the crucial distinction regarding the network classification from 2023 onwards will be, whether FttB /H-infrastructure exists /is planned or not in a certain area. That's why the revised state aid rules should only distinct between areas with ("black") and without ("white") FttB/H-Infrastructure.

27. Would additional network categories (apart from basic broadband and NGA) facilitate the design and assessment of a state aid measure?

- Totally
- Partially
- Neutral
- Not at all
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

See question 14

28. What is your experience of the application of the specific criteria for identifying the colour of intervention areas?

	Positive	Neutral	Negative	Not applicable/no relevant experience or knowledge
In white areas	0	0	0	0
In grey areas	0	0	0	0
In black areas	0	0	0	0

Please explain

	3000	character	(S)	maximum
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29. Has this 3-color distinction helped in designing state aid measures?

- Totally
- Partially
- Neutral
- Not at all
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

30. Has this distinction ensured that public intervention does not unduly distort competition or crowd out existing or credibly planned private investment?

- Totally
- Partially
- Neutral
- Not at all
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

31. To what extent are the criteria relating to the colour of the area relevant and sufficient for identifying areas with and without adequate broadband infrastructure - especially in view of the objectives in the Gigabit Communication and the 5G strategic objectives?

- Totally
- Partially
- Neutral
- Not at all

Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

32. In some cases, a target area does not fall purely into one category of 'white', 'grey' or 'black'. In such areas there are some households already receiving a sufficient service in terms of speed and quality from an existing operator (i.e. households with a connection to an NGA network in an otherwise NGA white area). Have you experienced that situation?

- Yes
- No
- Not applicable/no relevant experience or knowledge

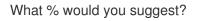
Please explain

3000 character(s) maximum

33. In your view:

- The overbuilding of such households with a publicly financed network should always have been prohibited (i.e. these households would have to be 'carved out').
- Overbuilding should only have been allowed to a limited extend (i.e. the publicly financed infrastructure should not include more than a certain % of households already sufficiently served by existing infrastructure).
- Overbuilding should always be allowed
- Other
- Not applicable/no relevant experience or knowledge

%



Please explain

3000 character(s) maximum

34. Apart from the lack of adequate infrastructure, the Broadband Guidelines also mention other possible criteria determining market failure (lack of competition due to market power or high entry barriers generating insufficient provision of quality and/or high prices, inadequate access conditions). In addition to the number of infrastructures present or planned in an area, have these other criteria been taken sufficiently into consideration?

- Totally
- Partially
- Neutral

Not at all

Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

35. When referring to infrastructure investment credibly planned in the near future, the Broadband Guidelines define the term 'near future' as referring to a period of 3 years. They state that if the public authority takes longer to deploy the subsidised infrastructure, the same time period should also be used to assess the existence of commercial investment plans.

a. What is your experience in applying this requirement? Please explain.

3000 character(s) maximum

b. Is 3 years a sufficient time period?

- Yes
- No
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

c. Is it right to align the period for assessing potential private investment with the estimated deployment time for the subsidised network if the deployment takes:

- Ionger than 3 years?
- Iess than 3 years?
- in none of these situation

Please explain

3000 character(s) maximum

36. Are the rules on deploying backhaul networks sufficiently clear?

- Yes
- No
- Not applicable/no relevant experience or knowledge

Please explain

37. Are the Broadband Guidelines sufficiently clear on the issue of identifying market failures in terms of backhaul infrastructure that is present or planned in the near future?

- Yes
- 🔘 No
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

38. Are the Broadband Guidelines sufficiently clear regarding the requirement that whenever the public intervention is limited to the backhaul part of the network, the assessment of market failures will take into account the situation on both the backhaul markets and the access markets?

Yes

No

Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

Section 6 – Mapping (para 78(a), Broadband Guidelines, article 52(3), GBER)

39. To what extent do the provisions of the state aid rules for the deployment of broadband infrastructure regarding the conducting of a mapping exercise allow the efficient identification of those areas most in need of state aid support?

- Totally
- Partially
- Neutral
- Not at all
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

40. Should more guidance have been provided on how to carry out the mapping exercise?

- Yes
- No
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

41. Have you had problems identifying other appropriate criteria to carry out a mapping exercise?

- Yes
- No

Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

42. Should the same criteria have been used for identifying both existing and planned infrastructure?

- Yes
- No
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

43. The state aid rules for the deployment of broadband infrastructure require mapping to be carried out at address level. Do you think the mapping granularity should have been adjusted proportionally to the timeframe for deploying the network? That is, less detail for longer timeframes (e.g. address-level detail for the very near future and grid-level for longer periods)?

- Yes
- No
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

44. Have you had problems identifying the appropriate granularity for mapping?

- Yes
- No
- Not applicable/no relevant experience or knowledge

Please explain

45. Have the mapping requirements adequately clarified the distinction between fixed networks and:

	Yes	No	Not applicable/no relevant experience or knowledge
Mobile networks?	\odot	0	0
Wireless networks?	0	0	\odot

Please explain

000 character(s) maximum	

46. Should the state aid rules for the deployment of broadband infrastructure have defined mobile and fixed networks as belonging to different markets?

Yes

No

Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

47. Currently, the state aid rules for the broadband infrastructure deployment do not contain any time limitation for the validity of the mapping. Is this problematic?

Yes

No

Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

48. The state aid rules for the deployment of broadband infrastructure require mapping to be carried out on the basis of homes passed by a particular network infrastructure, rather than the actual number of homes or customers connected as subscribers. Is the concept of 'homes passed' sufficiently clear?

Yes

No

Not applicable/no relevant experience or knowledge

Please explain

Section 7 – Public consultation (para 78(b), Broadband Guidelines, article 52(3), GBER)

49. To what extent do the state aid rules for the deployment of broadband infrastructure on conducting the public consultation help you to efficiently identify areas most in need of state aid?

- Totally
- Partially
- Neutral
- Not at all
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

50. Does the guidance need to be more detailed?

- Yes
- No
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

51. The state aid rules for the deployment of broadband infrastructure require that a public consultation be carried out to:

1. consult the market on the design of the measure and the conditions attached to it;

2. publish a preliminary list of target areas and verify their mapping by inviting stakeholders to provide information about their existing infrastructure already in place in the target areas and the presence of credible plans to deploy infrastructure in the near future.

Is the distinction between the mapping exercise and the public consultation clear?

- Yes
- No
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

52. Public consultations have to seek information at address level on the basis of premises passed, rather than premises connected – is this requirement clear?

- Yes
- 🔘 No
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

53. What is your experience in providing information and/or assessing future investment plans (in particular from a technical and economic perspective)? Please explain.

3000 character(s) maximum

- 54. Could more guidance have been given?
 - Yes
 - No
 - Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

55. Do the rules on public consultations enable credible private investment plans to be efficiently identified?

- Yes
- No
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

56. Do the state aid rules for the deployment of broadband infrastructure provide sufficient guidance on assessing credible investment plans and expressions of interest?

- Yes
- No

Not applicable/no relevant experience or knowledge

Please explain

57. Do the rules on public consultation allow to efficiently consult the market, inform stakeholders of the intention to intervene with public funds and enable them to react?

- Totally
- Partially
- Neutral
- Not at all
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

58. Under the state aid rules for the deployment of broadband infrastructure, public consultations must gather information about plans to rollout broadband infrastructure in the next 3 years or an adequate period (depending on the planned deployment timeframe for the infrastructure supported by state aid).

a. Are these rules clear?

Yes

- 🔘 No
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

b. Is the timeframe in the rules ("next 3 years or adequate period") valid, or should a different timeframe be considered?

- Totally
- Partially
- Neutral
- Not at all
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

Section 8 - Step change (para 51, Broadband Guidelines)

To qualify for subsidy, a network should be able to ensure a 'step change' in terms of broadband availability. A 'step change' can be demonstrated if, as the result of the public intervention:

(i) the selected bidder makes significant new investment in the broadband network, and

(ii) the subsidised infrastructure brings significant new capabilities to the market, in terms of broadband service availability and capacity, speeds and competition.

To determine the extent of the change, these factors must be compared both to existing networks and those for which there are concrete rollout plans.

59. Is the concept of step change clear?

- Yes
- No
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

60. Do the state aid rules for the broadband infrastructure deployment efficiently ensure that the public investment delivers an improvement, i.e. the positive effects outweigh any distortion of competition?

- Totally
- Partially
- Neutral
- Not at all
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

61. Are the criteria for identifying the step change still appropriate, especially in view of the objectives of the Gigabit Communication and 5G strategic objectives?

- Totally
- Partially
- Neutral
- Not at all
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

62. Should, under certain specific circumstances, network upgrades have been considered a sufficient step change, even if they only concern active components?

- Yes
- No

Not applicable/no relevant experience or knowledge

Please explain

3	3000 character(s) maximum			

Section 9 – Competitive selection procedure (para 78(c), Broadband Guidelines, article 52(4), GBER)

63. The state aid rules for the broadband infrastructure deployment require the beneficiary to be selected via an open, transparent and non-discriminatory competitive selection process, in line with EU public procurement rules. Is this efficient to achieve value *for money*?

- Totally
- Partially
- Neutral
- Not at all
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

64. Do the conditions for the competitive selection procedure ensure an optimal outcome?

- Totally
- Partially
- Neutral
- Not at all
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

65. Are there circumstances in which a competitive selection process was not needed or adequate, or alternatives measures were more appropriate?

- Yes
- No
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

In case of smaller adjustments of the call for tender, the competitive selection process should be shortened

66. Some parties argue that smaller lots may favor participation by smaller operators but may also risk increasing the cost of the intervention. Have the state aid rules for the deployment of broadband networks provided enough guidance on the size of lots to be tendered?

- Yes
- No
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

67. Has the application of the technological neutrality principle in the competitive selection procedure caused any problems?

- Yes
- No
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

68. As a granting authority, have you received bids from an operator based in other country?

- Yes
- 🔘 No
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

69. As an operator, have you participated in a competitive selection procedure in another country?

- Yes
- No
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

70. Have the state aid rules for the deployment of broadband infrastructures favoured one particular type of operator (who disproportionately wins bids)?

Yes

No

Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

Until 2018, enabled by the principle of technology neutrality, Deutsche Telekom benefited from funded FttCdeployment with vectoring

71. What has been the impact of granting aid to operators benefiting from significant market power (SMP operators), as regards market development and competition? Please discuss whether these impacts have been alleviated by open access conditions.

3000 character(s) maximum

72. Have you identified any differences between the type of selected operators in terms of technology, speed, price, type of access and number of service providers (SMP operators compared with other operators)?

- Yes
- No
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

73. Has the wholesale-only model provided a more pro-competitive outcome?

- Totally
- Partially
- Neutral
- Not at all
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

74. What have been the costs and benefits of the wholesale only model?

3000 character(s) maximum

75. Has the passive-only model led to a more pro-competitive outcome?

- Totally
- Partially
- Neutral
- Not at all
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

In Germany two main models for funding projects exist. The "Wirtschaftlichkeitslückenmodell" is a business model implying that one vertically integrated enterprise is responsible for the whole value chain. In contrast, if the "Betreibermodell" is choosen, the owner offers passive infrastructure to operators (passive-only model). The "Betreibermodell" by definition turns out to be more competitive than the "Wirtschaftlichkeitslückenmodell", since it creates competion for both deployment and operation of the network. Thus, while the "Betreibermodell" promotes competition by enabling (smaller) specialized enterprises to apply for parts of the value chain, the "Wirtschaftlichkeitslückenmodell" in practice only adresses big enterprises.

76. What have been the costs and benefits of the passive-only model?

3000 character(s) maximum

77. Do the rules on choosing the most economically advantageous offer ensure that the most relevant, efficient and appropriate offer is chosen?

- Totally
- Partially
- Neutral
- Not at all
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

78. According to the State aid rules for the deployment of broadband infrastructures, to select the economically most advantageous offer, qualitative criteria have to be weighed against the requested aid amount, which should have a sufficient weight. Is this requirement clear?

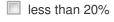
Yes

No

Not applicable/no relevant experience or knowledge

Please explain

79. Has the price been adequately taken into account? If yes, what was the adequate weighting ?



- between 20% and 30%
- between 30% and 40%
- more than 40%
- other
- 🔲 no

Please explain

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5000	Characteri	51	maximum	Ι

80. Apart from price, what were the other important award criteria?

cost of maintenance and management of the infrastructure over its lifetime

energy efficiency and other environmental criteria (carbon footprint, effects on fauna and plants, etc.)

other

Please explain

3000 character(s) maximum

81. Did the 'most economically advantageous offer' requirement result in open and non-discriminatory tender selection? Please explain.

3000 character(s) maximum

82. As an exception from the requirements for the competitive selection process, national authorities may also choose to rely on direct investment – deploying and managing a network, either directly or through a fully owned internal body. How do you think this exception has worked in practice?

3000 character(s) maximum

83. Should such an exception have also been included under the GBER?

Yes

No

Not applicable/no relevant experience or knowledge

Please explain

84. Has the public ownership and direct operation of the network had a positive or negative impact on the market and competition?

- Positive
- Negative
- None
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximun	3000	character(s)	maximum
---------------------------	------	--------------	---------

85. Are the conditions imposed on the public operators entrusted with the deployment and operation of the network sufficient to preserve competition?

Yes

- No
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

Section 10 – Technological neutrality (para 78(e), Broadband Guidelines, article 52(4), GBER)

86. The state aid rules for the deployment of broadband infrastructure require that the principle of technological neutrality be respected at the level of the competitive selection process and at the level of the granting of wholesale access. Is the technological neutrality principle clear?

- Yes
- No
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

87. Has the technological neutrality principle prevented distortion of competition?

- Yes
- No
- Not applicable/no relevant experience or knowledge

Please explain

88. What has been the impact of the technological neutrality principle on the selection procedure and its outcomes?

3000 character(s) maximum

In practice, the principle of technology neutrality turned out to incentivise the funded deployment of interim solutions. Until 2018, this principle enabled funded deployment of FttC-networks in Germany. It can be assumed, that previously funded FttC-networks will require a second funding project to be transformed into FttB/H-networks, leading to a macroeconomic inefficiency.

89. What parameters have been used to assess the performance of different technologies in the selection procedure?

3000 character(s) maximum

90. Has the application of the technological neutrality principle in the selection procedure caused any problems?

- Yes
- No
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

91. Wholesale access must be offered on open and non-discriminatory terms in line with the principle of technological neutrality. Has the application of the technological neutrality principle to wholesale access obligations caused any problems?

Yes

No

Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

92. Under the current rules, more pro-competitive technological approaches may receive additional points in the award criteria - for example technologies which allow for physical unbundling compared to technologies which allow only bitstream access. How do you think the application of this possibility has worked in practice?

93. Certain types of network architecture (e.g. FTTH/Point to Point networks) are considered more procompetitive, as they allow full unbundling (as compared for instance to FTTH/Point to multipoint infrastructure). However, they are generally regarded as more costly technologies.

How do you consider this trade-off between greater competition and higher cost of providing and managing networks?

- The benefits of the more pro-competitive architecture always outweighs the higher costs
- In most cases the benefits outweigh the costs
- In most cases the costs outweigh the benefits
- In all cases the cost outweigh the benefits
- Not relevant/don't know

Please explain

3000 character(s) maximum

94. What is the percentage of additional costs associated with providing physical fibre unbundling, compared with virtual access (VULA)?

- 0 <15%
- ◎ <30%
- 0 <50%
- ◎ <80%
- 0 <90%
- between 90% and >100%

Please explain

3000 character(s) maximum

95. Have the state aid rules for the broadband infrastructure deployment sufficiently allowed for virtual access (VULA)?

- Yes
- No
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

96. Has the point-to-point fibre unbundling enabled greater differentiation of offers?

- Yes
- No
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

97. Please describe your experience of wholesaling in areas with point-to-point fibre compared with areas with a PON deployment or FTTC/VDSL.

3000 character(s) maximum

Section 11 – Use of existing infrastructure (para 78(g), Broadband Guidelines)

98. Under the current rules, any operator who owns or controls infrastructure (regardless of whether it is actually used) in the target areas and wishes to participate in a competitive selection process for state aid to extend coverage in those target areas, must meet certain conditions.

Do you think this obligation for bidders to provide information about their infrastructure has been effective in allowing other bidders access to that infrastructure?

- Totally
- Partially
- Neutral
- Not at all
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

99. Should the obligation for bidders to provide information about their existing infrastructure should have included an obligation to provide access to it? If so, under which conditions/prices?

- Yes
- No
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

100. What are the factors enabling or preventing the use of existing infrastructure?

3000 character(s) maximum

Technology, processes

101. Describe the importance attached to using existing infrastructure in the selection procedure.

3000 character(s) maximum

102. What percentage of the broadband network deployed with public support used existing infrastructure?



Please explain

3000 character(s) maximum

103. Please explain the impact on the overall project costs.

3000 character(s) maximum

104. How relevant do you find the national database on the availability of existing infrastructures?

- Totally
- Partially
- Neutral
- Not at all
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

Section 12 – Wholesale access (paras 78(g) and 80(a), Broadband Guidelines, article 52(5), GBER)

Effective wholesale access for third parties to a subsidised broadband infrastructure is an indispensable component of any state measure supporting broadband. The subsidised network must therefore offer access under fair and non-discriminatory conditions to all operators who request it, and give them the possibility of effective and full unbundling.

Moreover, third-party operators must have access to passive and not only active network infrastructure. Thus the publicly supported network must ensure full open access, for all access products, including access to ducts, dark fibre, street cabinets, and bitstream and unbundled access to fibre, including full and effective unbundling for NGA deployments.

105. Have the open wholesale access requirements been sufficient to ensure:

- competition at retail level?
- infrastructure competition?
- competition on prices?
- other?

Please explain

3000 character(s) maximum

106. How have the open access requirements worked in practice? Have you encountered difficulties or disputes in relation to them?

3000 character(s) maximum

Access requirements are not always clearly defined

107. What are the factors enabling or preventing efficient access to the subsidised infrastructure?

3000 character(s) maximum

108. Is it right that the aid beneficiary must provide all access products, passive and active, to compensate for the advantage they get from public funds?

Yes

No

Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

109. Has the obligation to provide all access products - in particular physical unbundling of the local loop - prevented the deployment of certain network topologies or solutions?

Yes

No

Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

110. Has this obligation had an impact on the cost and level of aid required to deploy the subsidised network?

- Yes
- No
- Not applicable/no relevant experience or knowledge

Please explain

111. Should the availability of a virtual access solution have been considered a sufficient replacement for physical unbundling of the local loop? If so, under which conditions?

- Yes
- No
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

In the light of the functionality of a wholesale product, a virtual access solution in general should be considered as sufficient, given that access is offered in an open, transparent and non-discriminatory way. From an economic perspective, a virtual access solution is a fair compromise between access seller's and buyer's interests. In case of a wholesale product on service level, only a small part of the value chain remains for the buyer. In contrast, in case of a passive wholesale product, the buyer enjoys the major part of the value chain, whereby it should be mentioned that a passive wholesale product leads to an inefficient overbuilding of active infrastructure. That's why a virtual product, i.e. Layer 2 Bistream, turns out to be a fair and efficient welfare allocation between sellers and buyers.

112. Under the state aid rules for the broadband infrastructure deployment, effective wholesale access to active infrastructure should be granted for at least 7 years, notwithstanding any other regulatory obligations. Is this 7-year period sufficient to ensure active access – and so competition – in the areas concerned, without discouraging private investment?

- Yes
- No
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

113. Under the state aid rules for the broadband infrastructure deployment, effective wholesale access to new passive infrastructure (such as ducts, poles, dark fibre, cabinets) should be granted an unlimited period (i.e. for the lifetime of that passive infrastructure). Is this period sufficient to ensure for passive access?

Yes

🔘 No

Not applicable/no relevant experience or knowledge

Please explain

114. Under the state aid rules for the broadband infrastructure deployment, effective wholesale access must also be ensured under the same conditions to all existing infrastructure used in deploying the publicly supported network.

	Yes	No	Not applicable/no relevant experience or knowledge
Is this requirement clear?	0	0	0
Is this requirement appropriate?	0	0	0
Should further guidance have been provided?	O	0	0

Please explain

3000 character(s) maximum

115. Under the state aid rules for the broadband infrastructure deployment, to guarantee effective wholesale access, it is necessary to ensure that the passive infrastructure has sufficient capacity to support several access seekers (generally at least 3).

	Yes	No	Not applicable/no relevant experience or knowledge
Is this requirement clear?		0	0
Is this requirement appropriate?	۲	۲	0
Should further guidance have been provided?	O	0	0

Please explain

3000 character(s) maximum

116. Wholesale-only investment models must include all access products, both passive and active. Should wholesale-only operators be required to provide only a limited number of mandatory access products?

3000 character(s) maximum

117. Are the costs of providing all access products, as listed in the Broadband Guidelines, proportionate to the benefit (in terms of encouraging competition)?

- Totally
- Partially
- Neutral
- Not at all

Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

118. If the network operator also provides retail service, should it be obliged to perform separate accounting, to ensure a level playing field?

- Yes
- No
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

119. As an exception under the current rules, access products for which intervention is costly and are not otherwise planned can be offered only if there is reasonable demand, and under certain conditions.

a. Is this exception for access on reasonable demand appropriate?

- Yes
- No
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

b. Is it problematic that no access product was mandatory?

- Yes
- No
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

120. What are the costs associated with offering access to ducts and poles for the purposes of state aid?

121. Aid is granted to construct infrastructure in a defined target area. Have aid beneficiaries been allowed to expand such infrastructure outside the target area, if they financed the expansion themselves?

- Yes, with any restriction
- Yes, only after a certain time period
- Yes, only under certain condition/with adequate safeguards
- No, they have not been allowed to do this
- Other
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

122. Can you identify any preferences for access products? If so, please discuss possible reasons for specific products in subsidised areas.

3000 character(s) maximum

Bitstream Access, i.e. L2-BSA

123. Please submit any additional information you have about wholesale access obligations – in particular different types of access product requests and take-up rates in subsidised areas (in comparison to other, non-subsidised areas) and the reasons for this.

3000 character(s) maximum

Section 13 – Wholesale pricing (para 78(h), Broadband Guidelines, article 52(6), GBER)

124. Are the Broadband Guidelines clear about wholesale prices?

- Yes
- 🔘 No
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

125. Is this guidance sufficient?

- Yes
- No
- Not applicable/no relevant experience or knowledge

Please explain

126. Have the requirements for wholesale prices been appropriate, ensuring competition and affordable prices at retail level?

- Totally
- Partially
- Neutral
- Not at all
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

127. Has the NRA's involvement in setting wholesale access prices preserved a level playing field?

- Totally
- Partially
- Neutral
- Not at all
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

128. Have you experienced any problems in relation to prices for accessing active services?

- Yes
- No
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

129. Have you experienced any problems in relation to prices for accessing passive infrastructure?

- Yes
- No
- Not applicable/no relevant experience or knowledge

Please explain

130. If an equivalent regulated product exists, should the regulated access price have been used?

- Yes
- No
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

131. In cases where certain access products required for the state aid measures were not required by national regulations, a pricing methodology has to be developed. What has been your experience?

3000 character(s) maximum

Section 14 - Claw-back (para 78(i), Broadband Guidelines, article 52(7), GBER)

132. Are the current rules on the claw-back mechanism clear?

- Yes
- No
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

133. Is the threshold of 10 million euros of aid per project for the obligation to set up a claw-back mechanism appropriate?

- Yes
- No
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

134. Were the existing rules on applying the claw-back clauses adequate?

- Yes
- No
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

135. Were the rules on claw-black sufficient to prevent overcompensation?

- Yes
- 🔘 No

Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

136. Under the state aid rules for the broadband infrastructure deployment, extra profit made by the aid beneficiary may be shared between the beneficiary and the public authorities, proportionally to the amount of aid ('aid intensity') received. Does this prevent over-compensation efficiently?

Yes

🔘 No

Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

137. One possible claw-back mechanism is to compare the profit forecast in the aid beneficiary's original business plan with their actual profit. Any profit above a certain amount (as a percentage of the original forecast) is recovered. Was it useful that no such maximum profit was specified in the rules?

Yes

No

Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

138. Are some claw-back clauses more suitable for preventing overcompensation than others?

Yes

- No
- Not applicable/no relevant experience or knowledge

Please explain

Section 15 - Monitoring (para 78(i), Broadband Guidelines and article 52(7), GBER)

139. Are the state aid rules for the broadband infrastructure deployment on monitoring clear?

- Yes
- No
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

140. Has there been sufficient guidance?

- Yes
- No
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

Section 16 - Transparency (para 78(j) of the Broadband Guidelines)

141. Do the state aid rules for the broadband infrastructure deployment requiring information on the aid measure to be published on a centralised public website provide sufficient transparency?

Yes

No

Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

Section 17 – Reporting (para 78(k), Broadband Guidelines)

142. Did the reporting obligation create an excessive burden?

- Yes
- No
- Not applicable/no relevant experience or knowledge

Section 18 - Forms of intervention (Annex I, Broadband Guidelines)

The Commission has observed the following to be the most common types of national intervention to foster broadband deployment: monetary allocation (gap funding); support in kind; state-operated broadband network; publicly-owned broadband network operated by a private concessionary.

143. Is there a form of intervention that you consider more pro-competitive than others?

- Yes
- No
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

144. Have any of the above intervention models had an adverse effect on competition?

- Yes gap funding
- Yes support in kind
- Yes state-operated broadband network
- Yes concessionary model
- Other
- 📃 No
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

145. Is there a form of intervention that could confer an advantage on particular companies, such as SMP operators?

- Yes gap funding
- Yes support in kind
- Yes state-operated broadband network model
- Yes concessionary model
- Other
- 🔲 No
- Not applicable/no relevant experience or knowledge

Please explain

146. Which forms of intervention have worked best?

- Nationwide vs. local
- Passive vs. passive and active

Other

Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

147. Under which conditions have these forms of intervention best worked (e.g. nationwide vs. local; passive vs passive and active; etc.)?

5000 character(s) maximum

148. To what extent have the different forms of intervention affected the cost and take-up associated with a state aid measure?

- Totally
- Partially
- Neutral
- Not at all
- Not applicable/no relevant experience or knowledge

Please explain

3000 character(s) maximum

Final remark

This section addresses other relevant points related to the current state aid rules on broadband infrastructure deployment.

149. In addition to paras 78-85 of the Broadband Guidelines and Article 52 of the GBER, are there other conditions that beneficiaries of public support should have been required to comply with, to promote competition/reduce distortions of competition?

3000 character(s) maximum

150. Do you have any other suggestions/comments?

151. Should this consultation examine any other issues? Are there additional questions we should include? *3000 character(s) maximum*

152. Please list any other competition/state aid concerns you may have in relation to the broadband infrastructure deployment.

3000 character(s) maximum

Please upload your file

The maximum file size is 10 MB

Can the Commission contact you for further details on the information you have submitted, if required?

Yes

No

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Contact

COMP-BBGL@ec.europa.eu