



# **Proposed Regulation concerning the Telecoms Single Market and to achieve a Connected Continent**

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## **Digital Agenda Review – refocusing the DA for growth and jobs (Dec 2012)**

- Regulation for high speed broadband
- Public digital services infrastructures
- Digital skills and jobs
- Cyber-security
- Copyright
- Cloud computing
- Electronics industrial strategy

# Connected Continent package:

- The Communication: Commission's vision for a Single Telecoms Market
- The costing and non-discrimination Recommendation
- Proposal for a Regulation concerning the EU Telecoms Single Market + Impact Assessment

## Aims of the proposal:

- **Contribute to a single market** based on freedoms of providers and consumers to act across borders, leading to **gradual market integration**
- Build on solid foundations of current legislation with **focused measures** against identified barriers
- Maintain market regulation based on **competition principles**
- Safeguard **open Internet**, while leaving space for innovation
- Enable benefits of **economies of scale** to be passed to consumers **without prejudicing efficient operators of any size**
- **Minimal governance changes** to ensure collaborative, strategic European approach

# Content of the proposal:

## Single consumer space

- Harmonised end-user rights and easier switching
- Open Internet: net neutrality
- Phasing out roaming

## Single EU authorisation

- Simplified regulation and enhanced convergence of regulatory conditions

## European inputs for high-speed broadband

- Wireless: spectrum coordination; facilitating small cells
- Fixed: European virtual access products

# Rights of Consumers (1/4)



## *Why needed?*

To ensure high level of protection in a European single market, common business conditions, and help to stimulate demand

# Rights of Consumers (2/4)



## *How?*

- No unjustified distinctions between the price of domestic and "international" (**intra-EU**) calls
- Gaining provider takes care of **switching** process which should be completed in a day
  - Providers delaying or abusing the switching process are obliged to compensate users
  - Automatic termination of "old" contract; refunding of pre-paid credits

# Rights of Consumers (3/4)



*How?*

- **Pre-contractual information** before conclusion of contract: clear, comprehensible, in user's language.
  - Integral part of the contract and **cannot be altered** without express agreement of contracting parties
  - Information on **actually available speed** and other relevant quality parameters for internet access
  - Information on **data volume caps**, if any



# Rights of Consumers (4/4)



## *How?*

- **Transparency and comparison tools**
  - Comparison tools: by certified providers
  - On-going **data consumption control** (in case of caps)
  - "**Bill shock**" **facility**: financial limit set by user; provider has to inform user when 80% consumed

# Net Neutrality



## *Why needed?*

- To ensure open access to internet for end-users

## *How?*

- Ban on the blocking or throttling of content, applications or services, except in very limited objectively justified circumstances
- Primacy of the internet: no discriminatory traffic management
- Supervision by national regulators, implementing rules by the Commission



# Roaming

## *Why needed?*

- To remove artificial effects of fragmented markets through pass-on to end-users of scale economies achieved by operators. Support pan-European wireless digital economy.

## *How?*

- Operators can choose whether:
  - **Stay under the Roaming 3** regulation
  - **Set 1 RLAH offer** (usable in all EU) by 1/7/2014, covering 50% of customers by 1/7/2015 and all retail offers by 1/7/2016; Offers to be available at least in 17 MS covering 70% of EU population, with negotiation on roaming agreements in good faith to achieve the availability RLAH offers by operators in all MS
  - **Offer RLAH in all retail offers** (usable in all EU) by 1/7/ 2014. Availability: as of 1/7/2014 at least in 10 MSs covering 30% of EU population, As of 1/7/2015 at least in 14 MS covering 50% of EU population As of 1/7/2016 at least in 17 MS covering 70% of EU population. Same provisions on negotiation of agreements.

# Single EU authorisation

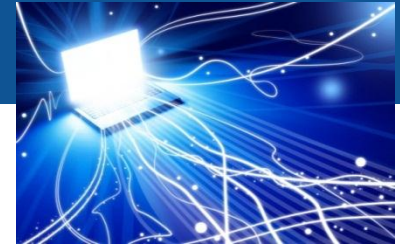


## *Why needed?*

- To ensure legal consistency and overcome fragmentation, reduce administrative burdens

## *How?*

- Single notification to the home Member State
- Suspension/withdrawal by home NRA
- De minimis bar for charges and universal service contributions in host Member States during startup phase
- Equal regulatory treatment across Member States
- Coherence of remedies assured by BEREC & Commission



# Wireless Broadband: spectrum

## *Why needed?*

- To ensure coordinated and timely availability of new wireless technologies; boost interoperability and ensure economies of scale across Europe

## *How?*

- Common principles for rights of use of harmonised spectrum for wireless BB
- Synchronisation of spectrum availability, timing and duration of rights of use
- European coordination mechanism for authorisation procedures
- Simplifying conditions for Wi-Fi and small cells

# Fixed Broadband: Virtual Access Products



## *Why needed?*

- To enable pan-EU entry and investment for BB provision of consumers and businesses and to enable specialised services, e.g. content, e-health, video-conferencing, B2B

## *How?*

- Defining common features for European virtual broadband access products
- Included in NRAs' range of remedies for SMP operators
- Implementing measures by Commission
- European assured service quality connectivity upon reasonable request

# BEREC Chair

## *Why needed?*

- Important BEREC role in ensuring effective application of the proposed Regulation, key to collaborative strategic governance
- Room for improvement in current BEREC set-up
- To strengthen BEREC, while respecting specificities

## *How?*

- Through establishment of a permanent (full-time, three-year, professional) and independent Chair
- The **Parliament will have a role** in appointment of the Chair

# Pro-competitive elements

- **Remove administrative barriers** to entry and expansion
- **Clearer legislative basis** for market analysis
- Entry, expansion and efficient investment facilitated by **common European fixed virtual access products**
- **Objective competition test** for certain spectrum conditions
- Enable greater wireless competition through **provisions favouring small cells and federated WiFi networks**
- Incentivise operators to **internalise roaming costs** and pass on « on net » advantage to consumers
- Cross-border integration is facilitated if it is efficient, but no undue advantages for consolidation – **efficient smaller operators can prosper**



# Pro-investment elements

- **Competition** remains a main investment driver
- Stable fixed investment conditions through **Recommendation on Costing & non-discrimination**
- Access regulation to consider **quality and choice** as well as **price at retail level**
- **High-quality virtual unbundling product** to encourage Altnet network investment where appropriate
- **Spectrum coordination** to ensure predictable investment timetable
- **More common sector-specific rules** throughout Europe
- Openness to innovative online business models based on **assured quality**
- Voluntary roadmap provided to operators based on « on net » efficiencies, to **end unreasonable roaming charges** in time for 2016 review

# A Connected Continent will bring about

## Growth & jobs

- 5% on GDP = €1500 per person
- 2 million jobs
- €110 billion GDP growth / year
- €300 billion saving on public services

## Better productivity

- Savings from pan-EU telecoms providers
- A secure cloud
- Top-quality videoconferencing
- World-class digital infrastructure

## Real benefits for citizens

- More choice & more telecoms offers
- Phasing out unfair charges when communicating across borders
- A full open Internet
- Easier & more efficient public services

## A stronger telecoms sector

- Consistent rules, regulators & remedies
- Cross-border business boost
- Stable, consistent investment climate

## Brighter prospects for SMEs & start-ups

- Operators can't block or throttle
- A home market that is fully connected
- Wireless services & devices that work perfectly across the EU