Body of European Regulators for Electronic Communications



Provisions on "Open Internet" in the "Connected Continent" package BEREC analysis

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BEREC approach on net neutrality

Nobody cares how much you know, until they know how much you care... T. Roosevelt

■ Why net neutrality matters – BEREC's analysis of the situation

Traffic management and differentiation: diverse, not necessarily harmful - can be problematic

- Low current risk but high potential impact (dynamic analysis)
- BEREC guidance to assessing traffic management (and contractual restrictions)

Evaluate "reasonableness" of TM on a <u>case-by case approach</u>, using <u>assessment criteria</u>:

Non-discrimination between players; End-user control; Efficiency and proportionality; Application-agnosticism

- Regulatory approach
 - 1. Ensuring that market forces work

Strengthening competition through SMP regulation, effective transparency, easy switching

2. Detecting and evaluating harmful practices / degradation of service

Quality of service and markets monitoring

Evaluation of the <u>practice</u> and of the <u>market situation</u>

3. Acting when necessary

Using additional powers, e.g. minimum Quality of Service requirements, penalties...



Connected Continent proposal

On this highly controversial issue, the Commission introduces a balanced policy, broadly in line with BEREC previous analysis.





- However, the legal basis chosen (a Regulation) is very rigid: drafting requires utmost care...
 - ... in such a fast changing environment.



Policy Principles

Key aspects of Commission's proposal	Observations
Defining - Internet Access Services (IAS) - Specialized Services and their relationship	 - Preferable to keep a large definition of IAS (for a wide application of rules) and better specify specialized services (to emphasize distinct implementation): * suggest to add concept of closed networks - Impairment of IAS by Spec. S.: preferable to combine: * Generic conditions ("performance", "affordability") * Specific situations to be characterized by regulators
Rules governing IAS	 Leveraging on common concepts is useful Criteria: transparency, non-discrimination, proportionate Must apply to all differentiations (incl. contractual)
The devil lies in the details	 "Reasonable" traffic management: The basis framework should be improved * avoid unclear concepts: serious crimes, temporary congestion, equivalent types of traffic and completed by regulators' detailed assessment 4



NRAs role and competences

Key aspects of Commission's proposal	Observations
End-user freedoms benefit from a stronger protection within NRAs scope of competence	The object of net neutrality is to limit ISPs' interference in Internet usage related to traffic type, origin, terminal used * OK to wide-reaching principles * But many players involved → clarify that rules apply within ISPs control - In order to facilitate NRAs' monitoring and action: * Avoid out-of-framework concepts (e.g. "cultural diversity") * IAS quality expectation must be reasonable
To monitor and be ready to act better than constrain offers!	Monitoring the availability of IAS with sufficient quality - Requires NRAs in control for transparency, QoS measurements, and getting proper information from ISPs Robust capacity to intervene: - Explicit legal basis to use most appropriate tool: penalties, disputes settlement and QoS requirements (if necessary!) - European-level review useful, but no excessive standstill