

**Question for written answer E-011064/2012
to the Commission**
Rule 117
Adina-Ioana Vălean (ALDE)

Subject: Recommendation on enhancing broadband investments and non-discrimination measures

The Commission announced in July 2012 that it intends to issue a recommendation with the aim of 'enhancing broadband investments'. The stated objective includes creating a more stable environment for investment (through relaxation of wholesale price controls) on condition that competition is maintained by tougher non-discrimination rules and an effective margin squeeze test.

Currently, non-price discrimination by significant market power (SMP) operators is evidently happening, and being traced, in several Member States. This is to the detriment of competition in telecommunications markets, and has an impact on consumer benefit. In light of this, how does the Commission intend to ensure that non-discrimination is enforced in the telecommunications market? Furthermore, with respect to the July announcement, the Commission is invited to answer the following:

1. On what basis does the Commission assume that the stabilisation of prices will translate into investments by the incumbent operators in a European next-generation network (NGN)?
2. According to the FTTH Council Europe, incumbent operators are currently investing in fibre to a lesser degree than alternative operators. Why, then, does the Commission appear to reserve a privileged role in investments for dominant operators?
3. Is the Commission considering explicitly linking the regulatory relaxation on next-generation access networks (NGAs) wholesale pricing with equivalence of inputs and ex-ante margin squeeze tests?
4. Is the Commission considering an Article 7 procedure in order to enhance the consistency and credibility of non-discrimination measures?
5. Is the Commission planning to measure the effectiveness of non-discrimination measures against performance targets, and are any sanctions foreseen in the case that SMP operators fail to comply?
6. Does the Commission intend to consult the public on the proposed draft measures, in particular in order to allow assessment of the impact on retail prices? If not, why not?

For reference, according to FTTH Council Europe, incumbent operators accounted for 33 % of – the overall low – 'fibre to the home' investment in 2011, alternative operators for 55 %.¹

¹ http://www.ftthcouncil.eu/documents/Reports/Market_Data_December_2011.pdf