



VLAAMSE
REGULATOR
VOOR DE MEDIA

Onafhankelijk toezichthouder voor
de Vlaamse audiovisuele media

Press release

TELECOM AND MEDIA REGULATORS PUBLISH A NEW MARKET ANALYSIS REGARDING THE BROADBAND INTERNET AND TELEVISION BROADCASTING MARKETS

Brussels, 7 July 2017. Today, the Vlaamse Regulator voor de Media, the Conseil supérieur de l'Audiovisuel, the Medienrat, and BIPT publish their draft decisions on the broadband Internet and broadcasting markets. The regulators confirm that the networks of Proximus, Brutélé, Coditel (SFR), Nethys and Telenet must remain open to competing operators; they submit their analysis and appropriate remedies for consultation. Market players have the opportunity to provide comments on these draft decisions until 15 September.

Following a thorough analysis, the different regulators have reached the following conclusion: the retail broadband Internet and television broadcasting markets are still characterised by competition shortcomings. The objectives of the regulatory framework (in particular ensure maximum benefit for users in terms of choice, price, and quality) have not been fulfilled. Regulators find that Proximus, Telenet, Brutélé and Nethys (under the common brand name "VOO"), and Coditel (operating under the brand name "SFR") still have significant market power on the relevant wholesale markets. Based on this finding, the different regulators propose to extend the obligation to enable other operators to access the networks of these SMP operators, in order to allow real competition for broadband Internet, television and bundled offers to develop.

Existing obligations are essentially maintained and detailed, given the experience acquired with the 2011 CRC market analysis. These are essentially obligations regarding access, transparency, non-discrimination, price control, and analytical accounting. As far as cable operators are concerned, a new measure compels them to provide access to EuroPacketCable (a protocol used to provide cable-based telephony services). As regards Proximus, the paper submitted for consultation investigates whether and to what extent the access obligations previously applicable to the copper network should be extended or not to the new fibre network. Several options have been examined for fibre access, ranging from "passive" access, enabling the alternative operator to install

his own equipment, to “active” access, if the passive access option is technically or economically impossible. Several regulatory adaptations have also been proposed to improve the competition environment of broadband services for businesses.

As for tariffs, the draft decision aims to keep a cost orientation obligation for access to the copper network, but to apply “fair” prices (with a margin above the costs) for access to the fibre network and to the cable networks, in order to stimulate investments in the best performing infrastructures.

The regulators also propose to modulate regulation at the geographical level depending on the circumstances. Regulation should be reduced in areas where at least three sufficiently independent NGA operators (i.e. offering speeds of 30 Mbps and above) would be in competition. To define those areas where at least three NGA operators would be in competition, the regulators propose to take account of co-investment arrangements between operators, among other things. Regulation should also be reduced in the areas which are the least covered by high-speed infrastructures (i.e. approx. 5% of households) in order to stimulate operators to invest in these areas for the benefit of users, particularly in rural areas of the country.

Market players now have the opportunity to provide comments on these draft decisions until 15 September. The draft decisions will then be submitted to the Belgian competition authority and to the European Commission.

For more detailed information (press):

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