



Summary of the stakeholders' comments on

IRG/ERG Draft Work Program 2008

This document is a summary of the input received from the stakeholders during and following the Public Hearing of the IRG/ERG Work Program 2008 (WP2008).

All submissions welcomed the opportunity to provide input in response to the WP2008. The IRG/ERG has received oral and written submissions from BT, 3 Group Hutchinson Whampoa Ltd. (3 Group), Telecom Italia, FLO Forum, European Internet Services Providers Association (EurolSPA), InfonXX Group (confidential input), Communications Workers Union, EasyChange, Cable Europe, European Telecommunications Network Operators' Association (ETNO) and European Competitive Telecommunications Association (ECTA), FLOForum, Vodafone and Vonage. Amongst these contributions, only InfonXX claimed full confidentiality for the content of their opinion.

We have consolidated the submissions according to the structure of the WP2008.

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1. General Remarks

The submissions reflected the broad satisfaction concerning the text of the WP2008 and the goals of the IRG/ERG Groups for 2008. However, significant desire was expressed by some submissions (ETNO, EuroISPA, Cable Europe) for longer consultation periods in order to best contribute to the ongoing debates within and outside of the IRG/ERG. In this regard, ETNO pointed out that the stakeholders would probably very much welcome that there is feedback concerning their contributions. Regarding the participation of stakeholders and market players, Vodafone expressed its wish to be involved in the Article 7 procedures and called for more transparency.

BT signalled that the Group should focus more on pan-European services as well as on business users. This later seemed to reflect the opinion of the wider community of infrastructure owners (ECTA).

EasyChange suggested that the IRG/ERG should start coordinating the introduction of telecom tariff simulators throughout Europe in order to ensure consumer welfare and better empowerment of the end users.

Telecom Italia has suggested that the Group should list among its objectives the need to look closer at the situation of the possible differentiation of sub national markets.

Regarding the Commission's proposal to establish the European Electronic Communications Authority, Vodafone pointed out that the most important issue for market players is the market certainty and that any of the decisions of such a body should be challengeable before the court.

2. Framework Review

BT highlighted that the Framework review will be a key issue for 2008 and suggested that further work should be done on the best practices for functional separation and the monitoring of its implementation. ETNO shared the view concerning the importance of the review process and pointed out that the most important sub-areas will be the revision of the SMP guidelines and of the three criteria test. Vodafone appears to not entirely share this approach, since the recommendation on the relevant markets from their view is not an issue anymore. It also pointed out that ex-market fifteen should not be further regulated.

BT, EuroISPA and ECTA are of the view that guidance should be developed by ERG on the regulatory approach to those markets which are no longer included in the list within the new Recommendation on relevant markets as presented by the Commission.

Regarding the Commission veto, BT signalled that IRG/ERG should work on identifying a common approach for regulations of access inputs for pan-European service provisions.

EasyChange recommended that an additional paragraph should be included in the WP2008, as the ERG supports the objective of the review on consumer empowerment. The contributor suggested that the IRG/ERG Members would benefit from a harmonized application of tariff simulators in Europe. Communication Workers Union also signalled that more intense activity is needed as regards consumer protection.

ECTA proposed that the ERG should consider extending the list of Common Positions envisaged for delivery in Section 2.1 of the Work Programme to more fully cover treatment of trunk leased lines (currently under consultation) and transit and that work should be explicitly envisaged under "emerging" challenges to propose concrete solutions to the problems raised in mobile markets.

3. Further harmonization of the internal market

Regarding roaming regulation, 3G indicated that a larger scale approach would be necessary in order to put off recouping techniques of operators for revenues lost due to the Roaming Regulation (Regulation (EC) No 717/2007).

Both ECTA and EuroISPA urged the ERG to examine the issue of termination rates which have anti-competitive effects practiced by operators with a comparatively large customer base. Vodafone, more specifically, pointed out that the approach on MTRs at European level should be more harmonized with a transition period of approximately 3 to 4 years, and that symmetry can help in further developing a more competitive market. BT agrees with the areas identified for further harmonisation with an emphasis on further work on fixed/mobile termination rates, including the relationship between cost-based prices and the possible application of symmetrical and/or asymmetrical conditions. In this regard, 3 Group suggested that the ERG should be looking at the long term issues on MTRs. Cable Europe invited the ERG to reduce mobile operators' interconnection rates on an accelerated pace so that the convergence of fixed and mobile interconnection rates is reached more quickly. ECTA and also EuroISPA emphasized that the ERG's work on fixed and mobile termination rates is of high importance.

Telecom Italia suggested that an ERG should reach an agreement on a common position on the common approach of the identification and the implementation of non-standard remedies.

According to BT it is also necessary to monitor the published Common Positions on Wholesale Line Access and Wholesale Broadband Access and that the development of Common Positions on relevant regulatory models, especially sub-national markets, is a noticeable need.

According to ETNO, the Remedies Common Position reflects a strong pro-regulation bias and this might risk putting pressure on NRAs which might want to adopt a lighter regulatory approach.

4. Response to emerging challenges

On NGA/NGN, both BT and EuroISPA encouraged the Group to monitor best practices and develop recommendations in line of the achievements.

Regarding convergence, Cable Europe indicated that ERG should open consultations before any Common Position is agreed on. Cable Europe believes that the stakeholders are well-placed to give the necessary input for the regulators to carefully address the new business dynamics, innovative technologies and the benefits for the consumers. BT supports further analysis with focus on the new forms of bottlenecks.

As regards convergence, ECTA believes that it is not necessary to develop a new approach, but rather that the ERG and NRAs should make use of existing powers in order to prevent the distortion of competition. In this regard, ETNO invites ERG to take into account the effects of the entry of new players on retail services markets in the process of convergence on market power and competition. According to ETNO how the IRG/ERG deals with the bundling of services is of utmost importance.

ECTA would also propose that ERG undertakes a joint analysis of the trans-national market for wholesale mobile access. BT would suggest that ERG needs to undertake a joint analysis of the trans-national market for wholesale mobile access.

Vonage, a VoIP service provider, commented on the emerging issues surrounding VoIP services and their regulation in Europe. Vonage particularly emphasized that access to emergency services is a critical issue and that there is a need for harmonized rules at EU level in the field of numbering. It also signalled that the approach to universal services should be slightly modified.

FLOForum suggested that the IRG/ERG commission a benchmark study on Mobile TV.