



Response

Cable Europe response to BEREC's Report on IP-Interconnection practices in the Context of Net Neutrality

Cable Europe welcomes BEREC's initiative to invite stakeholders to comment on the review of its report on IP-Interconnection practices in the context of Net Neutrality.

Cable Europe's comments below relate to selected topics raised in the consultation document.

Our general views coincide with BEREC's one that there is no reason to intervene in the IP interconnection "market"¹. Indeed, this same conclusion had already been achieved by the Dutch NRA (ACM) and by the French NRA (ARCEP) on their own investigations.

It is a highly competitive "market" where commercial arrangements have been the key to achieve the current development. Net Neutrality principles have been fully respected which is a perfect example of self-regulation in practice.

Cable Europe believes that regulators should only act as a fall-back solution on the IP interconnection "market". This can be achieved with a robust monitoring process like the present report.

The IP interconnection "market" has also demonstrated to be very dynamic. It has been very adaptable to new service traffic profiles and has welcomed new players and new roles in the business value chain. It is undeniable that this "market" has adapted very quickly to demand – a perfect example is the increase of internal servers (CDNs - Content Delivery Networks and cash-servers) which fulfil the new traffic growth requirements.

The competition intensity is also notable which has an important signal in the steady decrease of prices for interconnection services.

On the present report BEREC performed a very important assessment on **measuring congestion at IP interconnection links**. Cable Europe agrees with BEREC that collecting

¹ When using the term 'market' along this response Cable Europe does not refer to a demarcated relevant market in the formal sense



data from all market players is crucial to assess correctly and transparency policies are very important. The conclusions from this assessment are perfectly in line with Cable Europe's one – "while it is possible to identify whether there is congestion, it poses a much greater challenge to unambiguously identify the location of that congestion". The internet service performance is impacted by a multitude of factors and trying to identify a single cause would not be collectively exhaustive.

Even when it is clearly identified that congestion occurs at the interconnection links only, this fact is not sufficient to determine which part was the cause of the congestion. Therefore, due to the highly complex and interlinked ecosystem, BEREC (and NRAs at the national level) should continue monitoring and updating the present report and have a holistic approach.

It is also noteworthy that these agreements have been excluded from the Regulation (EU) 2015/2120 of 25 November 2015 and can only be subject to NRA intervention when used to circumvent the Net Neutrality principles. This fact can be supported by the fact that IP interconnection agreements business model has been very competitive.

As always, Cable Europe is looking forward to working with BEREC and with the NRAs to achieve informed and balanced solutions that enhance the market outputs and promote the sector.

About Cable Europe

Cable Europe is the trade association that connects leading broadband cable TV operators and their national trade associations throughout the European Union. The regulatory and public policy activities of Cable Europe aim to promote and defend the industry's policies and business interests at European and international level. The European cable industry provides high speed broadband internet, TV services, and telephony into the home of 64.5 million customers the European Union.

This paper represents the views of the full members of Cable Europe, and not necessarily those of our associate members, partners or affiliates.