Keynote ECTA Conference

Brussels, November 28th, 2017

Good Afternoon ladies and gentlemen,

Thank you very much for inviting me to this distinguished conference and for the opportunity to enter into a dialogue with you. This dialogue is in particular important at this very moment as we are at a crossroad in the telecom sector.

When I am reading on your homepage that "ECTA is seeking to promote and foster a regulatory environment for the European communications sector which supports free market competition" I think we regulators and you should get along with each other quite well. And I am sure we have many areas of common concerns.

I also want to thank ECTA for its contribution to the BEREC work program for next year. It is the main task of a BEREC incoming chair to draft the WP and stakeholder input is so important for addressing the right topics.

As a first point I want to share with you my ideas about the work of BEREC and our work program for 2018.

In 2014 BEREC adopted its Strategy 2015 – 2017 and laid down three Overarching Objectives:

1. Promoting competition and investment
2. Promoting the internal market
3. Empowering and protecting end-users

The first principle underlines BEREC's role in promoting effective competition, and by that promoting efficient investment and innovation. Central to this approach is the understanding that effective and sustainable competition is what drives efficient investment. We have been working successfully under this well-proven paradigm for many years now. And as long as there is no other convincing paradigm, we will continue to do so.

I want to ensure you that also under the new BEREC WP we have not abandoned this overarching principle. Even if we say that for instance 5G is a new strategic priority, effective and fair competition remains the solid basis for efficient investment also in a 5G environment.

The second strategic objective of promoting the internal market outlines BEREC's role in developing consistent regulatory practices. Personally I can see a lack of pan-

European services provided by telecom operators and I cannot see pan-European networks or real pan-European operators and harmonization might seem of lesser importance.

But in a time where Net-neutrality and Roaming are new topics for national regulators, this principle becomes ever more important. And all NRAs gathered in BEREC are well aware of the fact that the execution of the NN rules in a consistent way across Europe is of utmost importance. And I have never seen a comparable degree of co-operation and exchange in BEREC before than I have seen in the execution of the NN rules.

Next week BEREC will come together in Copenhagen and discuss the most important NN cases that are on the table in different countries. Let me assure you that it is not in the interest of a single NRA to handle NN cases less strict or even stricter in one country, but it is in our interest that we all take our decisions consistently across the continent.

The third principle of Empowering and protecting end-users emphasizes BEREC's role in promoting the interests of EU citizens and protecting vulnerable end-user groups. It includes a role for BEREC to study demand side of the market and to monitor market evolutions.

I am personally convinced that people in Europe are no stupid dummies that need to be protected from a hostile world. But I do believe that end-users should be put in a position to make informed choices. And if your service is not good enough, you should have the ability to walk away and terminate your contract. Therefor I prefer empowering the EU-citizens over protecting them.

BEREC will continue to plan its annual work around these 3 overarching principles for the next 3 years. BEREC has decided to take into consideration 5 strategic priorities. These strategic priorities are based upon the market developments and reflect the outcome of discussions we had with stakeholders.
The order of the priorities in the Midterm strategy and the WP 2018 does not imply any ranking. To respond to the comment made by ECTA during the public consultation: All strategic priorities are equal. However, in 2018 BEREC would like to put an explicit emphasis on 5G related topics.

Strategic Priority 1: Responding to connectivity challenges and to new conditions for access to high-capacity networks

Roll out of fiber-networks, migration from legacy networks, and market consolidation, can lead to new forms of competition problems.

Very high-capacity networks have become central for consumers and businesses. But the variety in the deployment of high-capacity networks has led to different market conditions across Europe.

BEREC has detected a strategic priority to work on identifying competition problems in the development of high-capacity networks. Here I want to respond to another comment made by ECTA during the public consultation. We can confirm that there will be no one-

sided focus on questions of high-capacity network deployment. There is still work to be done on existing infrastructures, but our work must be forward-looking and future-proof.

Strategic Priority 2: Monitoring potential bottlenecks in the distribution of digital services

The internet continues to change the ways in which digital services are delivered and consumed. More actors are becoming involved in the digital value-chain.

BEREC will make it a strategic priority to evaluate and analyze how the various digital markets evolve – looking at how market power is distributed, the existence of potential bottlenecks to competition and how markets are kept open.

Given that the role of data is becoming increasingly important, the effect of data on competition and on barriers to entry will be in the center of our work next year.

Work on the definition of the network termination point, important for the freedom of the end-user to choose equipment and the monitoring of the Internet of Things will contribute to this strategic priority next year.

Strategic Priority 3: Enabling 5G and promoting innovation in network technologies

On 5G there is already a lot of activity going on, despite the fact that 5G will not be operational in Europe until 2020. However the challenges to be addressed are getting clearer. These challenges are ranging from the work on standards, interoperability, new business models, network sharing to coverage and security.

BEREC will make 5G a strategic priority with the aim to enable European-scale solutions. It is our goal to help reap the benefits of an early roll-out of 5G in Europe. BEREC will actively and closely follow the development and will work to identify and eliminate potential hurdles to a smooth deployment of 5G.

Several work items on 5G are planned in 2018. We have already started with a study on the changes of the value chain in the 5G context, we will look into the award procedures, work on infrastructure sharing and we will work with the industry in order to find out the compatibility of the current NN rules with the concept of network slicing.

I think we can proudly say that we are taking a holistic approach to 5G within BEREC;

There is one thing that I want to emphasize in this forum and that is that BEREC is well aware of the role of competition in relation to 5G and especially the backhaul infrastructure availability. Let me remind you that just recently BEREC has launched a report on fixed and mobile network convergence addressing exactly this issue.

Strategic priority 4: Fostering a consistent approach of the net neutrality principles

BEREC has a long history of working on Net Neutrality and has received new responsibilities under the TSM. As stated earlier, BEREC will work pro-actively to support national regulators in applying the Regulation in a consistent way throughout Europe.

In 2018 BEREC will provide input to an evaluation of the NN rules that has to be done until end of April 2019 and we will continue to monitor the implementation of the NN rules across Europe.

Strategic priority 5: Exploring new ways to boost consumer empowerment

I have already described my personal view on consumer empowerment. In the past, BEREC has focused on 'market shaping' activities that encourage investment, competition and connectivity. BEREC will complement this work by assessing and promoting consumer empowerment.

This means for instance more transparency to enable consumers to assess and compare the performance of products and services. Better and more targeted information on the availability, speed, quality and price of services is needed in the market.

At the same time, BEREC will be mindful about new switching barriers such as data, restrictive contractual terms and new types of bundles.

Work in 2018 will include a report on the termination of contracts and the switching of providers and the development of a single European contract information sheet.

Stakeholder Engagement

I want to conclude my remarks on strategic priorities by saying that BEREC will continue to enhance the exchange with stakeholders to be increasingly transparent and open:

We will

- Regularly inform stakeholders about the annual thematic workshops, even the internal ones;
- Where relevant, implement two stage public consultations, allowing stakeholders to comment at all stages of the process;
- In 2018 we will have a record number of consultations (10)
- Continue our stakeholder forum;
- Make available all information through public debriefings, newsletters, press releases and information on our web page, Twitter and YouTube channels. A dedicated Communication group within BEREC is permanently working on that;
- Introduce an Open Data platform with the aim of providing the data that BEREC is collecting to all Stakeholders and the general public;

INDEPENDENCE OF REGULATORS AND A MINIMUM SET OF COMPETENCES

Finally I want to draw your attention to a crucial discussion that is currently ongoing on the EECC. And this is the question of the independence of regulators on national and European level.

BEREC warmly welcomed the Commission's proposal to provide NRAs with

1. a common minimum set of competences and

2. to strengthen their independence.

The independence of NRAs from both the industry and the governments ensures that all market players will be treated fairly.

The independence of NRAs provides for regulatory predictability and supports long-term investment and innovation. With significant investment ahead, transparency, continuity, predictability and consistency in an ever harmonized environment are more important than ever for the sector.

But the potential for such harmonization depends on the NRAs having a common set of competences. Only this common set of competences, can ensure a productive exchange at European level.

In those areas where NRAs have shared a common set of competences, BEREC has a strong track record in pursuing regulatory convergence.

You can see it in the decline of Phase II procedures over the last years, the net neutrality guidelines and BEREC's role in the development and the implementation of the new international roaming rules.

It cannot be in the best interest of the telecom industry - and in particular not in the interest of the industry players gathered under the ECTA umbrella – that governments have the sole discretion how to spread the competences under the Code among different "competent authorities".

It cannot be in the interest of the industry that governments, many of them still holding shares in important market players can assume control in important market shaping responsibilities.

It cannot be in the interest of the industry that governments struggling with budget constraints have the say when important spectrum is auctioned off.

Let me once again refer to ECTA's mission of seeking to promote and foster a regulatory environment for the European communications sector which supports free market competition. If this is taken seriously, a strong and independent BEREC must be in the best interest of ECTA.

Thank you very much again for inviting me and I am looking forward to working with you closely in 2018.