



Creating a brighter future

Response to the consultation on 'BEREC Medium Term Strategy Outlook'

16 January 2012

The FTTH Council Europe welcomes the opportunity to comment on the draft BEREC Medium Term Strategy Outlook.

The FTTH Council Europe is an industry organisation with a mission to accelerate the availability of fibre-based, ultra-high-speed access networks to consumers and businesses. The Council promotes this technology because it will deliver a flow of new services that enhances the quality of life, contributes to a better environment and increased competitiveness. The FTTH Council Europe consists of more than 150 member companies. Its members include leading telecommunications companies and many world leaders in the telecommunications industry (additional information is available at www.ftthcouncil.eu). Telecoms operators are not members of the FTTH Council and we have our own perspectives regarding the appropriate regulatory policies to accelerate NGA deployments.

The FTTH Council's interest is to see the benefits of FTTH made available to the greatest extent possible and in the shortest possible period of time. A competitive market dynamic is central to achieving our objective both for accelerating FTTH deployment directly where competitive deployment is possible and also indirectly, by driving service innovation and demand, where competitive deployment is not possible.

With regard to the content of the draft BEREC Medium Term Strategy Outlook, the FTTH Council acknowledges and welcomes the emphasis being placed on 'Next Generation Networks'. The FTTH Council has consistently held that getting the networks in place is the critical issue with other, albeit important, issues being contingent on those networks being available. The Council note that this position is supported by the research coming out of the Florence School of Regulation¹.

In terms of process, the Council welcomes the proposed identification and dissemination of best-practice amongst Members. The Council believe that where a specific NRA has had marked success with a given measure or initiative, that such a measure should be emulated across the EU.

The Council is concerned that too much emphasis on short term aspects may adversely impact on medium term strategy. The observation that there is little demand manifest for broadband requiring new network investment (page 4) belies the experience in the past where demand at the start of basic broadband and also at the start of 3G mobile deployments, looked very weak even though this subsequently changed dramatically. While no one can anticipate the future direction of demand, facilitative measures which accommodate operators seeking to meet this demand if it manifests itself, should be put in place.

The FTTH Council agrees with the emphasis being placed on facilitation of competitive market and competitive forces will deliver benefits to end users. The Council also notes the other work that is being proposed regarding consumer empowerment and notes that many consumer aspects e.g. regarding contract terms, tend to be more national in scope and effect. The FTTH Council would stress certain pan-European issues such as transparency measures in terms of the network performance. While some NRAs such as Ofcom in the UK and CMT in Spain have tested network delivery speeds against advertised speeds and these have highlighted the persistent underperformance of DSL networks, a more systematic and Europe-wide assessment would be a

¹ See 'Broadband Diffusion, Policy and Drivers' FLORENCE SCHOOL OF REGULATION COMMUNICATIONS & MEDIA 2011.

good complement to the current proposals on consumer empowerment. Well informed consumers with a choice of suppliers will enable a more dynamic and responsive market to the benefit of consumers and industry. We look forward to a more systematic measurement of network performance in the future² to complement the work being done today by certain regulators to inform and protect consumers.

Finally, the FTTH Council would like to make clear that we as an organisation wish to support and work constructively with BEREC and that the Council is available to provide input and assistance on technical or policy parameters should a need arise.

Yours sincerely,
FTTH Council Europe



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² <http://www.samknows.eu/>