

Deutsche Telekom AG  
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## **Response to a public consultation on the draft BEREC report on Special Rate Services, BoR (11) 68**

### **1. Introduction:**

Deutsche Telekom welcomes the opportunity to comment on BEREC's draft report on the impact of fixed-mobile substitution in market definition.

In the absence of a specified set of consultation questions and given the fact that the regulatory regime for special rate services will continue to ultimately be determined by national regulatory authorities (NRAs), this response will be limited to a number of general observations on the nature and findings of the report.

The Draft BEREC Report on Special Rate Services (SRS) provides a condensed overview of business models for special rate fixed and mobile voice calls to service providers.

It also highlights a broad range of possible legal and regulatory measures, which focus on price transparency and prices (both wholesale and retail) and show the pros and cons of each measure. The objective of the document is to give NRAs a reference framework for what can be done if problems with certain Special Rate Services occur on a national level.

### **2. Comments.**

BEREC's simplified value chain and pricing models provide a useful high-level overview on the flow of payments between selected market participants for different types of Special Rate Service categories. We agree that these simple models help to understand the mechanisms and the basic relations between the different participants within the complex world of SRS.

However, due to the simplification of the models used in the Draft BEREC report, the models as well as the conclusions drawn with regard to (1) identified problems in the SRS market and (2) possible regulatory approaches and legal instruments, can only be seen and used as a framework for national discussion.

Before taking any of the proposed set of possible legal and regulatory measures at national level, it will be absolutely necessary to take into account the already existing national legal and regulatory framework for special rate services as well as the details of national value chains and business models. This refers to, for example,

- The structure of national numbering plans, including number allocation and provisioning rules
- Existing legislation with regard to price transparency
- Specific consumer rights and/ or service provider obligations
- The role of transit operators which ensure overall accessibility and simplify payment flows between originating and terminating operators.

We therefore would like to underline BEREC's conclusion, that the assessment whether regulation is appropriate will depend on national circumstances. It is the role of individual NRAs to assess whether problems occur for SRS services on national level, whether they justify regulation and which regulation is appropriate.

The Draft BEREC Report should therefore be used and understood as a framework for analysing these services and, if a problem is identified, providing common terminology and giving a reference framework for possible regulatory approaches and legal instruments for the identified problems.