



## BEREC recommends an ex-ante regulatory framework for digital platforms with significant intermediation power

In its <u>response to the European Commission's public consultations on the Digital Services Act</u> (DSA) Package and the New Competition Tool (NCT), the Body of European Regulators for Electronic Communications (BEREC) recommends adopting a dedicated ex-ante regulatory framework for digital platforms with significant intermediation power.

In its response, BEREC recognises the benefits brought by digital platforms for innovation and consumers' choice. They have created and enabled innovative business models, as well as provided opportunities for small businesses and start-ups to access and expand in new markets across Europe. They have facilitated access by both business- and end-users to goods, services and information, and provided a wide range of efficiencies by reducing transaction, search and distribution costs.

However, BEREC also recognises that there are increasing concerns over the entrenched power of some large digital platforms and the control they exert over an overarching variety of goods, services, data and information, as well as over inputs and assets which are crucial to fostering effective competition and innovation. To address these concerns, BEREC recommends adopting a dedicated ex-ante regulatory framework, adapted to the specificities of the digital environment.

It is important to stress that such ex-ante intervention would *not* be aimed at regulating all digital platforms, nor the internet as a whole, but at tackling specific concerns raised by digital platforms with significant intermediation power, in order to ensure that competition and innovation are encouraged, that end-users' rights are protected and that the digital environment is open and competitive, for the benefit of European citizens and businesses.

BEREC and its members have considerable experience in applying ex-ante regulation in the sector for electronic communications services (ECS) to address structural competition problems, as well as societal concerns (e.g. open internet). Ex-ante asymmetric regulation, supported by an efficient regulatory toolbox, has already proven to be efficient to foster competition and contestability and to pursue a variety of different objectives, having a positive impact on users and society at large.

Building on this, BEREC considers that its expertise can be very valuable when designing an efficient, proportionate, and predictable scheme for intervention. Moreover, its cooperation framework can be considered as a well-functioning reference model, and BEREC and its

member NRAs are well placed to effectively take on active roles in the definition and implementation of this dedicated regulatory framework.

BEREC aims to continue to contribute to the regulatory debate on digital platforms, to further refine the details and to analyse the implications of its proposal. BEREC would like to stress its willingness to continue to work with the European institutions and other relevant stakeholders on this topic.

Regarding the public consultation on the New Competition Tool, BEREC's feedback focuses on its interplay with the existing ex-ante regulatory framework for ECS, successfully applied by BEREC members for over 20 years, as well as with the proposed ex-ante framework for digital platforms with significant intermediation power.

EC launched the last two public consultations, e.g., on the Digital Services Act (DSA) package and on the New Competition Tool, with a deadline for submission on 8 September, 2020.

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