

TO WHOM IT MAY CONCERN

My name is Dr. Konstantinos Komaitis and I am a senior resident fellow with the Atlantic Council's Democracy and Tech initiative. I am also a non-resident fellow at the Lisbon Council, based in Brussels. I have more than 25 years of experience in internet and telecommunications policy and have spent reasonable time both in internet policy development and strategy. I am submitting these comments in my personal capacity.

First of all, I would like to commend BEREC on its continued effort to produce evidence-based research on the state of interconnection in Europe. Interconnection is one of the most important pillars for a healthy and viable internet ecosystem and this report – the third from BEREC – provides a significant insight on how well the interconnection market functions and the collaborative norms and behaviors that have underlined interconnection agreements ever since the inception of the internet.

BEREC's report could not be more timely. Early in the year, the European Commission released a White Paper on "How to master Europe's digital infrastructure", in which it lay down some rather unconvincing arguments regarding the need to regulate interconnection in an effort to address the increase in internet traffic and bridge Europe's connectivity gaps. Failing to provide any concrete evidence and consistent with the European Commission's approach over the past five years, the White Paper suggests that the interconnection market is not able to keep up with the new services and technologies that have emerged and have become part of the internet's ecosystem. This report refutes these assertions and makes its conclusions indispensable in informing the way the European Commission is thinking about interconnection; the report's conclusions also help settle much of the debate regarding how healthy and future-proof the interconnection market is.

The report is well-researched and, similar to the previous ones, it is supported by evidence, which demonstrate an accurate picture of the state of interconnection. The report disproves the arguments presented by the five largest European telecommunication companies on the infrastructure gaps posed by the high levels of traffic users generate when they request access to some popular online services. It also refutes arguments about the costs that such traffic increase generates with data that suggests that the costs of carrying traffic are falling as fast (or faster) than traffic is rising, especially with falling traffic growth rates. This means costs of delivery are overall stable for ISPs, not increasing as claimed by certain operators.

The following points in BEREC's analysis provide for a compelling reality that does not include any notion of "network fees". More specifically, according to the report:

- There are no signs of failure in the interconnection market that would warrant regulatory intervention;
- There is no power asymmetry to the way content and application providers and Internet Service Providers (ISPs) interconnect in fact any imbalance favors large ISPs.
- The majority of interconnection agreements are based on collaboration and mutual benefit. In most cases, BEREC observed, content and application providers and ISPs work together to ensure the effective delivery of traffic to users.
- Traffic has been steadily, but not exponentially, growing. Infrastructure investment in infrastructure, like Content Delivery Networks (CDNs) has helped to alleviate any potential burdens such an increase may have caused.
- Disputes are minimal and, when they occur, they are predominantly initiated by large ISPs.

All in all, and consistent with what stakeholders have been asserting this past year, BEREC's report affirms that the interconnection market does not need fixing. *"BEREC considers that since its creation, the Internet has managed to cope with both traffic growth and higher peaks of traffic. These trends reflect changing usage patterns as well as increasing diffusion of IAS throughout societies. Against this background, BEREC's observation that the developments in the IP-IC ecosystem are an "evolution rather than revolution" still holds".*

As the Internet continues to grow and develop, and traffic patterns and methods of content and service delivery evolve, IP interconnection continues to support the Internet ecosystem and provide good outcomes for consumers in terms of lower prices, higher quality of experience, and reliable service. BEREC's continued engagement on the topic will be paramount in identifying a healthy way forward that manages to address the real connectivity challenges Europe faces and not be drawn into political sentiments.

Respectfully submitted

Dr. Konstantinos Komaitis