

FiberCop's response to the public consultation on the draft BEREC Progress Report on managing copper network switch-off

31 January 2025

We welcome the possibility to comment on the draft BEREC report. We consider this report to be well-timed, considering the discussion that follows the considerations put forward by the European Commission in the White paper on *"How to master Europe's digital infrastructure needs?"*.

The report provides a useful overview on the state of progress in copper switch-off and on the rules provided for by NRAs.

We welcome that the report recognises the difficulties faced by SMP operators in the migration of customers. Indeed, in our view, the difficulty to migrate end users to the new network represents an important obstacle. As an example, in the first FiberCop's local exchange fully passed with FTTH at end-2021 ("Mattarello" in the municipality of Trento), as of today only around [REDACTED] of customers has migrated to fiber.

The report correctly highlights the divergence of pace in the copper switch-off among European countries. We agree that the data showing that in 14 countries no switch-off plans have yet been announced by the SMP operator is also correlated to the pace of the fibre deployment, which depends on several circumstances.

We then share BEREC's view that *"Uniform targets across all member states as suggested by the White Paper thus seem overly ambitious and may not be the most appropriate tool to tackle the vastly different situations across Member States"*.

In particular, we believe that setting a rigid deadline could disrupt services and create challenges for users which in some countries (e.g. Italy¹) are today already served with performant FTTC networks. Instead, the transition is, and cannot be otherwise, a gradual voluntary process, driven by market readiness and customer adoption, ensuring that no one is left behind while advancing toward a fully fibre-based network and guaranteeing operators' entrepreneurial freedom.

Supporting fibre deployment with a correct regulatory approach, including on copper prices, and introducing measures facilitating and promoting the migration of customers is the best way to foster and accelerate copper switch-off. In addition, we deem of the utmost importance that, while wholesale and retail customers are protected, the notice period set by NRAs is not unjustifiably long and criteria for the notification of local exchange decommissioning are not excessively burdensome.

1. Comments on section 2 (Overview of the status quo and plans of the SMPOs' copper switch-off)

We welcome that the report collects NRAs' perspective in regard to the Commission's scenario aiming at introducing two milestones for copper switch-off (80% of the lines switched off by 2028 and 100% by 2030).

The results of the survey, that shows that only 10 NRAs are predicting that the 100% switch-off can be reached by 2030, and the fact that most of the SMP operators that have announced their intention to close parts of their legacy network expect the total closure will not be achieved until 2030, is indicative of the fact that the milestones envisaged by the Commission are unrealistic for the majority of the EU countries.

¹ "In Italy, the nature of the legacy copper network grid, with large number of cabinets positioned close to customer premises means that the VDSL network is capable of reaching speeds higher than 100Mbps. (...). At the end of June 2023, these services were available to 70.6% of Italian households, again largely unchanged compared to previous year's study" Broadband Coverage Europe 2023.

It's interesting to note that the countries where the NRAs expect a copper switch-off by 2030 (indicated in table 2) are only those with the highest VHCN coverage in the EU, Cyprus is the only country below EU average but, in any case, with a VHCN coverage of 77% (as of 2023, source DESI 2024).

Also, assuming that EU Member states are all able to achieve in 2030 the full gigabit coverage target set by the Commission, it would be unfeasible to fully complete at the same date the migration of all customers to the new networks and, consequently, switch-off copper. Also, digital decade targets guide policies and market players, but investment and decommissioning choices have to remain a voluntary decision of private operators, whose economic freedom must be guaranteed.

2. Comments on section 5.5 (Notice period)

Table 4 provides a useful detail on the notice periods applied across EU countries, however we believe that in order to provide a clear picture of the decommissioning rules applied, the information on the notice period should be accompanied by the information on the additional conditions applied and that affect in the end the actual period of time that the SMP operator has to wait before being allowed to switch-off copper.

In this regard, it's worth noting that in Italy the start of the notice period of 6 months (for no-LLU central offices) and 1 year (for LLU) is conditioned by several factors. In particular:

- the announcement cannot be done until the reaching of 100% NGA coverage and 60% migration to NGA of the lines active in the central office object of decommissioning;
- the notice period only starts after a specific AGCom's Decision approving the announcement, that may take also more than 6 months;
- the full migration of all customers is mandatory after additional 12 plus 3 months on top of the 6/12-month notice period.

All the above entails that, in the end, the total period before being allowed to close the legacy network takes almost 3 years.

We believe that 3-year is a too long notice period not compatible with the objective of promoting the access to VHCN and fostering the switch-off of legacy networks.

We therefore believe that decommissioning procedures should be streamlined in order not to introduce unjustified delays once the SMP operator announces the intention to switch-off parts of the copper network.