Update BEREC

Regulierungsdialog

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Body of European Regulators for Electronic Communications





Overview

- Guidelines on intra-EU communications
- Process for developing BEREC Work Programmes
- Call for input: 'Guidelines on VHCN' draft questionnaire



Guidelines on intra-EU communications



Introduction-Legal provisions

- 15 May 2019: **price caps** on regulated intra-EU communications:
 - 0.19€ per minute for calls
 - 0.06€ per SMS message
- **NRAs can grant derogation** from the above price-caps if provider can demonstrate, against a relevant BEREC benchmark, that:
 - it is significantly more affected than most other providers in the Union
 - that impact would significantly weaken that provider's capacity to maintain its charging model for domestic communications
- **BEREC shall publish guidelines** on the parameters to be taken into account by NRAs in their derogation assessments.
- **NRAs shall monitor** the market and price developments for regulated intra-EU communications and **shall report to the Commission**.



General guidelines refer to ...

- ...the scope of the regulation:
 - Services covered (fixed voice services, mobile voice services and SMS services)
 - Types of tariffs
- ... the geographical scope:
 - applies to EU member states including the outermost regions which are part of EU Single Market (according to EU Treaty)
 - applies to Iceland, Norway and Liechtenstein when the regulation is incorporated in the EEA agreement.
- ...charging intervals
- ...tariffs including set-up fee for calls
- ...the handling of alternative tariffs
- ...value added `services



Derogation – 2 step approach

- 1. Benchmarking comparison.
 - Basis: volumes of traffic, share of intra-EU on total
 - Separate benchmark for fixed calls/mobile calls/mobile SMS
 - Yearly updates
- 2. Impact on the domestic pricing model.
 - Comparison of the regulated intra-EU communications margin with the total margin from electronic communication services
 - BEREC has prepared templates for the applicants



Derogation – Surcharges and procedure

- Maximum price level in excess of the price-caps:
 - Surcharges can be applied to all intra-EU communication services not only to the ones that satisfy the benchmarking test
 - Proposed by operators, taking into account the calculations under the second step and authorized by NRAs
- Procedure/Deadlines:
 - Similar approach like the roaming derogation (one month for the NRA plus 2 months in case of insufficient application)
 - 12-month derogation subject to a new application for renewal
 - In case of an authorisation, operators should comply with any of their national rules regarding transparency or changes in terms and conditions (e.g. advanced publication of price changes, contractual issues that require an extraordinary right to terminate contracts).



NRA's and BEREC's monitoring

- Indicators to be collected from fixed and mobile operators:
 - The number of subscribers
 - Volumes per service (voice and SMS) for domestic and intra-EU communications services
 - Revenues from intra-EU communications services (regulated and alternative tariffs)
- <u>Common template</u>
- BEREC will aggregate the data and publish a report on the findings of this exercise.



Process for developing BEREC Work Programmes



Process to develop BEREC's annual Work Programme

- BEREC moving towards multiannual Work Programme with three year horizon
- 2019 WP already includes significant number of final deliverables (particularly Guidelines) in 2020
- New process captures key principles:
 - Early engagement with stakeholders to inform decision making process
 - Permanent role for Planning & Future Trends working group 'institutional memory' – collaborating with incoming Chair
 - Meet statutory requirement to submit outline WP to EU institutions
 - Regular updates and feedback from BoR
- 2020 WP partially uses the new process in transition



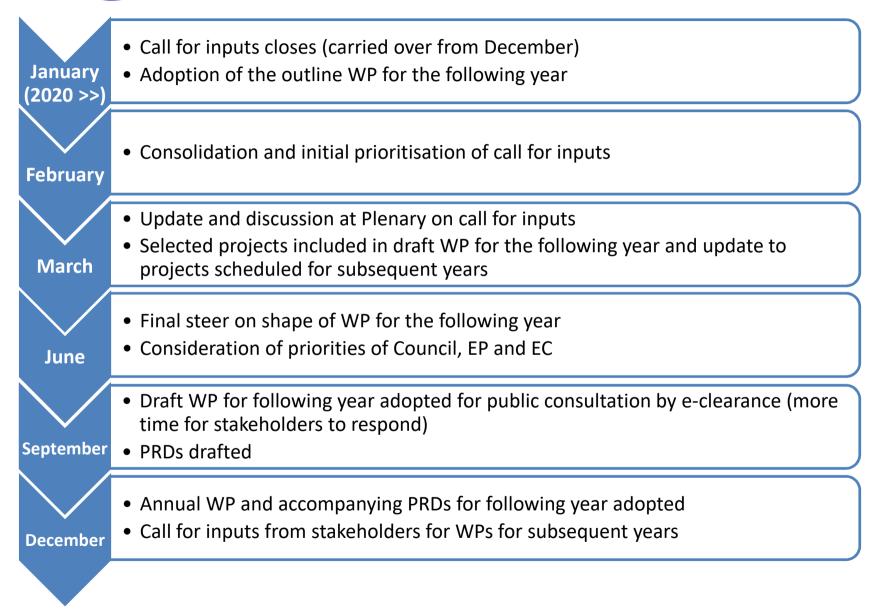
Process to develop BEREC's annual Work Programme

- Two moments of key interaction with stakeholders
- **December January**: Call for inputs from stakeholders for Work Programmes of subsequent years.
- September October: BEREC's annual Stakeholder Forum and a public consultation on the next year's draft Work Programme.

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Process to develop BEREC's annual Work Programme





Call for Input for BEREC Work Programme 2020

• <u>https://berec.europa.eu/eng/news_consultations/ongoing_public_co</u> <u>nsultations/5476-call-for-input-on-berec-work-programme-2020</u>

• Submissions until Tuesday, 23 April 2019 18:00 CET.



AOB



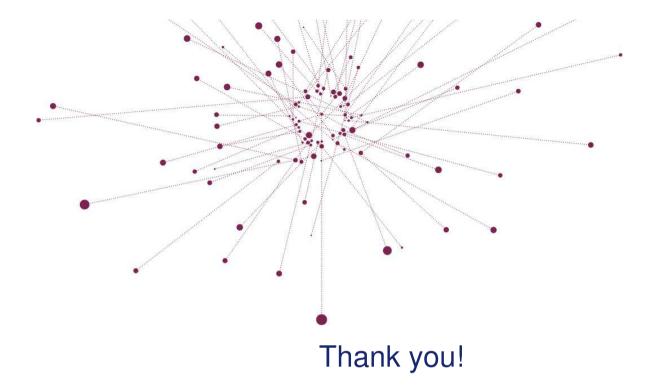
Call for input: 'Guidelines on VHCN' draft questionnaire

- According to the EECC (Art. 82) BEREC shall issue guidelines on the criteria that a network has to fulfil in order to be considered a very high capacity network.
- As part of BEREC's enhanced engagement with stakeholders, for this project, BEREC is launching a call for initial stakeholder input asking network operators and vendors:
 - To comment on draft questionnaires (1st phase)
 - To complete the final questionnaires (2nd phase)
- NRAs will send operators the questionnaires at national level
- This data collection exercise is absolutely critical for this project
- Details are provided in the 'Call for initial stakeholder input' document at <u>https://berec.europa.eu</u>
- Inputs should be sent to <u>Call for input VHCN Guidelines@berec.europa.eu</u> by **5 April** at the latest.



Commission Consultation

- Recommendation on Relevant Markets
- Input until 10 May 2019
- <u>https://ec.europa.eu/digital-single-market/en/news/consultation-revision-recommendation-relevant-markets</u>



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