

The European Electronic Communications Code and its impact on VHCN

Body of European Regulators
for Electronic Communications

BEREC

The logo for BEREC (Body of European Regulators for Electronic Communications) features the word "BEREC" in a bold, sans-serif font. The letters "B", "E", "R", and "E" are dark blue, while the "C" is a dark red. A thin, dark blue curved line starts under the "R" and sweeps under the "C".

Definition of VHCN

Functional approach to VHCN

According to the EECC ‘very high capacity network’ means:

- an electronic communications network which consists wholly of optical fibre elements at least up to the distribution point at the serving location, or
- an electronic communications network which is capable of delivering, under usual peak-time conditions, similar network performance in terms of available downlink and uplink bandwidth, resilience, error-related parameters, and latency and its variation

Harmonisation of VHCN treatment

EECC aim: promote development of VHCN, its availability and take-up

Important role of BEREC to develop harmonised approach (guidelines) to regulation of VHCN

- BEREC guidelines on VHCNs - criteria a network has to fulfil in order to be considered a VHCN
- BEREC guidelines on the consistent application of the co-investment criteria

BEREC Study

BEREC Study on the determinants of investment in VHCN

Key research question:

- What are the factors, including regulatory factors, which influence the level, nature and timing of investment in very high capacity telecommunication networks in BEREC member states?

Report result:

- Conceptual system dynamics model which illustrates the complex interplay of these factors

Advantages & chances

1

Message that investments should be supported by NRAs and the EC

2

SMPs receive tools to trade off with NRAs for rolling-out new networks

3

Harmonisation thanks to BEREC guidelines

Disadvantages & challenges

1

Incentives only for SMP operator's co-investments

3

Requirements for investment offer too demanding for an SMP operator

5

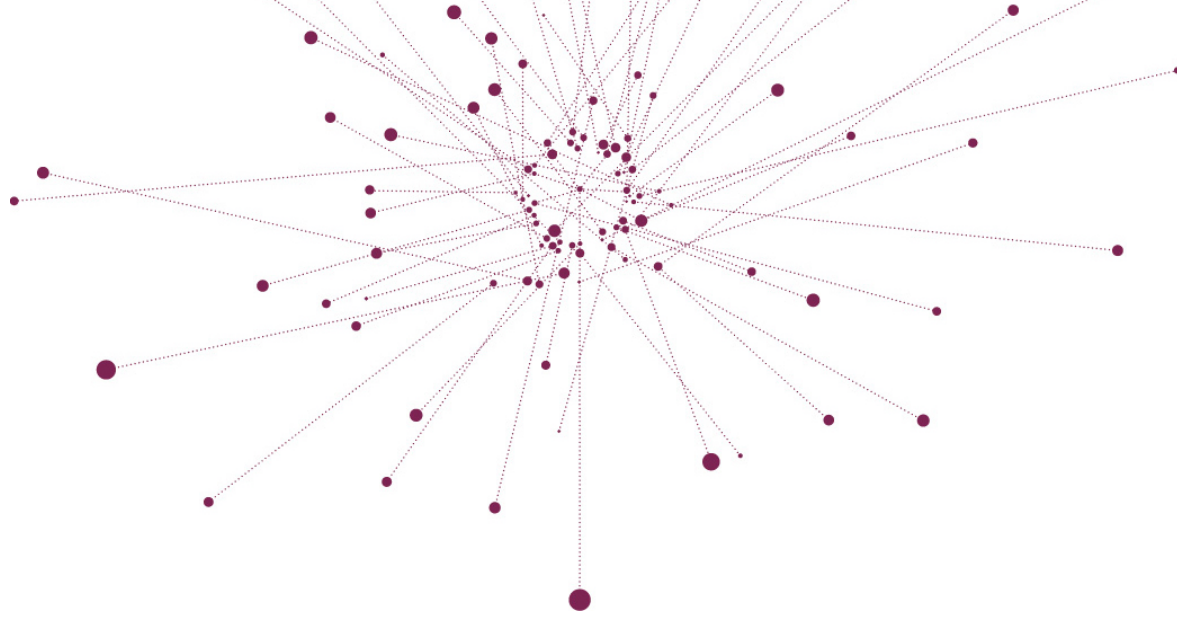
The public market test may kill the trade off (in case of negative response from alternative operators)

2

Criteria of the Art. 76 for regulatory treatment of VHCN are complex

4

Many factors may decide that NRA could not sufficiently incentivise SMP operator



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