



INITIATIVE OF
EUROPEAN
NETWORK OPERATORS

Harmonization – The multinational new entrant operator perspective

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ERG Harmonization Workshop
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Harmonization – Why and what?

◆ Harmonization – why?

- ❖ Pan-European Customers demand homogeneous services (e.g. selling MPLS to retail customers requires same wholesale inputs everywhere)
- ❖ Providers want single product set across Europe – economies and efficiency
- ❖ Minimum level control over of market power – Best Practice
- ❖ Level playing field among pan-European operators - Ensure same level of integration – timing

◆ Harmonization – what?

- ❖ Application of remedies – *similis similibus*
- ❖ Timing of procedures
- ❖ „Book to bill time“, e.g. between application of remedies and availability of input at wholesale market

Harmonization – Status Quo

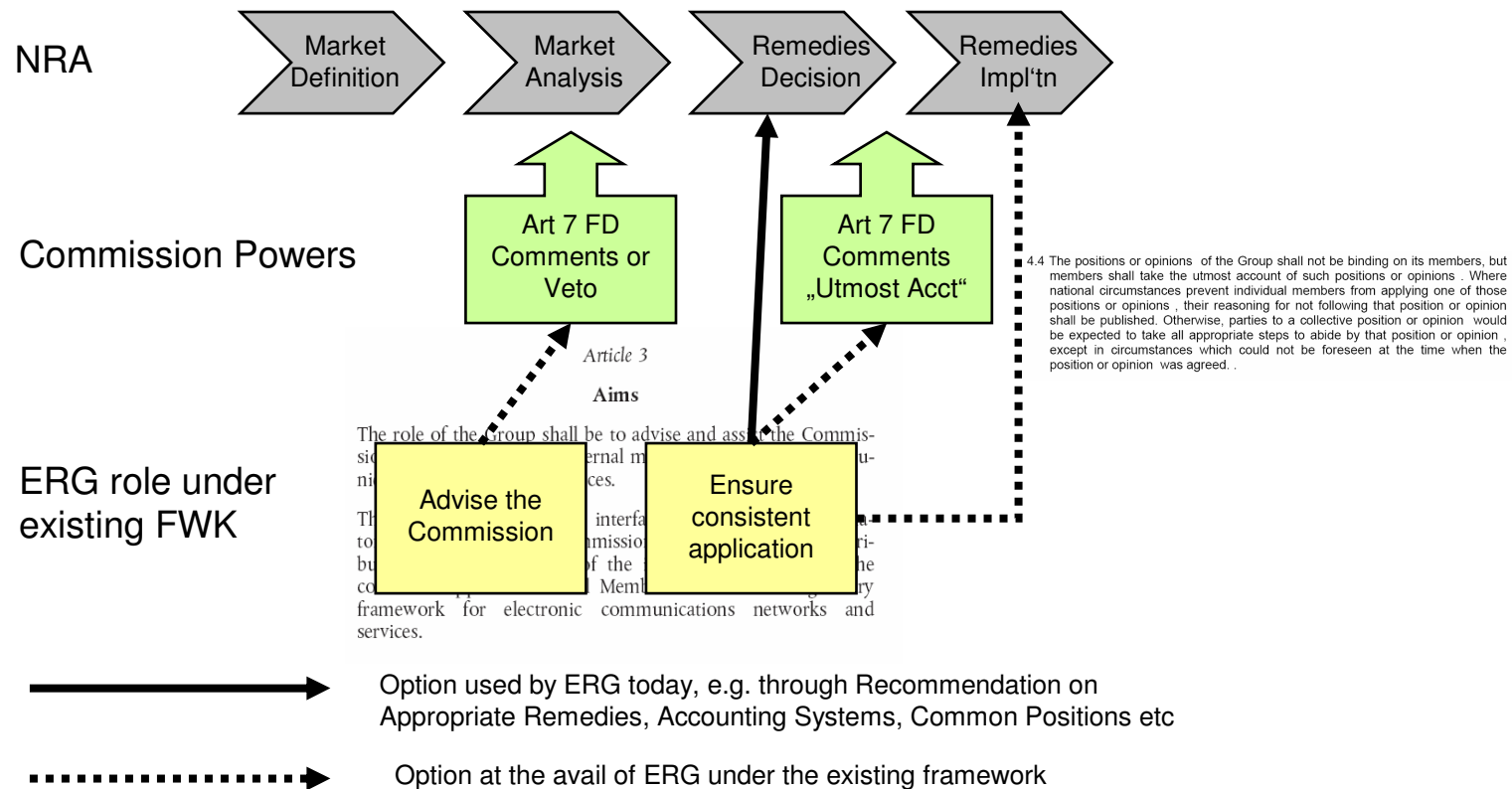
- ◆ **Member states seem to pursue different harmonization concepts**
 - ❖ Full integration of single European market
 - ❖ Vs National markets with compatible interfaces
 - ❖ *Example: The cross-border railway metaphor*

- ◆ **Commission possibility to increase harmonization**
 - ❖ Art 7 („must take into utmost account“)

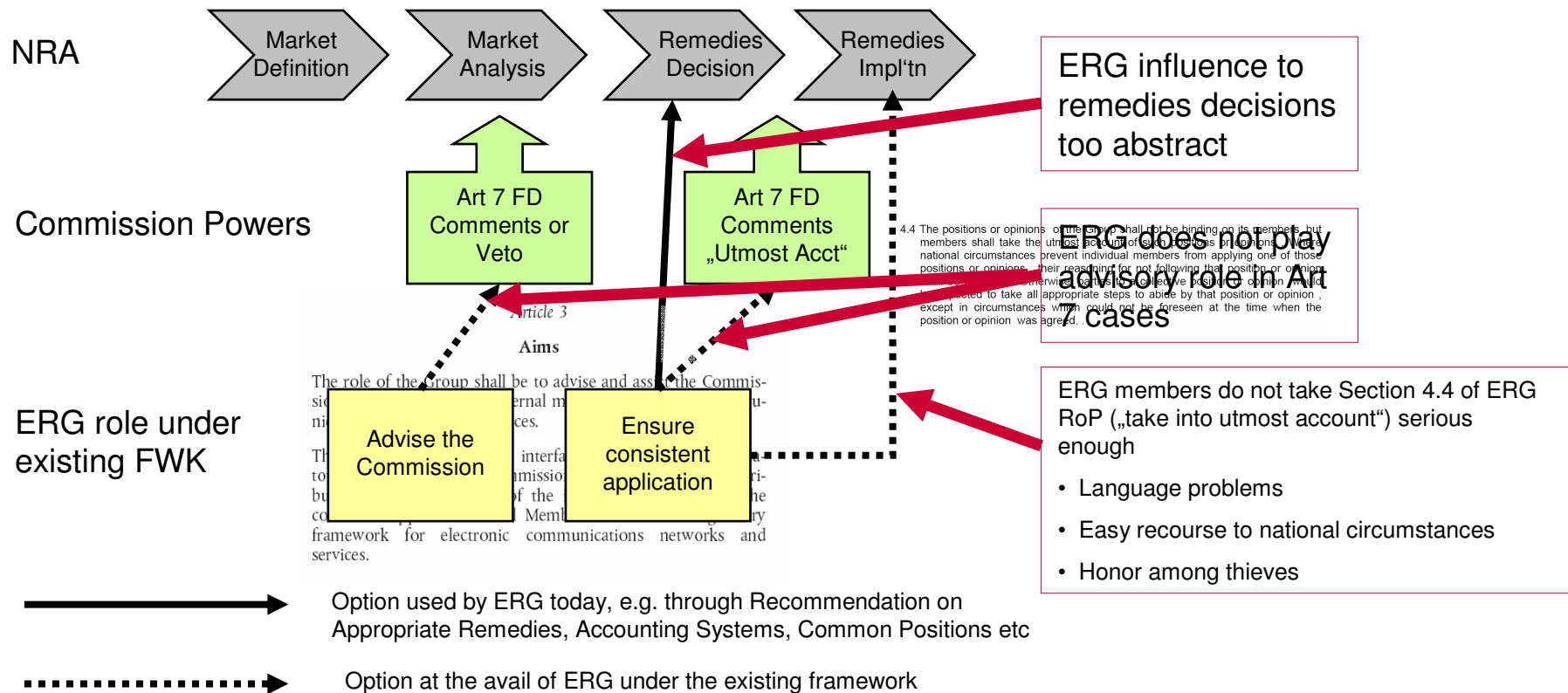
- ◆ **ERG possibilities to further harmonization:**
 - ❖ Art 4.4 Interim RoP („Must take into utmost account“)

- ◆ **Results**
 - ❖ Level of integration requires further improvement

Review of 2002/627/EC – How should ERG foster harmonization?



Review of 2002/627/EC – Shortcomings as perceived by IEN



IEN recommendations to ERG:

Issues to be resolved

- ◆ **“ERG influence to remedies decisions too abstract”**
- ◆ **“ERG does not play advisory role in Art 7 cases”**
- ◆ **„ERG members do not take Section 4.4 of ERG RoP („take into utmost account“) serious enough“**
- ◆ **Make remedies recommendations more tangible**
 - ❖ Give unambiguous recommendation which remedy is appropriate response to which form of market failure
 - ❖ Provide NRAs with sample remedies decisions (e.g. Best Practice RIOs)
- ◆ **Use advisory role in Art 7 framework**
 - ❖ Get involved! Consult with Commission, Market Players and NRAs
 - ❖ Enforce best practice through Commission
- ◆ **Ensure ERG members do take ERG opinion into utmost account**
 - ❖ Requires self-commitment among members
 - ❖ Requires barring the national circumstance backdoor
 - ❖ Requires open and honest competition for better regulation among ERG members

IEN recommendations to ERG: Issues to be resolved



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- ◆ “ERG influence to remedies decisions too abstract”
- ◆ Make remedies recommendations more tangible
 - ◆ Give unambiguous recommendation which remedy is appropriate response to which form of market failure
 - ◆ Provide NRAs with sample remedies decisions (eg BE, France, etc)
- ◆ “ERG does not play advisory role in fair cases”
- ◆ Use advisory role in Art 7 framework (Central, National Regulatory Authority, Commission, Market Players and NRAs)
- ◆ Ensure ERG members do take ERG opinion into account
- ◆ „ERG members do not take Section 4.4 of ERG RoP („take into utmost account“) serious enough“
 - ◆ Requires self-commitment among members
 - ◆ Requires barring the national circumstance backdoor
 - ◆ Requires open and honest competition for better regulation among ERG members

ERG can have a leading role in fostering harmonization – with no change to the framework required

Who we are and where to find us.



INITIATIVE OF
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