



EUROPEAN COMMISSION

PRESS RELEASE

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Telecoms: Commission to cut number of regulated markets in Europe

Today the European Commission – in agreement with Member States – decided that two telecom markets should no longer be subject to regulation in Europe, and that two more should be redefined to reflect market and technology developments. The rules take effect immediately.

The two liberated markets are:

- a) the retail market for access to fixed telephony; and
- b) the wholesale market for fixed call origination.

The Commission will also redefine two broadband markets, in order to limit regulatory burdens to what is strictly necessary for competitive broadband access and investment.

The Commission is increasing its focus on the distinct needs of business users, to make sure that competitive connectivity can unleash growth across the economy.

European Commission Vice President [@NeelieKroesEU](#) says: "*I am delighted to announce this cut in telecoms red tape. It is the result of increased competition in telecoms markets and it takes us a step closer to a real Connected Continent*".

Why were the fixed telecoms markets liberated?

There has been a decrease in volume of fixed calls as customers have turned to alternative solutions, such as voice-over-IP (VoIP) and mobile calls, but also to alternative providers, like over-the-top (OTT) players. Also Those customers who still use fixed telephony are now able to purchase fixed access from a number of different platforms, such as traditional telephone network, fibre or cable networks, and also from alternative operators offering broadband and voice services over unbundled local loops, so competition has been increased.

Why do some markets remain regulated?

Because some telecoms markets continue to have very high entry barriers and competition is unlikely to occur in the foreseeable future.

This Recommendation redefines the boundaries of the broadband markets, which consist of wholesale products needed for the provision of retail broadband services (new markets 3a, 3b and 4 replacing markets 4, 5 and 6 of the 2007 Recommendation). The new rules recognize that "virtual access products" can be considered substitutes to physical unbundling when they fulfil certain characteristics.

Background

Under EU telecoms rules, the Commission adopts and regularly reviews the Recommendation on relevant product and services markets.

A public consultation on the revision of the Recommendation took place between 16th October 2012 and 8th January 2013 (see [IP/12/1105](#)). The Commission also commissioned an [external report](#), published in October 2013. The [BEREC Opinion](#) on the Recommendation on relevant markets was adopted in June 2014.

These relevant markets should remain subject to regulation until 2020.

Useful Links

See here for FAQ ([MEMO/14/573](#))

[Commission Recommendation](#)

[Explanatory note](#)

[The public consultation](#)

[Digital Agenda website](#)

Neelie Kroes' [website](#)

Follow Neelie Kroes on [Twitter](#)

Contacts :

Email: comm-kroes@ec.europa.eu Tel: +32.229.57361, Twitter: [@NeelieKroesEU](#)

For the public: **Europe Direct** by phone **00 800 6 7 8 9 10 11** or by [e-mail](#)