



**BIPT**

Press release

## **BIPT is adding the final touches to the regulation of the VDSL2 wholesale offer**

**Brussels, 10 August 2010 - Following an extensive analysis and consultation process, BIPT has put the final touches to the regulation of Belgacom's wholesale offer based on which alternative operators are capable of offering VDSL2 products on the Belgian market by using Belgacom's network. The regulation aims at reinforcing competition on the broadband market and on lowering the tariffs for the end-user.**

### **Fixing new wholesale tariffs**

On 3 August 2010 BIPT laid down the tariffs for the new VDSL2 wholesale offer allowing an alternative operator to offer VDSL2 services to the end-users by using Belgacom's VDSL2 equipment and copper wire through bitstream access. For this access a tariff of 13.85 euro per month (without Belgacom telephony) was fixed, adding to the cost-based tariff a margin to encourage Belgacom to invest in new generation networks.

BIPT has also reviewed the monthly rental fee for copper wire (the unbundling offer). The tariff for the monthly rental fee for pure copper wire without Belgacom telephony ("raw copper") drops from 9.29 euro to 7.57 euro (-20%), which represents a price cut for all regulated wholesale lines as this tariff also applies to the regulated ADSL and ADSL2+ products.

This specifically brings about the following tariffs:

<b>Unbundling</b>	<b>Current tariff</b>	<b>New tariff</b>
<b>Raw Copper (without Belgacom telephony)</b>	€ 9.29	€ 7.57
<b>Shared Pair (with Belgacom telephony)</b>	€ 0.85	€ 0.87
<b>Raw Copper (without Belgacom telephony)</b>	x	€ 5.66
<b>Sub loop Shared Pair (with Belgacom telephony)</b>	x	€ 0.85

<b>Bitstream</b>	<b>Current tariff</b>	<b>New tariff</b>
<b>ADSL/ADSL2+ (without Belgacom telephony)</b>	€ 14.32	€ 12.51
<b>VDSL2 (without Belgacom telephony)</b>	x	€ 13.85

## **A completely regulated VDSL2 wholesale offer**

The broadband markets analysis decision of 10 January 2008 underpins the new regulation. This market analysis obliged Belgacom to open up its VDSL2 network to the competition through bitstream access, allowing an alternative operator to access the end-user by using Belgacom's VDSL2 equipment and copper wire.

On 4 August 2008 Belgacom submitted an initial draft wholesale offer to BIPT, following which BIPT organised different public consultations and sector meetings before it gave its opinion on the different aspects of that draft by means of a number of implementation decisions:

- Qualitative aspects (Decision of 30 September 2009):
  - contractual terms;
  - operational processes;
  - delivery terms and compensations.
  
- Quantitative aspects:
  - monthly rental fee for copper wire (Decision of 3 August 2010);
  - monthly rental fee for VDSL2 bitstream access (Decision of 3 August 2010);
  - installation fees and other one time tariffs (Decision of 2 December 2009);
  - costs for the routing of data across the network (Decision of 6 August 2010).

Belgacom's proposal was adapted and completed in order to achieve a feasible offer leaving the alternative operators sufficient room to diversify their products in terms of functionalities and specifications.

Luc Hindryckx, Chairman of the BIPT Council, concludes: *"The completion of the regulation of the VDSL2 offer gives new hope for more competition on the Belgian broadband market. Lower prices and a possibly larger offer will be for the benefit of the end-user."*

For more detailed information:

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