

Press release

FIXED MARKET REGULATION

Arcep publishes its draft regulatory amendments for 2020 – 2023 for consultation, in preparation for fixed market analyses

Paris, 6 February 2020

Fixed market analyses: regulatory bulwark

Arcep is proposing a set of regulatory changes, in preparation for the next round of fixed market analyses (2020 – 2023).

Market analysis decisions define the so-called “asymmetric” obligations to be imposed on all operators that enjoy significant power (SMP) in the relevant market in question, and this for a period of three years. In practice, for the fixed market the SMP operator is incumbent carrier, Orange. The purpose of these asymmetric obligations is to remedy identified competitive imbalances.

After having published its “Scoreboard and Outlook” document for consultation in July 2019, and having analysed the contributions it received, today Arcep is entering into the second stage of the review process for fixed broadband and superfast broadband market regulation.

Arcep is also submitting for consultation a draft of its planned amendments to the “symmetric” fibre regulation framework (which applies equally to all FttH network operators). These changes need to be approved by the Government before they can come into effect.

Pro-investment regulation to make fibre the new reference infrastructure

As the new infrastructure that will outfit the entire country for several decades to come, fibre is a central focus of this new round of regulation. Optical fibre network rollouts represent an unprecedented undertaking, in terms of both scale and form – combining operators’ investments, regional and local initiatives, and government solidarity. Regulation has a vital role to play in ensuring the right incentives, and enabling the market to galvanise its full investment power. Arcep’s pro-investment regulation has thus served as a real market catalyst over the past several years: driving a (unique in Europe) 40% rise in spending in four years. The purpose of the regulation established for 2017 to 2020 was to enable all operators to participate in the investment effort, in areas where Orange stood far too alone. This goal has now been achieved.

Laying the groundwork for switching from copper to fibre, for the benefit of everyone in France

The challenge now is to draw up the guidelines for a fully-fibre France, and so lay the groundwork for an eventually complete transition from the legacy copper network to fibre. Here, Arcep welcomes Orange’s commitment to this unprecedented effort to migrate away from copper. But this is a task whose issues and challenges extend beyond what Orange can accomplish on its own. Within the public sector, Arcep intends to act as the guarantor of this transition, to ensure that it does not take place at users’ expense, while also ensuring that the state of lively competition will continue. Particular emphasis will be on ensuring that the different operators are given the right incentives to make this transition within a suitable timeframe, and that no user is left behind.

Business market: creating a truly competitive market

Having products designed specifically for businesses is another major issue. The aim is to democratise fibre access products for SMEs, both by opening the way for less expensive solutions and by diversifying the quality of service tiers that can be marketed. For both generalist access products and specific high-quality products, this requires a dynamic wholesale market for active solutions that can rely on several suppliers, and makes room for wholesale-only operators, to help foster a large ecosystem of business operators.

New indicators, to measure fibre QoS

Lastly, because fibre is the future infrastructure of reference, it must meet certain common requirements, regardless of the operator that deploys it. In particular, Arcep plans on imposing fibre quality of service guarantees on all operators, to ensure that the technology keeps all of its promises, everywhere in France, and to every user.

Documents published for public consultation

To this end, for this second stage of the review process for fixed broadband and superfast broadband market regulation, Arcep is publishing four draft “asymmetric” decisions for consultation, on fixed broadband and superfast broadband market analysis:

- Market 4: dedicated active solutions for businesses,
- Market 3b: generalist active solutions
- Market 3a: passive solutions, and
- A separate civil engineering market.

For this 6th round of market analysis, Arcep is also submitting a document for consultation whose purpose is to complete “symmetric” optical fibre regulation, which applies equally to all operators operating a fibre to the home/building network, to satisfy the new needs resulting from the accelerated pace of fibre deployment, without altering the overall balance of the existing framework.

A 700-page summary being published for consultation today can be found in the annex to this press release.

Next stages before adoption in late 2020

This public consultation will run until Tuesday, 17 March 2020.

After having analysed the contributions to this consultation, the draft market analysis decisions and the draft symmetric decision on the regulatory framework for optical fibre will be published for a second public consultation in mid-2020. They will then be submitted to the Competition Authority for its opinion, then notified to the European Commission.

The review process will be completed in late 2020, culminating in the adoption of the new decisions. This will include pricing aspects, notably for the copper pair.

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Associated documents (in French)

- [Summary of draft texts pertaining to fixed market regulation](#)
- [Draft decision on analysis of the market for wholesale access to physical local loop civil engineering infrastructure](#)
- [Draft decision on analysis of market 3a: Wholesale local access provided at a fixed location](#)
- [Draft decision on analysis of market 3b: Wholesale central access provided at a fixed location for mass-market products](#)
- [Draft decision on analysis of market 4: Wholesale high-quality access provided at a fixed location](#)
- [Arcep's planned measures and recommendations, setting out the rules governing access to ultrafast optical fibre electronic communication lines](#)
- [Annexes pertaining to accounting reports](#)
- Operators' contributions to the public consultation launched on the "Scorecard and Outlook" document (*available soon*).

Arcep at a glance

The Regulatory Authority for Electronic Communications, Postal Affairs and Print Media Distribution (Arcep), a neutral and expert arbitrator with the status of independent administrative authority (IAA), is the architect and guardian of internet, fixed and mobile telecoms and postal networks in France.

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