

Open Fiber welcomes favorable regulation for wholesale-only models

MLex Summary: Italian fiber operator Open Fiber has praised the EU's newly-agreed European Electronic Communications Code for providing "a much more favorable regulation for wholesale-only operators" compared to traditional telecom operators. The rules recognize the urgent need for investments infrastructure, especially in fiber networks running all the way to consumers' doorsteps, the company's chairman Franco Bassanini said.

Statement follows.

The New European Electronic Communications Code promotes wholesale only model
- Open Fiber Chairman Franco Bassanini Statement

The Trilogue has reached in Brussels an agreement on the European Electronic Communications Code. Investments in very high capacity networks (together with competition, Single Market and consumer benefits) become a priority. The European Union identifies them as strategic for the growth and competitiveness of Europe, for welfare modernization, education and training. The agreement regulates investment models that can accelerate the development of fiber optic networks through a much more favorable regulation for wholesale only operators (like Open Fiber in Italy) compared to vertically integrated operators (like Telecom Italia).

‘The agreement reached by European Parliament, Council and Commission is very important for Italy’ said Open Fiber Chairman Franco Bassanini. “The new code represents an important step towards the modernization of European TLC regulatory framework, because it recognizes the urgent need for infrastructure investments, with particular focus on full fiber networks (FTTH – Fiber To The Home), the only one that can ensure the performances requested by the next years Gigabit Society, in terms of access speed, reliability, latency, low maintenance and energy costs. Full fibre networks represent the base infrastructure of mobile TLC and its new 5G standard.

“For the first time” added Bassanini “the new code envisages the wholesale only model, setting the stage for green field operators focused on the development of full fiber networks for everyone to access in an equal and non-discriminatory manner’. Wholesale only operators, with no retail business unit, can completely focus to develop an increasingly performing network and offer the access to other TLC operators, treated as customers rather than competitors. This regulatory evolution allows a faster

change towards the Gigabit society, setting the stage for a more pervasive digitalization and a greater competitiveness of the economy.

'The European institutions' decision to accelerate the development of wholesale only model through favorable regulation represents an important confirmation at continental level of the efficiency of the business model chosen by Open Fiber' added Bassanini. "We hope for the new Italian Government to prioritize the adoption of new code, in order to allow Italy to be in the lead in building full fiber networks and accelerate digital evolution to serve families and companies'.