

## **BUGLAS-Contribution to the Questionnaire on the regulatory treatment for backhaul- Operators**

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The German Federal Association of Fiber Access Operators („BUGLAS“ - as per German initials) represents enterprises and operators which are already accountable for about 1.1 million FttB/H connections. Our members, among them NetCologne, M-net, Wilhelm.tel, MDCC and over 150 other enterprises, plan to connect another million further homes and enterprises directly via fibre.

BUGLAS underscores that there is no need to include backhaul in the market for Wholesale local access provided at a fixed location [Market 1], in the market for wholesale dedicated capacity [Market 2] or in a new market segment.

In some member states one may consider access to dark fibre for the purpose of mobile backhaul within a wholesale market segment. This apparently would aim at facilitating the connection of 4- and 5G base stations with fibre.

However, from BUGLAS' point of view, in Germany the fibre connection of 4- and 5G base stations is a functioning market that should not be impaired by regulation. Fibre operators have a strong interest to cooperate with 4- and 5G-Network Operators. The connection of 5G base stations is part of their business models.

In Germany, Telefónica, Telekom and Vodafone target a nationwide provision of 5G until 2025. To achieve this goal in time, they rely on cooperating with local fibre operators, especially in rural areas. Moreover 1&1 Drillisch is seeking cooperation with Local Fiber Operators, since it has just entered the mobile network market. Seeking for a reduction of transaction costs associated with the occurrence of 5G-cooperations, there is a market-driven dialogue between the respective mobile network operator and the local carriers. A significant number of the Local Network Operators organised in BUGLAS are already directly in touch with at least one mobile network operator.

The imposition of regulation on this market segment would distort the existing balance regarding negotiation power. Seeking regulatory instead of negotiated solutions, would most likely cause a significant delay of connections for base stations.

Therefore, it is not reasonably justified to include backhaul access to base stations in one of the two markets in the market recommendation. The decision to impose regulation on this market must be left to the NRAs of the Member States, where a competitive problem with respect to the connection of base stations exists.

With best regards  
Bundesverband Glasfaseranschluss e. V.



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