

# EC urges Deutsche Telekom rate controls

June 15 2006

---

The European Commission Thursday urged German telecom regulators to set price controls on Germany's dominant telco, Deutsche Telekom.

The EC said in a statement issued in Brussels saying an effective price-control mechanism was needed to protect consumers against "the risk of excessive prices" being charged by Telekom.

"In Europe's telecom markets, remedies need to be clear and effective in order to improve the competitive situation and to safeguard the interests of consumers," said EU Commissioner Viviane Reding. "This includes remedies at the retail level in cases where measures at the wholesale level have not resulted in a satisfactory degree of competition."

Price controls would protect consumers by encouraging the establishment of competing telecom providers.

The commission called on the German regulatory agency BNetzA to take the lead in drafting the controls as well as accounting separation requirements for Telekom.

BNetzA has already formally determined that Telekom holds market power in the retail telecom market; however, it has not implemented any price-control rules like the ones the EC is calling for.

*Copyright 2006 by United Press International*

Citation: EC urges Deutsche Telekom rate controls (2006, June 15) retrieved 26 April 2024 from <https://phys.org/news/2006-06-ec-urges-deutsche-telekom.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.