



Alliance of Telecommunications Terminal Equipment Manufacturers (VTKE)  
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Press Release

## **Back door for compulsory routers: VTKE warns of circumvention of router freedom in planned amendment to law**

**Berlin, 19 November 2020** • A newly included paragraph in the draft amendment to the Telecommunications Act makes it possible to override freedom of choice of end devices in individual cases by way of an exemption clause. This opening clause carries the risk that consumer rights could be restricted and the free choice of terminal equipment de facto abolished. The Alliance of Telecommunications Terminal Equipment Manufacturers (VTKE) is therefore calling for the paragraph to be removed from the draft law.

The VTKE welcomes the fundamental retention of the passive network termination point in Section 70 (1) of the draft. This definition is in line with BEREC's guidelines for defining the network termination point and is the cornerstone for freedom of choice of terminal equipment in Germany (BEREC = Body of European Regulators for Electronic Communications).

The new provision in § 70 (2), which states that the German Federal Network Agency may permit exceptions to the passive network termination point, leads to considerable legal uncertainty and is likely to de facto abolish the rights of consumers to free choice of terminal equipment. There are no technical reasons that require such exceptions. The extremely positive experience with the free choice of end devices over the past four years confirms this.

On the other hand, there are considerable risks and potential for abuse as a result of the new provision. For example, the possibility of exemption from the passive network termination point could be used to circumvent or massively complicate freedom of choice of terminal equipment. The VTKE sees a specific risk of a large number of network operators potentially applying for exceptions by general decree from the Federal Network Agency, which should actually be prevented by the clear definition of the network termination point as passive in the law.

For consumers, this would result in a confusing market situation in addition to their rights being restricted. At the same time, it would make it more difficult to change providers. Consumers would then no longer be able to assume that their terminal devices could be freely selected or continued to be used anywhere. This is not in the interests of consumer protection, freedom of choice of terminal equipment, or competition for more innovation.

The VTKE is therefore of the opinion that the exemption in Section 70 (2) should be removed. Otherwise it is possible that the freedom of choice of end devices would de facto be abolished in Germany.



### *About the VTKE*

*The Alliance of Telecommunications Terminal Equipment Manufacturers (VTKE) is made up of primarily medium-sized companies operating in Europe who have joined forces together. Together they are committed to securing the long-term success of a liberalized telecommunications market. Particular attention is paid to the market for terminal equipment.*

*The goal is to ensure that both users and manufacturers of telecommunications terminal equipment are able to make the most of the opportunities offered by a liberalized telecommunications market. In particular, the Alliance is committed to preserving or - where necessary - restoring the freedom of choice of terminal equipment. Every user should be able to decide which terminal devices they want to use at their connection.*

*In addition, the Alliance wants to raise awareness of the importance of telecommunications terminal equipment in politics and society. It advocates a stable, future-oriented regulatory and economic framework, as this forms the basis for the high level of innovation in the telecommunications terminal equipment industry.*

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