

PRESS RELEASE BY THE COLLEGE OF COMPETITION PROSECUTORS OF THE  
BELGIAN COMPETITION COUNCIL

23<sup>rd</sup> of April 2008

**Case CONC-P/K-05/0065 BASE/Belgacom & Belgacom Mobile**

On April 22, 2008 the College of Competition Prosecutors has submitted a reasoned report to the Competition Council in relation to a complaint filed by BASE NV (NV: company with limited liability). Base had stated that it was subjected to exclusionary practices of Belgacom Mobile NV (Proximus) on the market of mobile communications for professional customers.

The investigation that was carried out by the College of Competition Prosecutors with the assistance of the Competition Service of the Federal Public Service (FPS) Economy, had among others led to an inspection of the premises of Belgacom Mobile in 2006.

The College of Competition Prosecutors alleges in his Report an abuse of dominant position by Belgacom Mobile. Such an abuse is prohibited by article 3 of the Law on the protection of economic competition, co-ordinated on 15<sup>th</sup> September 2006, and by article 82 of the EC Treaty.

According to the Report, Belgacom Mobile has committed an infringement during the period under review, over the years 2002 to 2005, among others by charging other mobile phone operators excessive selling prices for Belgacom Mobile's services of terminating calls made to its own network. Furthermore, these tariffs would have been discriminatory (i.e. Belgacom Mobile would have applied other mobile phone operators, who request to terminate mobile communications on Belgacom Mobile's network, conditions which differ from the conditions applied by Belgacom Mobile for self supply). Besides, other infringements are alleged in the Report: loyalty rebates given to its professional customers without any economic grounds, as well as the occurrence of a "price squeeze" (a price squeeze means that the margin between the wholesale tariffs charged by Belgacom Mobile on the upstream market for terminating calls made to its network and the rates charged by Belgacom Mobile for the related retail services on the downstream market – i.e. the market of mobile communications for professional customers – does not allow other operators to earn a reasonable profit margin).

It is now up to the chamber of the Competition Council to make the final decision as to whether or not an abuse of dominant position has occurred, as has been alleged in the College of Competition Prosecutors' reasoned Report.