# ECTA, ETNO, GIGAEUROPE & GSMA JOINT STATEMENT TO EU COUNCIL'S GENERAL APPROACH ON THE GIGABIT INFRASTRUCTURE ACT

5 December 2023

Today, the Council of the European Union is expected to agree on a negotiating mandate ('general approach') on the proposal for a Gigabit Infrastructure Act (GIA), i.e. a Regulation on measures to reduce the cost of deploying gigabit electronic communications networks across the European Union.

**The European telecommunications industry strongly disapproves of the Council's draft general approach on the GIA**.

In our previous joint statement, issued in September, we stated our strong belief that the GIA will be essential to accelerate the deployment of Very High Capacity Networks (VHCNs) across the European Union. It is key to removing the administrative complexities and red tape that hinder the rollout of gigabit-speed mobile and fixed networks, and their benefits for European citizens and businesses alike.

While we recognise the Spanish Presidency's efforts to move forward with the proposal in the Council, we regret to see that the draft general approach has been deprived of several provisions proposed by the European Commission that would positively support fast VHCN deployment. Without these provisions, the European Union's hopes of achieving its 2030 Digital Decade targets will be severely impacted.

We want therefore to highlight the following:

- The importance of shorter permit-granting processes. The GIA should focus on supporting a faster and streamlined permit-granting process to enable access for the deployment of VHCNs.
- Our concern over the total removal of the 'tacit approval' clause introduced by the European Commission in the permit-granting process, which includes rights of way, as a critical means of speeding up network deployments efficiently. We call for this principle to be reintroduced.
- Our concern regarding the dilution of the process to define exemptions on the permit granting. It is important this happens in an effective and harmonised way. We call for confirmation of the role of the European Commission in defining the minimum set of exemptions by means of an implementing act.
- Avoiding regulatory fragmentation in procedures and related guidance that will hinder faster deployments, harmonisation and predictability in the EU single market.
- Safeguarding technology neutrality: for the new rules to boost VHCN availability as much as possible, discrimination and unjustified preferences for some types of infrastructure should be avoided.
- The quick adoption and application of this Act. Any delay in adopting and applying this regulation will have an adverse effect on the process to increase the deployment and densification of 5G networks, including fixed wireless access, as well as the deployment of fixed gigabit-broadband networks, such as fibre, in Europe. We believe this will significantly impact the European Union's political ambition to provide gigabit-speed mobile and fixed connectivity for all by 2030.

We would like first to call on Ministers to carefully assess the draft text taking into consideration our strong concerns and also ask the negotiators (first trilogue is scheduled right after the Council meeting) to invest every effort possible to ensure all these provisions are reflected in the final GIA text in order to ensure a tangible difference compared with the current Broadband Cost Reduction Directive.

Anticipating the coming trilogue negotiations, we are strongly opposed to the inclusion of measures to regulate intra-EU communications in the scope of the GIA, which we believe would be at odds with the aims of this instrument. Indeed, the GIA has been proposed in order to reduce the cost for the sector and spur the costly roll-out of Gigabit infrastructures. Such a negative outcome in the discussion would deprive the sector of revenues, hurting investment capacity instead of supporting it. A recent assessment by Analysys Mason (November 2023) estimates that the abolishment of surcharges for intra-EU calls may lead to a revenue loss of at least EUR2.1 billion for operators in the 5-year period leading up to 2029 (not including revenue loss from bundles and SMS). We moreover also remain of the strong opinion that such retail price regulation is not warranted. Given the competitive state of the market and the increasing availability of alternatives, the proposal from the European Parliament to abolish retail surcharges is not based on any market failure.