

ecta responds to the European Commission's White Paper "How to Master Europe's Digital Infrastructure Needs?"

Brussels, 25 June 2024 **ecta**, the **European competitive telecommunications association** responds to the consultation on the European Commission's White Paper "How to Master Europe's Digital Infrastructure Needs?"

ecta, the **European competitive telecommunications association** places Europe's global competitiveness at the forefront of its concerns. Recognizing the critical role of diverse players in the telecom sector, **ecta** advocates for an inclusive electronic communications industry that fosters innovation and empowers the entire European economy. In this dynamic digital landscape, embracing a variety of participants—both large and small—becomes essential. By nurturing diverse products and services, we unlock Europe's innovative potential and ensure a robust and competitive marketplace.

For the past three decades, EU electronic communications regulation has delivered a unique European success story. Promotion of competitive markets, combined with effective ex-ante regulatory measures, are driving investments, positive innovation, and consumer benefits in telecoms, and will continue to do so in the future as the telecommunications sector stands as the linchpin of social and economic dynamics in the 21st century. Serving as the bedrock of social inclusion, it facilitates universal participation in the digital society by ensuring affordable connectivity for all.

Europe excels with respect to its global peers when it comes to combining the deployment of gigabit networks, their adoption by consumers and professional users, as well as affordability and inclusion. Europe, in addition, is well on track to meet the EU 2030 Digital Decade Objectives.

ecta acknowledges the European Commission's objective with the White Paper to prepare the groundwork for reviewing the EU legal framework in a way intended to remove obstacles that are likely to hamper the achievement of those Objectives.

However, the White Paper's policy proposals will structurally and irreversibly impact the future of the European single market, of which the telecommunications sector is a fundamental and strategic component to guarantee EU's global competitiveness. **ecta** has warned on the adverse consequences¹ and considers important to rebut incorrect assumptions on the alleged:

¹ Telecoms Council informal meeting 11-12 April – BEUC, **ecta** joint call on EU ministers to reject push for deregulation, reduction of competition and consumer welfare in EU telecoms.

- i) poor state of the European electronic communications markets,
- ii) the need for a change in access policy by foreseeing two scenarios that amount to dismantling the EU wholesale access regulatory framework.

The assumptions which inform some proposed scenarios result in policy proposals based on a misdiagnosis of the issues. Moreover, the White Paper does not include any reference or any minimum analysis of the needs and market trends of the B2B market, and as such, the assessment on the market is partial and, in consequence, the scenarios proposed may not be to the benefit of the entire sector, and are likely to be detrimental to Europe's competitiveness, since European business customers' needs - the needs of all the other sectors of the EU economy - will not be met.

The EU regulatory framework is like a living organism, it needs to adapt to the evolving market in terms of technologies, use cases and business models. But any need for such adaptation must be supported by incontrovertible empirical evidence.

[ecta](#) Director General, Luc Hindryckx commented: *“By pushing a potential review of the ‘Relevant Markets Recommendation’, a more far-reaching review of the EECC, and a potential ‘Digital Networks Act’ proposal, the White Paper seems to support and strengthen specific former monopolist companies. **This approach would have harmful effects on competition, the EU internal market and consumers’ interest.** It would undermine the principles enshrined in the EECC. Further market concentration would likely undermine the deployment of very high-capacity infrastructure and the availability of affordable offers for European consumers, businesses and public administrations. **Ultimately, this will be detrimental to Europe’s Global Competitiveness.**”*

Nonetheless, [ecta](#) considers that some of the scenarios included in the White Paper could help to overcome issues hampering the operators' investments in VHCN deployment, and the uptake by European citizens, businesses and public administrations. [ecta](#) makes detailed proposals. These include:

- i) Measures aimed at a more harmonized management of the spectrum to unleash the full potential of 5G deployment and further build on the internal market for telecoms. These measures should also aim to create a well-balanced and competitive mobile market structure by easing, inter alia, the spectrum deficit of the late entrants, including the low band spectrum which is key for indoor coverage and coverage of the rural areas.

- ii) Proposals to improve the adoption of VHCNs by consumers and businesses as the real positive game-changer for upgrading the financial performance of electronic communications operators.
- iii) Pro-competitive solutions to improve EU's global competitiveness through timely adoption of new technologies such as cloud and edge computing, both upstream and downstream of telecoms markets, accompanied by increased sovereignty of the European providers.

Finally, **ecta** appreciates the sustainability proposals and makes additional recommendations.

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ecta members are united in their belief that competition is the best driver of efficient investments and the greatest enabler of innovation, choice and benefits for citizens and businesses, as well as for the European economy overall. This is the key message that **ecta** and its members continuously promote.

*For further information on the contents of this press release and **ecta's** positions, please contact:*
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ecta, the **European Competitive Telecommunications Association** (www.ectaportal.com), represents those alternative operators who, relying on the pro-competitive EU legal framework that has created a free market for electronic communications, have helped overcome national monopolies to give EU citizens, businesses and public administrations quality and choice at affordable prices. **ecta** represents at large those operators who are driving the development of an accessible Gigabit society, who represent significant investments in fixed, mobile and fixed wireless access networks that qualify as Very High Capacity Networks and who demonstrate unique innovation capabilities.