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ETNO calls for a full revision of the Telecoms Regulatory Framework to be an integral part of the Digital Single Market initiative

- Investments in new networks are in the interest of European citizens and companies
- Action plan for a framework review is needed to simplify rules and meet investors' expectations

During a meeting held on Tuesday 28th May in Milan, the Executive Board of ETNO discussed the Digital Single Market initiative.

European telecommunications service and infrastructure providers recognise the importance of the ongoing discussion on the need for a single European market for digital services. ETNO believes that the objective should be to encourage growth, innovation and employment in the European economy and guarantee that Europeans will continue to enjoy the benefits of technological progress.

This can only be achieved if investment in the European ICT sector increases. Only investment in new networks will drive innovation.

ETNO strongly believes that the Single Market should not be imposed through additional regulatory obligations. The Single Market should be driven by market forces, enabled by an investment friendly and supportive regulatory framework.

Investment in Europe is lagging behind other developed economies. This is partly due to fragmented markets and partly due to an unpredictable and non-harmonised regulatory environment, which still favours access seekers over investors, focuses mainly on the number of players in the market as an indicator for competition and places too little attention to a sustainable market structure. This negatively influences investments in networks.

Europe needs to have a leading telecommunications industry to meet EU growth objectives. The push towards a Digital Single Market must therefore go hand in hand with a bold revision of the regulatory framework in Europe.

The telecoms market has become highly dynamic due to the rise of global players and from technology (e.g. smartphones) which increasingly blurs the boundaries between fixed and mobile networks. As most markets have an abundance of network and service providers, the regulatory revision will, in the opinion of ETNO, show that these markets require a much less intrusive and a simplified regulatory framework which will facilitate new investments and pave the way towards a Digital Single Market.

Together, these initiatives will enable European web, app and digital service developers to get the necessary scale for their products. This will drive European employment throughout the digital service and digital manufacturing industry and will enhance consumer welfare by offering new connectivity, services and products. On top of these new initiatives, Europe can expand growth to other areas, such as health, transport, education, culture, energy and entertainment.

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ETNO's 37 member companies and 12 observers from Europe and beyond represent a significant part of total ICT activity in Europe. They account for an aggregate annual turnover of more than €600 billion and employ more than 1.6 million people. ETNO companies are the main drivers of broadband and are committed to its continual growth in Europe.

