

Statement of Europe's CEOs on finalising the Electronic Communications Code

As CEOs and Presidents of Europe's leading telecommunication companies, we have been vocal supporters of the ambitions outlined in the Digital Single Market (DSM) Strategy. Europe needs an environment that supports innovation, benefits consumers and enables increased investment in a competitive global economy. An indispensable enabler underpinning this ambition is the once-in-a-decade review of Europe's telecoms laws, enshrined in the Electronic Communications Code (the Code). We write today to express our deep concern as to the status of the political negotiations among the European Institutions.

According to the original political and regulatory plans, the Code should be aimed at *"incentivising investment in high speed broadband networks and achieving a consistent single market approach to spectrum policy and management"*¹. Success will be measured on whether we will collectively deliver increased levels of fibre roll-out and 5G to the benefit of European citizens and businesses.

The telecoms companies signing this document have currently boosted their investment effort to €29.2bn/year in EU28² and we are the continental leaders in network roll-out and service innovation. However, if Europe is to match global competition and deliver on the Gigabit Society objectives, policy and regulatory conditions need to provide markets with ambitious pro-investment rules and increased certainty, moving away from interventionist regulatory dynamics.

Today, unfortunately, there are no signals that the Code will deliver on its original ambition and support the investments required. On the contrary, there has been little progress on vital measures to facilitate 5G roll-out with stronger spectrum governance and longer license duration. The Code also falls short of supporting successful fibre investment models, which require strong incentives for co-investment and commercial agreements alike. Similarly, the Code fails to provide more space for innovation and consistent standards of consumer protection for equivalent services. What is more, analysts and investors are worried about additional ex-ante regulatory constraints in the field of so-called oligopolies and price regulation, while the European Commission originally proposed more regulatory certainty and better investment conditions.

We therefore call on the European Institutions to urgently address the shortcomings of the current debate by re-injecting the needed ambition into the process. Otherwise, even the existing EU Directives would deliver more predictability and certainty.

¹ COM (2015) 192, A Digital Single Market Strategy for Europe <http://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:52015DC0192&from=EN>

² IDATE-ETNO, Annual Economic Report, 2017, [https://etno.eu/datas/publications/economic-reports/ETNO%20Annual%20Economic%20Report%202017%20\(final%20version%20web\).pdf](https://etno.eu/datas/publications/economic-reports/ETNO%20Annual%20Economic%20Report%202017%20(final%20version%20web).pdf)

The Code should usher European citizens and businesses into the digital future, enabling the European Union to be in lead of the vigorous transformation we will experience in the next 10 years. We believe that European lawmakers should not accept a text falling short of the initial objectives. For this reason, no agreement should be given to any legislative measures delaying digital investment.

We remain keen to continue engaging in the debate and we stand ready to support the European Institutions in restoring the initial spirit of the reform. Europe must not miss this defining opportunity to lead digital transformation and ignite growth.

Signatories:

A1 Telekom Austria Group - Alejandro Plater, CEO
A1 Slovenija d.d. - Dejan Turk, CEO
Altice Portugal - Alexandre Fonseca, CEO
BH Telecom - Mirsad Zaimović, CEO
BT Group - Gavin Patterson, CEO
Cisco - Chuck Robbins, Chairman and CEO
CYTA Cyprus - Michalis Achilleos, CEO
Crnogorski Telekom A.D - Nikola Ljušev, CEO
Deutsche Telekom AG - Tim Höttges, CEO
Ericsson - Börje Ekholm, President and CEO
GO - Nikhil Patil, CEO
Hrvatski Telekom d.d. - Davor Tomašković, CEO
KPN - Maximo Ibarra, Chairman and CEO
Magyar Telekom - Christopher Mattheisen, CEO
Makedonski Telekom A.D. - Andreas Elsner, CEO
Mobiltel EAD - Alexander Dimitrov, CEO
Nokia - Rajeev Suri, President and CEO
Orange - Stéphane Richard, Chairman and CEO
OTE Group - Michael Tsamaz, CEO
Proximus - Dominique Leroy, CEO
Qualcomm Incorporated - Cristiano Amon, President
Slovak Telekom a. s. and T-Mobile Czech Republic a. s. - Milan Vašina, CEO
Swisscom - Urs Schaeppi, CEO
TDC Group - Pernille Erenbjerg, CEO
Telefónica S.A. - José María Álvarez-Pallete, Chairman and CEO
Telekom Albania - Dimitris Blatsios, CEO
Telekom Romania - Miroslav Majoroš, CEO
Telekom Slovenije - Rudolf Skobe, CEO
Telenor Group - Sigve Brekke, President and CEO
Telia Company - Johan Dannelind, President and CEO
TIM - Arnaud de Puyfontaine, Executive Chairman
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T-Mobile Polska S.A. - Andreas Maierhofer, CEO
VIPnet d.o.o. - Jiří Dvorjančanský, CEO
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