



ETNO Chairman Speech at the FT-ETNO 2016

Inclusive investment and Innovation to achieve the Gigabit Society

- Dear Vice-President Ansip, Dear Professor Blanke, ladies and gentlemen
- In the name of ETNO, it is a real pleasure to welcome you to the 7th edition of our Summit
- Over the past years, on this stage, we have witnessed the unravelling of a political and technological debate at the highest level

Gigabit Europe and new Communications Code

- That debate has led to the launch of a new vision for a Gigabit Europe, and to the presentation of concrete legislative proposals – in the form of Europe’s first Electronic Communications Code
- The core of this exercise, as discussed many times at the FT-ETNO, is to reform outdated laws and make sure they reflect new consumer trends, as well as new technological and market challenges
- Today, regulation should be about being oriented to the future, about boosting network investment and about creating more space for innovation
- Users have high expectations, and we need to be able to deliver on them.
- Delivery equals concrete opportunities for job seekers, for entrepreneurs, for big and small businesses or for entire industrial sectors
- Europe has today a common objective: realising 5G, empowering the Internet of Things revolution and delivering the gigabit society
- ETNO’s members are the key players in achieving this objective and we take this responsibility very serious

Will we get there?

- The question is the: will the Commission proposals help us to get there?
- ETNO, its companies and their CEOs have been clear: the vision and the direction are right
- We saw initial positive reactions from many stakeholders: big and small operators, the mobile and the cable industry, many voices in the digital and broadcasting industry
- Initial reports from analysts and investors also pointed to positive signals
- Compared to similar exercises in the past, today the starting point is solid and the hopes are high
- Looking ahead, we believe that **the legislative process needs to address at least two crucial challenges**
- As our CEOs expressed in a joint statement today, we should tackle the issues of **inclusive investment incentives** and of **creating more space for innovation**

Arguing for more inclusion

- Let me take it from the first point: I would like to argue for more inclusion

- Getting a cable to your home or a wireless signal to your handset is a very technical job – and a highly investment-intensive one
- But for citizens, it means much more than just that: it means improving their daily life, empowering their aspirations as students, entrepreneurs, artists... you name it
- The faster and the better the connection, the bigger the aspiration they can achieve
- For this reason, our objective should be to **get ever faster broadband to as many citizens as possible, as ubiquitous as possible – and as early as we can**
- Those who have the slowest speeds today should not be the ones who benefit from the gigabit society the last
- This is why we think that the **new rules should be shaped as to incentivise all investment models and all technologies**
- Individual or collective investment models, they should be both clearly incentivised. The market should be free to decide what's the best model in a specific area
- The same applies to technologies. FTTH, FTTC, G.Fast. All of them, in different ways, will contribute to accelerate Europe's race towards 5G
- If I look to the 5 main European markets, ETNO companies account to 70% of fixed investment. If we add cable companies, we get to 82%. To me, this means that incentivising the investment models behind these strong numbers is a condition for success
- In the end, the range of investment models and technologies that are incentivised is directly proportional to our ability to reach as many citizens and as many territories as possible

Arguing for more innovation

- I would now like to move to the second issue that we believe should be tackled in the legislative process. And here I will be arguing for more innovation
- The key issue here is to recognise that customers, today, have radically changed their habits: they crave for data connectivity, communicate massively via app-based services and want more of the new services
- The Commission drafts recognise these dynamics, and take a first step to address them
- The overarching objective is to create a consistent set of rules
- The reason is that we need to prioritise clarity and trust for consumers and at the same time provide more innovation opportunities for both telecom and tech companies
- We believe that the upcoming legislative process will offer several opportunities to improve rules in this field
- First of all, we think that there is scope for simplification and for relieving innovation from excessive regulatory burdens
- Let's face it: Google, Facebook, Skype, Whatsapp, Uber. All of these amazing services were born in the context of virtually no internet – or net neutrality – regulation, and a courageous entrepreneurial culture
- When it comes to the new Electronic Communications Code or to the upcoming review of the e-Privacy Directive, we think that legislators have a crucial role to play to make sure that Europe creates more space for innovators
- The biggest gain is for consumers: they can get more innovative services, from more players and in the context of more consistency in how they are protected
- Ladies and gentlemen, thank you once again for joining us today. And let our spirits and minds be lifted now and get a view on the broader, global context of our challenges
- I invite Jennifer Blanke, Chief Economist at the World Economic Forum, to take the stage for her Opening Keynote