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ETNO Director General's speech at Net Futures 2016

Driving Growth in the #DigitalSingleMarket

It is a real pleasure to be speaking at Net Futures 2016. This is where innovators, academia, companies and policymakers meet: promoting this kind of exchange is vital, and ETNO is proud to be part of this.

ETNO's history, telcos' history



Let me say a few words on ETNO: I believe that our history reflects the history of an industry with strong roots, but one that is projected at full speed towards the future

[slide 1] The funny object that you see here is a cable in 1992. To be more precise, a copper cable.

Back then, some geeky artist made a tree out of it and hang the flags of the European Telecom Operators that founded ETNO. ***This is our history.***



[slide 2] Now, I have another picture: this is 2016. With ETNO's Chairman and and Ericsson, we are visiting a trial of 5G. And the big number hanging over our heads is a massive 24 Gigabites-per-second speed: ***this is our future.***

What do the first and the second picture have in common?

First things first, ***innovation.*** The innovation that allows companies to experiment and improve. To bring about new technologies and meet new customer needs.

Second thing they have in common, is ***investment.*** As unsexy as it might sound, deploying networks takes a lot of digging, building, hard work.

Let me then expand on 3 important aspects:

1. First, what is the ultimate goal of innovation and investment?
2. Second, what's the role of telecom operators?
3. And, finally, where do we see policymakers in this picture?



A new digital Union

I joined ETNO only recently, and I come from the internet industry. More specifically, domain names.

ETNO made a clear choice in hiring a person with this profile.

Today, our companies, are more and more part of an ecosystem, in which they compete with new players to deliver amazing services.

The vision of our companies is clear: with the efforts to achieve the Internet of Things and 5G, Europe can address many of its challenges.

We can open up new, tangible opportunities. For all citizens.

The benefits ahead of us are huge and unprecedented. In a few years, we will be able to deliver services as diverse as super-broadband, smarter transports or ubiquitous high-quality media.

Based on this technological and service innovations, ***we can build a new digital Union.*** A society in which finding a job, making business or accessing public services is made easier, more efficient. Ultimately, a richer experience.

A society in which transports are smarter, safer and less pollutant. In which driving becomes a radically new experience.

A society in which the media and culture industries have more, better ways to distribute content. And Europeans have more ways to access it.

A society in which manufacturing, white appliances and many other industries are empowered and transformed by digital solutions.

Telcos: our role, our responsibility

As telecom operators, what is then our role? What is our responsibility?

ETNO's task, ambition and focus are clear: we need to build the digital spine of the Continent, and provide new, innovative and exciting communication services.

In the past 7 years, our companies have invested 186 billion euros across Europe.

They plan to do more, they want to do more: Europe needs them to do more. Often we refer to investment gaps with respect to other areas of the world.

They are there, it's clear. But let me tell you that I don't care about that.

The gap I really care about is the one between today's planned investment and Europe's ambitions for tomorrow.

The Boston Consulting Group gave it a go. They looked at the old Digital Agenda targets for broadband availability and took the projected investment for the coming 5 years.

They concluded that we miss roughly 100 billion euros to get there.

Let me ask you an unsettling question: what if we were to review those targets? What if we were to re-calculate this 100 billion gap in light of our broadband ambitions for the IoT and 5G world?

ETNO and its companies are not scared. We are positive. We are confident of our own innovation and investment plan.

Some ETNO companies have already announced commercial trial of 5G for 2018.

At the same time, other companies are also gearing-up to launch. And – as we speak – they also work on open platforms like Fiware, with the objective to deliver smart services.

But we need to do more, collectively, now to make sure Europe is in the lead and taps into the 5G opportunity.

Policymaking: help us smash barriers

But what should be the role of policymaking then?

In our view, it won't be about coming-up with innovative solutions or finding the funds for investing.

That is the job of innovators, engineers, market specialists, business leaders.

As we see it, policymakers have a crucial role in making sure these people don't come across barriers to innovating and investing.

The Digital Single Market Strategy, launched by the Commission earlier last year, has the right focus.

As institutions move to advancing the Strategy, I believe there are 4 main ways in which the Commission can help those who innovate and invest:

1. First, push a digital-rethinking of policymaking.

- ✓ Investment or innovation without real transformation are inefficient.
- ✓ This means that digital needs to become our new way of looking at industrial policy.
- ✓ A first, fundamental step was undertaken this week with the Digital Industrial Leadership Communication.
- ✓ We support that. And we encourage all actors to be ambitious: let's set clear demand-side targets. Why not say all public transport tickets in the EU should be eTickets? That all administrative procedures should be digitised? That all IDs should soon become eIDs?

2. Second, update the telecom laws to the gigantic investment challenge.

- ✓ And do it without leaving any doubt on the fact that Europe aims at dramatically increasing its telecoms investment capacity.
- ✓ We can do this. It requires a telecoms regulatory framework that put users at the core and concentrates on essentials such as the competitiveness of retail markets and infrastructure competition.
- ✓ A regulation that leaves behind any automatic reflex and allows more space for commercial freedom and innovation.
- ✓ Simplicity, rather than complexity, will get us there.

3. Third, let's bring home results on spectrum.

- ✓ Spectrum is the lifeblood of mobile communications. And it will be more and more in a 5G world.

- ✓ Innovation and new services cannot be caught into an institutional deadlock.
- ✓ Let's work together to find an outcome-oriented solution, in which harmonisation happens soon and operators can unleash new mobile services.

4. Finally, I want to see ETNO companies to be able to innovate more and more.

- ✓ A few years ago, somebody said to telcos that they should "innovate or die".
- ✓ I agree, we all need to. But I also think that we need to untie the telcos' hand from excessive regulation.
- ✓ Today, with the upcoming reform of the telecoms framework and of the ePrivacy directive, we have a real, concrete opportunity.
- ✓ In the new competitive scenario, innovation can be reached by scaling back over-regulation and untying the telcos' hand, rather than tying the hand of yet more players.

There is a pot at the end of the rainbow: it's new, more innovative services for European citizens and strong networks to support Europe's competitiveness.

Let's travel this journey together, and get to a new digital Union.