

*Commission's White Paper « How to master Europe's digital infrastructure needs? »
& Enrico Letta's "Much more than a market" Report*

FFTélécoms' position - The future of Europe's digital infrastructures at stake

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As the Commission's consultation on Europe's digital infrastructure needs comes to an end, Fédération Française des Télécoms ("FFTélécoms") reaffirms the urgent need to address the economic and technological challenges faced by electronic communications operators.

Highlighting the crucial role of operators for the competitiveness of the European economy, the green transition, innovation and resilience of the Union, we commend the European institutions' awareness raised by the Commission's White Paper and Enrico Letta's report on the internal market, which outline several relevant action scenarios.

How to secure operators' ability to invest?

The European Commission's White Paper and the Letta report lay out critical issues for the future of electronic communications, both documents offering a comprehensive assessment of Europe's connectivity landscape and advocating for increased support to investment in digital infrastructures.

For telcos, the main challenge is indeed to sustain high network investments in order to adapt to major technological development such as softwarisation and virtualization of network functions, while meeting deployment objectives and modernizing their networks to accommodate an ever-increasing level of traffic, mainly generated today by the exponential growth of video content.

Despite significant past investments, including nearly 114 billion euros in France alone in the last decade, studies conducted for the European Commission indicate that achieving Digital Decade targets may require up to 200 billion euros in additional investment by 2030, which does not seem achievable under current circumstances. Policymakers must therefore adapt regulatory frameworks to encourage investment and innovation. The White Paper and Letta's report are welcomed initiatives in this regard.

Ensuring fairness in the connectivity value chain

The issue of asymmetries – both regulatory and in market power – within the connectivity value chain, and particularly the changing nature of the relationships between electronic communications operators and very large content and applications providers, who alone account for over 50% of traffic¹, emerges as a critical concern.

By the position they have in adjacent markets, the unavoidable nature of their content for end-users and the pressures they can exert on telecom services providers, these large traffic generators have gained real market power and generate network investment costs that they are not incentivized to limit or directly bear.

We therefore welcome the proposal to set up a new resolution mechanisms for disputes between operators and large content providers with an independent arbitrator and within a limited timeframe.

¹ According to Arcep ([Baromètre de l'interconnexion de données en France, juillet 2023](#))

In addition, FFTélécoms also believes that the European Commission should consider extending the principles of net neutrality to all relevant digital services, to foster fairness and innovation along the value chain.

Promoting sustainable digital practices

Committed to achieving the green transition of our economy, FFTélécoms commends the Commission's White Paper for its proactive stance on addressing sustainability challenges facing the digital ecosystem. Despite operators' continuous efforts to invest in the most efficient technologies, the sustained traffic growth driven by a few digital giants that have adopted data-intensive practices, notably based on addictive, "attention economy"-based mechanisms, without incentives for eco-design, strains resources.

We are therefore convinced that achieving sustainability objectives and mitigating the increase in carbon emissions caused by ever-increasing demand for traffic, driving investment from operators to densify networks and the constant need for new equipment, requires greater responsibility and accountability from all digital players, especially large content and application providers. This requires in our view to send in particular an economic signal to those large players in terms of bandwidth usage, complemented by the definition of mandatory standards, as proposed by the Commission.

Navigating between greater harmonization and the need to safeguard efficient regulatory frameworks

FFTélécoms firmly believes that achieving full integration of the single market for electronic communications requires a concerted effort to harmonize regulations and practices across the EU, removing outdated legislation, and ensuring consistency in regulatory frameworks.

In this regard, adopting a more investment-friendly and predictable approach to EU spectrum policy, aligning with best practices – especially regarding licenses duration, would be crucial to incentivize investments. We also consider that a comprehensive reassessment of existing sector-specific rules, for example in the fields of consumer protection or privacy, is essential to harmonized and modernize the regulatory framework.

However, harmonization must not come at the expense of the effectiveness of already proven and well-established regulatory regimes.

In this respect, FFTélécoms has strong concerns on the Commissions' proposals to implement a 'country of origin' principle for certain activities, as well as the introduction of a European wholesale access product to complement or replace the national approach to policy access, potentially adding constraints and undermining the objective pursued.

We call on the European Commission to ensure any update of the regulatory regime does not negatively impact or break workable solutions to incentivize very high-capacity networks roll out, in particular the French symmetric framework for fiber, which has enabled France to be at the forefront in terms of the coverage, affordability and accessibility of fiber in Europe.

About FFTélécoms

Established in 2007, the French Telecoms Federation (Fédération Française des Télécoms, "FFTélécoms") represents the electronic communications operators in France. Its missions are to promote an innovative and responsible industry with respect to society, the environment, people and businesses, to protect the economic interests of the sector and to promote the image of its members and of the profession at national and international level.