



# BLOGPOST



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## Building Next Generation Connectivity for Europe The Future Is Now

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Following a lively couple of weeks in tech policy with headlines full of promise, it is an opportune moment to take stock of where we are in terms of delivering faster and better digital communication services to European users.

In the State of the Union Address by President von der Leyen, the European Commission (EC) put forward an aspirational vision for *Europe's Digital Decade*. Connectivity [featured](#) prominently as one of the strategic long-term priorities of the EU. To back up this vision and to support the ongoing economic recovery efforts, the EC published a [Recommendation on a common Union toolbox to boost fast network connectivity and develop a joint approach to 5G rollout](#).

This is what Europe needs to achieve global digital leadership – clear and timely policy guidance to promote investment in digital communications networks. These political messages show that our policymakers recognise the urgency to upgrade and build new fixed and mobile networks in Europe in order to create a foundation for a European data economy and digital innovation.

Lise Fuhr called for acceleration of digital transformation in her recent [article](#) reaffirming ETNO's commitment to help drive Europe's digital leadership:

*"This is the moment to support the building of widespread 5G and fibre networks across European countries. It is the moment to accelerate digital transformation by funding the uptake of the fastest internet connections, the latest cloud technologies or the smartest online services."*

## From Words to Action

It is now 5 years that the EU Gigabit targets were first launched. However, in many geographies, telecom operators still face significant administrative and regulatory hurdles when investing in network roll-out. This is why ETNO welcomes the EC's initiative to develop a common Union Toolbox based on best practices to reduce cost of deploying very high capacity networks and to ensure investment-friendly spectrum licensing approaches. Forward-looking policy measures to promote investment and reduce cost of deployment, as well as to avoid further negative impacts on the sector's revenues, are urgently needed to meet the current policy targets.

Member States play a key role in the roll-out of fixed and mobile networks and the current conditions and practices for deployment vary greatly between different countries and sometimes even between regions. Administrative matters such as permit granting for network deployment and related works can significantly add to the total cost and cause delays. We have witnessed many good practices both in terms of cost reduction and spectrum assignment, but there are still barriers and factors that slow down roll-out of digital infrastructure across Europe.

ETNO applauds the EC's quick action and ambitious timeline to identify common ways forward and encourages an open dialogue between Member States in this regard.

## Making a Difference, Now

The EC Recommendation names a series of specific areas touching cost reduction of network deployment and spectrum assignment where Member States are urged to develop and agree on best practices.

Early progress with the proposed cost reduction measures in the Toolbox – namely enhancing coordination to streamline permit granting procedures; introducing single information points; and expanding rights of access to physical infrastructure controlled by public bodies – would give a head start to a closely related file: the ongoing review of the Broadband Cost Reduction Directive (BCRD). Both the Toolbox Recommendation and the upcoming BCRD show that national and local rules and procedures need to be lightened and modernised, if European governments truly aim to reach the ambitious Gigabit Society targets and to build a sustainable base for economic recovery.

Establishing EU-wide best practices for timely and investment-friendly access to 5G spectrum is crucial to support operators to meet the demands for connectivity and digitalisation and will ultimately generate the greatest economic and social value. The common deadlines for EU Member States to assign 5G pioneer frequency bands are looming close, yet concerningly only about 27% of these bands have been assigned. Though time is of the essence, spectrum assignment conditions should be well-designed, incentivise network infrastructure roll-out at a reasonable cost, and follow a legally robust procedure. In this sense, we are concerned that the Recommendation supports an individual authorization regime for geographically limited rights of

use as this may lead to potential artificial spectrum scarcity in the market and complicate the technical coordination and management of network deployments using this spectrum. With European leadership in Industry 4.0 in mind, solutions offered by telecom operators combined with a well-functioning secondary market for spectrum (spectrum sharing, leasing, trading) would be a more effective approach. ETNO published a [policy note on licensing of mobile spectrum](#) highlighting key considerations on spectrum assignment and related obligations.

Another crucial aspect to be further discussed is the relationship between environment and new connectivity technologies. First and foremost, 5G and fibre technology should be identified as a critical enabler for pursuing the green goals across different sectors. The enabling potential of digital technologies in reducing the carbon footprint has been recognised by several studies and reports: promoting a widespread adoption is the next logical step from a policy viewpoint. At the same time, ETNO companies are working to aggressively reduce the footprint of their own networks and the sector has put forward clear [views](#) on the EU Green Deal. In this context, ETNO members believe that a balanced approach to reduce the environmental footprint of the tech sector along the whole digital value chain, including consumers, will have the most immediate and impactful results.

### What next?

A common Union toolbox comprising investment-friendly measures to accelerate network roll-out has the potential to significantly improve the conditions for deployment of digital infrastructure and to boost confidence in the European telecoms sector as a whole. While the toolbox is an important first step, further discussions are needed in the coming months to finetune and future-proof the proposed measures in the context of the review of the relevant EU policies – the BCRD, the Radio Spectrum Policy Programme, the 5G Action Plan as well as the Green Deal.

ETNO looks forward to continuing discussions with all stakeholders involved to contribute to building next generation connectivity for Europe!