Connect Europe

The Digital Networks Act and the Connectivity Ecosystem

THE STRENGHTS

5%

The connectivity ecosystem's contribution to Europe's GDP

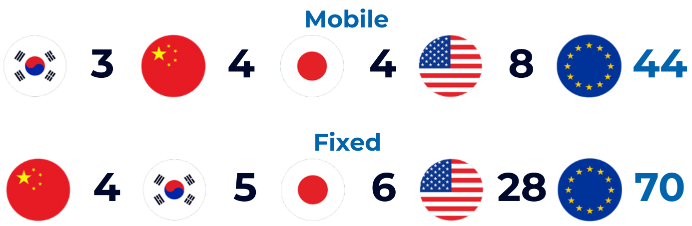
The role of telecoms in building Europe's tech stack

- AI FACTORIES
- DATA CENTRES
- SATELLITE D2D
- FUTURE 6G
- EDGE CLOUD
- 5G
- FTTH
- SUBSEA CABLES

THE WEAKNESSES

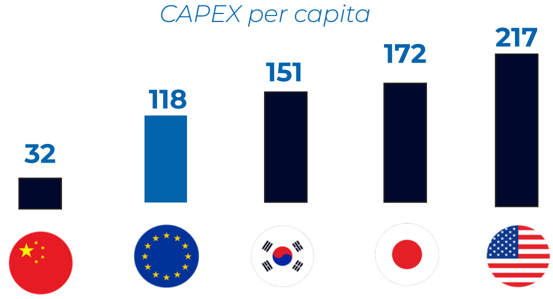
Market Fragmentation

Number of operators per geography with over 500K subscribers



Investment capacity

CAPEX per capita



THE DNA CHALLENGE

STATUS QUO: *34 sets of obligations along the customer journey*

PROSPECT PHASE	CONTRACT DURATION	CUSTOMER CHURN
13 obligations	*11 obligations*	*6 obligations*
SECURITY AND AI (transversal over the journey)		*11 obligations*

CURRENT DNA PROPOSAL: *new obligations identified, which is far from the Commission's stated ambition of a 50% reduction*

CARRIED OVER/ FROM EECC/OIR	NEW IN THE DNA	REMOVED FROM CURRENT FRAMEWORK
17 obligations	*12 obligations*	*3 obligations*
29 obligations in total		

**Sources: Arthur D. Little (2025), Analysys Mason for Connect Europe (2026), Cullen International (2026)*

Connect Europe's 12-point plan to turn the DNA into a competitiveness booster

1. Simplification, harmonization and level playing field

The DNA should cut duplicative rules instead of adding complexity and red tape, while reducing fragmentation, ensuring a genuine level playing field across the digital ecosystem in line with the "same services same rules" principle.

2. Reinforcing Long-Term Spectrum Certainty

Investment requires predictability. Spectrum licences should be indefinite or long-term (40 years), supported by predictable and legally secure automatic renewal frameworks. Market-shaping measures and mandatory sharing must remain justified and proportionate. Early clarity on future bands, including 6G, is critical to anchor ecosystem investment. Spectrum governance must reinforce scale, not introduce uncertainty.

3. Enabling a Market-Driven Transition to Fibre

With over 77% of FTTH coverage, fibre migration is well underway and high uptake has been achieved in many Member States without a regulatory mandate. Switch-off should remain market-driven. Uniform EU timelines disconnected from market realities lack proportionality and risk distorting competition and reducing infrastructure plurality. Policy should prioritise the sharing of best practices, support deployment and demand rather than imposing rigid deadlines that weaken confidence, investment incentives and legal certainty.

4. Replacing legacy access regulation with a future-proof "safety net" access regime

The DNA should make deregulation the default, limit regulatory intervention to genuinely exceptional local bottlenecks, reject one-size-fits-all EU access products, and ensure that any remedies are strictly justified, proportionate, time-bound, and supportive of investment in Gigabit infrastructure.

5. Updating Open Internet Rules for Advanced Networks

Open internet principles must be preserved while adapting the rules to technological evolution. Advanced 5G and cloud-native architectures rely on flexible traffic management, quality differentiation and network slicing, allowing more customised offers and innovative services. Business-to-business connectivity services (B2B) should be excluded from the scope of application to avoid constraining industrial digitalisation. The updated rules should enable innovation and allow consumers to benefit from modern networks.

6. Correcting Imbalances in the Connectivity Value Chain

Persistent asymmetries must be addressed. Large traffic generators that shape network traffic loads should engage in fair negotiations on interconnection and IP data transport under a binding EU framework with effective dispute resolution. Voluntary conciliation approachesare insufficient. In addition, key stakeholders in the internet value chain that impact traffic routing should abide by open internet principles. Leaving unjustified imbalances unresolved jeopardises Europe's ability to meet its connectivity, sustainability and industrial policy objectives.

7. Ensuring Technological Neutrality & Regulatory Parity

Equivalent services must be subject to equivalent rules. ePrivacy Directive, an outdated horizontal sector-specific regulation limiting operators' ability to innovate, fight fraud and protect users, should be repealed to rely on the GDPR equally applicable to all actors. As satellite providers expand into direct-to-device markets, regulatory parity must be ensured while safeguarding terrestrial spectrum certainty. A technologically neutral framework is essential to prevent distortions and protect long-term investment.

8. Refocusing End-User Policy on Proportionality & Coherence

End-user protection must remain strong but proportionate. Horizontal consumer frameworks should prevail over duplicative telecom-specific and national rules, and remaining sector-specific obligations should be fully harmonised. Universal Service should shift toward targeted public instruments to address affordability concerns or any remaining connectivity gaps. Emergency communication obligations must apply consistently across relevant actors. Fraud provisions should be consistent with other EU laws and ensure operators can act swiftly in real time to fight against fraud. Consumer protection and competitiveness must reinforce each other through coherent regulation.

9. Addressing Resilience as Horizontal, Not Sector-Specific Objective

A trustworthy connectivity ecosystem is a shared objective by policymakers and industry. Operators already deliver security and resilience through comprehensive technical, operational and organizational measures. New overlapping and sector-specific mechanisms will add confusion and complexity and are disproportionate. Resilience objectives should be addressed through the existing horizontal frameworks.

10. Ensuring General Authorisation does not create Additional Unjustified Burden

Operators already authorised should be considered compliant with any new system the DNA would introduce for general authorisation/passporting and for spectrum general authorisation. In addition, any new requirement for market entry should not create legal uncertainty for stakeholders by referring to laws that are currently not in force.

11. Simplifying the Framework for Numbering Resources

Non-interpersonal M2M and IoT services should be excluded from consumer-focused obligations and regulatory complexity reduced where numbering is used only for machine connectivity.

12. Advancing Greener Networks without new Red Tape

Sustainability should be driven through modernisation, efficiency and investment incentives, not through overlapping telecom-specific reporting obligations that duplicate existing EU law and run against the EU simplification agenda.