

The FTTH Council Europe's open letter to the Tallinn Digital Summit calling for the promotion of competitive investments in future proof digital infrastructure for a European digital industry and economy

As Heads of States gather to discuss key outstanding issues related to digitalisation in Tallinn, the FTTH Council wishes to highlight three key issues that are indispensable for competitive investments in new fibre based networks such as Fibre to the Home and 5G.

The FTTH Council Europe believes that preserving the definition of Very High Capacity Networks put forward by the Commission is the prerequisite for European citizens and industry to have a globally competitive digital infrastructure. We firmly believe that potentially watering down Europe's digital infrastructure ambitions in the forthcoming co-legislative negotiations would put Europe in the slow lane of digitalisation and becoming a laggard behind its global competitors.

Fibre infrastructure is the only future-proof foundation that enables fixed and wireless Giga-networks (e.g. up to 60% of 5G investments will be in its enabler fibre backhaul infrastructure¹). These networks are the enabler of a plethora of new, innovative technologies and services and are a prerequisite for Europe's global digital competitiveness and sustainability.

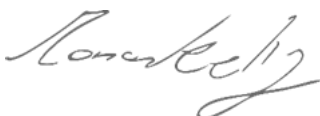
Fibre networks can deploy quickly if appropriate policy and regulatory measures are in place that encourage both new and existing operators to invest in new network infrastructures. Therefore we urge the European **Council to prioritise investment incentives in competitive fibre networks including enabling new investment models such as wholesale-only or co-investment, thereby creating a long-term competitive market structure.** It is important that the distinct characteristics of all investment models are reflected by regulation with the aim of attracting new, competitive investments whilst safeguarding competition in the interest of end-users.

Both investors and end-users need regulatory certainty, which in turn requires clear and stable rules and properly empowered, competent and independent National Regulatory Authorities. The revised Code should ensure that National Regulatory Authorities are adequately empowered to significantly contribute to the achievement of a Gigabit Society and digitalised Industry 4.0 in Europe.

A clear focus on setting ambitious Very High Capacity Connectivity targets and incentivising competition for investment both by established and new network investors can help Europe to achieve the necessary investments and deliver a globally competitive digital economy and society.

I and my team are at your disposal to provide any further inputs that might be necessary in the future.

Yours sincerely,



Ronan Kelly

FTTH Council Europe President

¹ Citi Bank report - 5G The Road to the Next evolution – 1 September 2017