

**- TELEFÓNICA POSITION PAPER -**  
**Response to the European Commission's Call for Evidence on the Digital Networks Act (DNA)- June 2025**

## 1. Introduction.

Telefónica welcomes the European Commission's initiative to launch the Digital Networks Act (DNA) as a cornerstone for reshaping the regulatory framework governing digital infrastructure ecosystem in the EU. We support the Commission's ambition to foster investment, innovation, and competitiveness in the digital infrastructure ecosystem. However, we believe that only a bold and comprehensive reform—one that addresses the structural and economic challenges of the sector—can deliver investment incentives and return on capital to reach the scale and sustainability required to meet Europe's digital decade objectives and lead on 6G and new technologies to come.

The current electronic communications framework, while successful in early stages opening up markets in the liberalization process, has failed longer term in delivering a sustainable competition model based on rewarding the inherent risks associated to massive investments by network operators. Instead, its main focus has been, by means of regulatory intervention, on promoting artificial competition by lowering entry barriers and on reducing prices as much as possible.

As a result, Europe's telecoms sector increasingly trails behind other developed economies in availability of state-of-the art digital infrastructure while facing mounting global competition and massive investment gaps. To address this loss of competitiveness, a fundamental reset of the regulatory framework for the digital communications sector is required. Simplifying the framework, reducing the regulatory burden and prioritising speed and agility should be at the top of the Commission's DNA action plan, and it should be based around the following core principles:

- 1) Competitiveness
- 2) Regulatory simplification

### 3) Fair and balanced relationships on the internet ecosystem

### 3) Harmonisation / Completion of the Digital Single Market

We believe that the future DNA should establish a radically simplified regulatory environment that offers appropriate incentives for investment and innovation and supports the implementation of the EU's strategic vision and objectives. This vision emphasizes the importance of widespread, secure, resilient and advanced connectivity infrastructure, which is crucial and strategic for EU's resilience, security, global competitiveness, digital ambitions and prosperity. To achieve this, a fundamental overhaul of today's framework is necessary, always with the underlying aim of improving long-term investment capacity, resilience, alignment with industrial policy and the sector's ability to meet critical public policy objectives such as secure infrastructure, digital sovereignty, and environmental sustainability. Enabling telecommunication network operators to reach scale is critical to enable sufficient returns on investment that foster the significant investment needed to deliver better outcomes for European consumer welfare, ensure that European telecommunication operators remain independent and financially secure, and ensure that technological challenges can be addressed. We urge EU policy makers to be ambitious in achieving the primary targets of competitiveness, simplification and harmonisation of current EU regulations to the benefit of EU citizens and businesses.

The scope aims and objectives of the DNA should be significantly broader than those currently set out in the European Electronic Communications Code (EECC), leaving behind a framework conceived for XX Century in order to effectively address the structural challenges and obstacles faced by the European connectivity sector to ensure a fairer functioning of the internet value chain.

The DNA should secure all players in the digital connectivity ecosystem can compete fairly through balanced relationships, where players can reach fair agreements for the services they provide supported by rules that treat comparable services equally.

Below, Telefonica presents its considerations regarding the EC's suggested proposals on DNA (EC's proposals in blue).

## 2. Simplification

### The DNA

(i) will aim to reduce existing reporting obligations (up to 50%) and to remove unnecessary regulatory burdens (e.g. requirements for providers of business-to-business services and IoT services) and re-focussing Universal Service obligations on affordability aspects;

Telefónica strongly supports the European Commission's proposed policy options for reducing reporting obligations, emphasizing that these reductions should not necessarily be capped at 50% but should aim for the greatest possible simplification. It is important that this should not be limited to the reporting obligations as such, but to all areas where sector-specific regulation is no longer justified, not proportionate or overlaps with horizontal rules such as consumer protection, privacy or cybersecurity. Simplifying these requirements is essential to fostering a more agile and streamlined regulatory environment, which is critical for encouraging investment and innovation in the digital infrastructure ecosystem.

Telecommunications operators face significant regulatory and administrative burdens that hinder timely and cost-effective network deployment. In this context, the current framing of “simplification” needs to drive real change. Operators need a framework that enables them to focus resources on expanding fibre, 5G, and cloud-based infrastructures rather than navigating fragmented and outdated compliance requirements. The following proposals aim to address these challenges directly and align with the Commission’s objective of fostering a modern, investment-friendly regulatory landscape, as outlined in the 2024 White Paper and the DNA roadmap.

Clear examples of administrative burdens being specific targets for this simplification are cost accounting obligations and centralized coverage reporting. The first is resource-intensive result in high compliance cost and administrative complexity, with limited regulatory value given competitive markets already ensure fair pricing. The later, while fundamental for policy making are often duplicative, inconsistent and burdensome for operators; establishing a single reporting point of contact, and standardizing reporting formats would not only reduce the administrative burden on telecom operators but ensure access to same high quality data and improve transparency and accountability. Another relevant red tape for network deployment lays on permit procedures and sworn certificates: while Gigabit Infrastructure act aimed to address this, fragmented administrative processes and a high degree of discretion from local and regional authorities results in unpredictable timelines that delay infrastructure rollout and increase costs. DNA should establish a harmonised and simplified permitting framework based on the adoption of the sworn declaration as the default method for permit application process.

Additionally, sector-specific regulations often impose identical protections for both individual consumers and Business customers. However, this approach fails to consider the significant differences between these groups. Unlike individual consumers, business customers typically possess greater bargaining power, expertise, and access to resources, allowing them to navigate contracts and negotiations more effectively. Applying the same level of regulatory protection to both groups unnecessarily increase complexity and costs for businesses. Telefonica advocates for a more tailored legislative framework that distinguishes between these distinct groups, ensuring consumer protections remain robust while reducing unnecessary burdens in business contexts that may even strengthen current market asymmetries. In this vein, Telefónica advocates for the elimination of unnecessary regulatory burdens, particularly for business-to-business service providers and IoT service providers, to create a more efficient and competitive market. Any potential new reporting obligations should be aligned and considered within the objective of reducing reporting obligations. Any such obligation should have a net positive value once offset by resulting cost and other burden; implementation should minimize burden to the greatest extent possible.

### **Universal Service Obligation**

Regarding the Universal Service Obligation (USO), Telefónica highlights that the current market landscape—with extensive competition, a wide range of commercial offers, and robust coverage of fixed, mobile, and satellite networks—has significantly evolved compared to 20 years ago. Under these conditions, the USO is no longer justified from the perspectives of either availability or affordability. The diversity of options available today adequately meets consumer needs and aligns with the original objectives of the USO. For the limited number of vulnerable, low-income consumers still affected by affordability issues across the EU, Telefónica proposes public administrations to address this issue through direct subsidies in the form of vouchers. This approach represents a targeted and effective mechanism to addressing this challenge, ensuring equitable access without imposing undue obligations on providers. This method allows consumers freedom to select their preferred operator for redeeming the vouchers. In addition, the European Accessibility Act aims to harmonize accessibility requirements for certain products and services across the EU, in particular access to electronic communication services, in order to remove barriers for people with disabilities, making related USO obligations redundant.

(ii) could entail merging into the DNA various directly related legislative instruments (e.g. EECC, BEREC Regulation, Open Internet Regulation, Radio Spectrum Policy Programme); and

The objective of the DNA should remain regulatory simplification to leave behind an outdated regulation defined in past Century to open up markets in liberalization process, the achievement of fair relations restating balance in the internet value chain for players to be able to reach fair agreements supported by rules providing, for similar services, same level of protection irrespective of the service provider, and to enable innovative services such as those based on 5G and network slicing, and to reduce reporting obligations. Therefore, a unique legislative instrument, the Digital Networks Act, under the form of a Regulation based on these principles, future proof, and to be directly and equally applied across all Member States would be most fit for purpose.

Merging within a single corpus various legislative instruments does not necessarily ensure a better or more effective regulatory instrument nor results per se in a regulatory simplification. In fact, it could even result in a more complex and lengthier legislative process of such “all inclusive” legislative instrument.

We therefore stress that defining a pro-investment framework and regulatory simplification to be the objective and driver of any decision. In this context, it must be carefully assessed whether each legislative instrument should be retained in its current form or requires substantial revision. Only those instruments that clearly benefit from reform should be included in the DNA. Including instruments without any modification would dilute the purpose of the DNA and potentially put the entire initiative at risk.

(iii) could propose a simplified authorisation regime and a reduced and more harmonised set of common conditions, so that operators can more easily operate cross-border, and further coordination and common implementation of other applicable requirements for providers (e.g. security and law enforcement). Further harmonisation potential lies, inter-alia, in end-user protection.

### **End- User protection.**

Telefónica welcomes the proposal to further harmonize rules for end-user protection under the DNA but believes that this harmonization must go hand in hand with a significant simplification of the existing regulatory framework. DNA offers a valuable

opportunity to strike a balance between protecting users and enabling telecommunications operators to continue innovating in a dynamic and competitive market.

In today's competitive market, services should be offered freely, without being constrained by outdated, sector-specific rules. However, in the EU, sector-specific rules impose detailed and prescriptive requirements throughout the lifecycle of service provision: from the initial interaction with consumers, going to the provision of the service to contract termination. Each step is currently regulated.

Micro-regulating the customer journey in a competitive market can have counterproductive effects by limiting companies' ability to innovate, increasing compliance costs, and homogenizing the user experience, thereby reducing incentives for differentiation. Instead of fostering competition and continuous improvement, overly granular regulation can lead to operational rigidity, discourage investment in new digital solutions, and slow down adaptation to evolving consumer preferences. In dynamic environments, a principles-based approach is preferable to ensure user protection without stifling market evolution.

In this vein, we are requesting to remove certain specific consumer rules for telecommunications in the European Electronic Communications Code that are considered inefficient. **This does not mean eliminating all such rules.** For example, number portability and switching rules remain essential for European end-users, so they should be maintained.

The proposal is to apply horizontal consumer rules in contractual matters, ensuring effective protection remains in place. **It is important to note that European horizontal consumer rules are among the most robust consumer legislation globally.** Telefónica questions the need to duplicate protections within sectoral rules. In addition, the upcoming Digital Fairness Act (DFA), expected for third quarter 2026, already aimed at addressing the core challenges of online consumer protection and will further strengthen the existing horizontal framework.

As already indicated, harmonization of rules for end-user protection should also be the aim of DNA: one major barrier of completing the single market is the fact that national legislations have their own consumer protection rules, gold-plating their national approaches on top of existing European framework. Harmonization of end-user protection through the DNA shall prevent “gold plating” national regulatory approaches that hinder the completion of the single market.

In this regard, today's key challenges stem from the impact of online platforms. Online platforms have become ubiquitous, serving as gateways for communication, entertainment, and commerce. However, their growth has not come without consequences. Vulnerable groups, including minors, are disproportionately affected by practices such as targeted advertising, invasive data collection, and exposure to inappropriate content. Hence, consumer protection efforts should focus on these areas in the coming decade.

### **Simplified authorisation regime.**

Telefónica does not see current authorisation regime as a relevant barrier for cross-border operations; instead, a greater degree of regulatory simplification and harmonisation may progressively promote this type of market-driven business models across Europe.

### 3. Spectrum.

The DNA could propose:

- (i) to strengthen the peer review procedure, ensure timely authorisation of spectrum on the basis of an evolving roadmap and set common procedures and conditions for the national authorisation of spectrum

Telefónica welcomes an enhanced peer review process that allows mobile operators to raise concerns -through appeal process- with the national award plan, triggering a notification mechanism from the NRA to the European Commission, similar to the current market analysis process. The aim is to prevent Member States from deviating from award best practices set at EU level. These best practices should include more specific requirements to base award rules in a way that maximises infrastructure investment, scale and consumer benefits.

Regarding timely authorisation of spectrum on the basis of an evolving EU roadmap, we believe that the key intervention at EU level is to allocate sufficient spectrum with harmonised technical conditions that are as technology and service neutral as possible and, most importantly, fit for wireless broadband macro deployments. In our view that is where future bottlenecks are more likely. We see however no need for strict EU level deadlines for the spectrum to be assigned. Member States should be required to allocate spectrum efficiently in key harmonised bands for nationwide

mobile networks, but they should retain flexibility on the timing of assignments based on market demand.

- (ii) longer license duration and easier renewals, and to gear spectrum auction designs towards spectrum efficiency and network deployment as basis for the early introduction of 6G;

The proposal to extend license durations and facilitate easier renewals is aligned with the need for increased investment and planning certainty. Transitioning towards indefinite licences, or at a minimum extending licence terms to 40 years with tacit renewal conditions, would support long-term network planning and deployment.

Additionally, the adoption of auction designs that prioritise spectrum efficiency and incentivise investment, such as cashless auction models, would better align spectrum assignment with the EU's Digital Decade targets and its future updates, and the introduction of 6G.

In particular:

- “Prolongation by Default” should serve as the primary mechanism for allocating spectrum already assigned to mobile network operators. The European Electronic Communications Code has already taken a significant step in the right direction by moving away from auctions as the default allocation method and by reinforcing the framework for spectrum prolongation. It is now essential for the DNA to build on this foundation by explicitly establishing spectrum prolongation as the standard approach. Europe must prioritize investment in infrastructure over costly and inefficient spectrum auctions.
- The DNA should explicitly mandate that Member States must not aim at maximising revenues for the Treasury when setting reserve prices and spectrum fees (including fees for renewed spectrum rights). Current and future fees should be based on the administrative costs of the spectrum reservation and management.
- The DNA should ensure that “Cashless” spectrum assignment processes and reasonable investment commitments are prioritised over cash to the Treasury as means to pay for spectrum usage rights.
- Market shaping measures (e.g. access obligations or set asides for entrants) should be eliminated from the spectrum policy toolbox, with the exception of spectrum caps designed to prevent hoarding by a single operator, as opposed



to trying to impose artificial symmetric holdings or a minimum number of providers. Before imposing any market shaping measures, it is essential to allow the secondary market for spectrum to operate freely as a better way to foster flexibility, promote innovation, and enhance spectrum efficiency.

(iii) flexible authorisation including spectrum sharing (in line with competition law principles) and facilitate request for spectrum harmonisation.

The EC proposal to enable more flexible authorisation models - unlimited license duration, spectrum trading, technological and service neutrality, - could foster innovation by licensees as long as it results in lower barriers to commercially driven flexible use, rather than in obligations on licensees or constraints in the technical harmonisation that hinder the capacity of mobile network operators to efficiently provide services. Other models should be carefully analysed to avoid spectrum value deterioration and hamper future deployments and investment.

Along the same lines, any EC proposal to facilitate requests for spectrum harmonisation should support commercially justified initiatives. There is already a possibility to request a CEPT study through ETSI SRDoc, which may lead to an ECC decision and eventually an EC decision. There may be benefits for providing stakeholders with the possibility to request directly to the EC to start a harmonised allocation process, but it is unclear whether this would improve the harmonisation process and reduce barriers to innovation, or whether it would just add a new layer of bureaucracy, forcing the EC and Member States to make assessments on a potentially large number of requests. It is more relevant in our view to improve the harmonisation, including spectrum sharing, with more rigorous and evidence-based demand and cost benefit analysis, regardless of how it is initiated.

(iv) to reinforce EU sovereignty and solidarity regarding harmonisation of spectrum, and when addressing cross-border interferences from third countries;

We agree with the EC proposal to reinforce the process leading to the technical harmonisation of spectrum. A clear EU roadmap is needed for harmonised spectrum availability, and efforts should focus on the enhanced use of cost-benefit analysis to support EU level decisions.

Conflicts with non-EU countries related to spectrum cross-border interferences are increasing, and in many cases lag for years before being addressed. We propose that they are handled at EU level upon request of the affected Member State. This would

allow the EU to speed up the resolution of interference conflicts by leveraging on bilateral agreements between the EU and neighbouring countries that are wider in scope than just spectrum or telecoms.

(v) to establish a level playing field for satellite constellations used for accessing the EU market.

Supporting EU-driven collaboration on new technologies like satellite Direct-to-Device should be factored into the European Commission's considerations. Integration of diverse connectivity services holds potential to complement terrestrial networks and strengthen resilience. Their successful rollout depends on close collaboration between satellite providers, mobile operators, and device manufacturers.

Ensure fair competition and the optimal use of spectrum resources across services and technologies requires the EU to ensure a level playing field not only between EU and non-EU satellite providers, but also between satellite constellations and terrestrial networks. Current obligations on EU terrestrial providers related to access to emergency services, legal interception or others should not be relaxed or waived subject to new agents participating directly or as intermediaries in the service provisioning. D2D providers should be compliant with these obligations and comply with EU regulatory frameworks.

Finally, quality of service in terrestrial mobile frequencies should be protected from satellite D2D interference through the appropriate technical harmonised framework and fast and effective compliance processes. We acknowledge the need for a centralised approach to those issues.

#### 4. Level Playing Field.

The DNA could include

(i) creating effective cooperation among the actors of the broader connectivity ecosystem giving the empowerment of NRAs/BEREC to facilitate cooperation under certain conditions and in duly justified cases;

Telefónica acknowledges that the European Commission's (EC) proposal represents a step forward in addressing the challenges of the digital ecosystem. However, we deem the measures are insufficient to fully tackle the imbalance in the internet value chain. Telefónica has long advocated for the implementation of a "fair relationship"

principle, where large content and application providers (CAPs) pay for the use of the connectivity networks, i.e. for the IP traffic delivery service provided to them.

One of Telefónica's key concerns is that while the EC proposal stimulates dialogue between CAPs and Electronic Communications Service (ECS) providers, it falls short of guaranteeing a decision on the matter. Telefónica argues that the explosive growth in data traffic, driven largely by CAPs, places a disproportionate financial burden on network operators who must invest heavily in upgrading and expanding infrastructure to meet demand. Without a binding mechanism, operators may struggle to sustain the necessary investments to ensure high-quality connectivity and innovation, while CAPs will remain lacking any incentives to adopt an efficient use of networks.

Additionally, Telefónica believes the EC proposal lacks enforceable measures or a robust framework to resolve disputes effectively. The suggested mechanism, while promising, does not explicitly address the power imbalances between CAPs and ECS providers, nor does it ensure binding agreements that safeguard the interests of network operators. Telefónica emphasizes that without stronger provisions, the negotiation process could remain skewed in favour of CAPs, perpetuating the existing inequities.

In addition, it is worth mentioning the omission in the current consultation and call for evidence of the lack of explicit reference to the need to broaden the scope of the future DNA to include new stakeholders, especially Hyperscalers and large Content and Application Providers (CAPs). As the digital ecosystem evolves, CAPs are largest generators of traffic across telecom networks, and together with Hyperscalers have become central players in the delivery of services, with cloud providers becoming an inseparable part of the telecommunications service. However, the DNA's call for evidence and the consultation fails to expand the scope to these agents and to introduce an updated definition section addressing them. Also, a definition of IP interconnection / IP data transport service is needed. It is imperative that the concept IP data transport /delivery service is included in the DNA legislative proposal, in addition to peering and transit. If it is limited solely to the latter, the mechanism would lack substantial content and be ineffective. Finally, there is still uncertainty on when to impose obligations on IP interconnection under the proposed amended Article 61, making outcomes hard to predict.

Without such provisions, CAPs and Hyperscalers may challenge the applicability of future regulatory measures derived from the DNA, arguing that they fall outside its scope and potentially NRAs considering them out of their jurisdiction.

Furthermore, the lack of inclusion of CAPs and Hyperscalers in the DNA's scope together with obligations to comply, risks weakening the regulatory framework's effectiveness and legitimacy.

In summary, Telefónica sees the EC's initiative as a valuable starting point but insists on further refinements to establish a truly balanced internet value chain. Telefonica calls for strengthening regulatory measures, expanding the current obligations – service access, interoperability, resilience, security or quality - to Hyperscalers as part of the Electronic Communications Service (ECS) value chain and including an obligation for large CAPs to negotiate with ECS providers fair and reasonable prices for interconnection and IP data transport services with the possibility of activating a dispute resolution mechanism in case negotiations fail. Such a mechanism should empower a national competent authority, at the request of either party, to issue a binding decision to resolve disputes between large CAPs and ECS providers. These are essential steps for creating a sustainable and thriving digital ecosystem.

(ii) a clarification of the Open Internet rules concerning innovative services, e.g. by way of interpretative guidance, while fully preserving the Open Internet principles.

We think that Open Internet rules need clarification so as to increase certainty to allow for the development of innovative services and the deployment of technologies such as 5G slicing. This can be done while respecting the core principles of Net Neutrality for the Internet Access Services and end user rights, by issuing a Recommendation with a non-exhaustive list of services that should be considered specialized services.

## 5. Access Regulation.

The EC mentions in its call for evidence that DNA could propose:

- (i) to apply ex-ante regulation (i.e. access conditions at national level) after the assessment of the application of symmetric measures (e.g. Gigabit Infrastructure Act or other forms of already existing symmetric access) only as a safeguard, following a market review based on the existing three criteria test and a geographic market definition, and subject to the review of the Commission, BEREC and other NRAs, with the Commission retaining veto powers;

Telefonica supports the introduction of a new approach leading to concrete and harmonized deregulation where justified, abandoning outdated regulation designed 30 years ago as part of the liberalization process aiming to introduce competitors in the markets. Market liberalization has been fully achieved, with Europe counting with low consumer prices, and in general markets with effective competition.

The General approach should be SMP framework contained in the EECC and the related EC Recommendation on 'Relevant Markets' should be repealed, with markets relying on (i) ex post competition law and (ii) the Gigabit Infrastructure Act (GIA) as the default regulatory regime applicable to telecoms. Still, there might be markets where replicability of fibre networks is very limited or none, and access to passive infrastructure as a solution economically makes no sense. In general terms, to safeguard consumer choice and a competitive market, the availability of active wholesale access (Bitstream) on commercial basis is sufficient. Furthermore, active wholesale access is the mildest remedy as it avoids devaluation of network investment and leaves a major part of the value chain for the network operator. In the case where there is an active wholesale access product available on commercial basis that permits competing at retail level -with owner of access network or other retailers- no need of market intervention would be needed. The element triggering the adoption of ex-ante obligation would be the lack of such active wholesale offer in the majority (90% of households) of the territory allowing operators to offer competitive services in retail markets; in such case, regulation shall impose an obligation on access network operators mandating access to an active wholesale access product at a price that enables to compete in retail markets.

Legacy intrusive price control obligations should be eliminated to foster investments in new networks and services. This type of intrusive remedies are completely contradictory to the goal of promoting best-in-class, reliable and secure digital infrastructures across Europe.

- (ii) to simplify and increase predictability in the access conditions by introducing a pan-EU harmonised access product(s) with pre-defined technical characteristics, which would be a default remedy imposed on operators with significant market power if competition problems were identified.

Telefonica strongly opposes the introduction of an EU-wide harmonised wholesale access product as a default remedy. Such proposal is fully misaligned with the objective of regulatory simplification, and it would not be addressing any market failure in view of the removal of relevant markets and SMP regulation.

Imposing a default remedy without any justification contradicts the principle of evidence-based regulation and risks reintroducing unnecessary complexity into a framework that aims to promote flexibility and simplification. It is contradictory that, in a regulatory framework which increasingly relies on ex post approaches due to the growing prevalence of effective competition and a trend to geographic segmentation in certain national markets, a new distortion would be introduced through supranational regulation.

In addition, it does not create crucially needed investment incentives for operators by tackling hurdles coming from national rules, non-harmonized implementation or constraints to the creation of sustainable national market structures that can enable network operators achieving scale for investment. We believe that this regulated common EU standardised product will not help to significantly address issues on the digital single market.

It would be very challenging to propose a viable definition of such a product, and it is very likely that instead of simplifying the legislative landscape, the introduction of this new product would create additional uncertainties and high implementation costs against a lack of commercial interest. Different levels of fibre rollout and varying VHCN architectures, technologies, prices and technical conditions across the EU will generate enormous complexity when defining the reach and specifications of the pan EU standardized wholesale product. Such an adoption could result in relevant cost for both, the network provider if having to adjust current service to new technical specifications, but also to existing competitors needing to shift to a different wholesale access solution.

Such a pan-European product could lead to imbalances between countries and markets with the risk of distorting competition, as enabling non-EU companies to enter the market with the lowest possible effort and without contributing to the investment burden carried by European ECN providers, putting further pressure on investment returns and therefor disincentivising investment.

(iii) to accelerate copper switch-off by providing a toolbox for fibre coverage and national copper switch-off plans, and by setting an EU-wide copper switch-off date as default, along with a derogation mechanism to protect end-users with no adequate alternatives.

We are convinced that copper switch off should be incentivised, supported, and facilitated, certainly not mandated.

The effective path for an economically sustainable and pro-competitive switch-off of copper lies in the plan of the copper owner and in streamlined procedures by NRAs. These procedures must avoid market distortions and ensure that neither retail nor wholesale customers are adversely affected and should not be burdensome and bureaucratic. It is therefore important that the framework does not undermine the operator to carry out the transition and that they receive strong support from national policy makers and regulators to assist them in their switch-off and migration efforts without distortions of competition. Safeguards should be provided for wholesale customers relaying on copper network to have alternative options to keep providing their services and competing in the market when copper network is switched off to prevent disruption of their business and to avoid eventual abusive behaviours. A minimum notice period of two years should be provided by copper owner ahead of switch off.

We also believe that a fixed deadline will paradoxically, rather stand in the way of reaching the Digital Decade 2030 connectivity target in countries with a lower fibre deployment. One of the important difficulties faced by telecom operators is the need for network construction planning and rollout capacities for fibre. Any binding EU measures mandating copper switch-off by certain dates would likely lead to increased construction prices and potential lack of human resources. Furthermore, a fixed timeline would neither consider the different levels of market maturity for VHCN networks in the different MS nor the capacity of operators to undertake the process in such a short period of time. Hence, we believe a binding date would hamper VHC network rollout and a smooth transition of retail and wholesale customers to the new services than promote it.

## 6. Other

### **6.1 Repeal of the ePrivacy Directive.**

The outdated ePrivacy Directive was adopted in 2002 and last updated in 2009, no longer suits the evolving telecom environment and overlaps with the horizontal regulation, GDPR, creating unnecessary burdens and hindering innovation. This overlap causes regulatory imbalances and inconsistent implementation across Member States, leading to legal uncertainty and weaker anti-fraud efforts as ePrivacy limits telecoms to adopt of antifraud technical measures which GDPR does not .

We call for the repealing the ePrivacy Directive. Core principle of communication confidentiality should be integrated into a unified legal framework that applies equally to all communication providers and technologies. As GDPR is currently under

review, any ePrivacy provisions that are deemed necessary to be maintained could be integrated in it if deemed appropriate.

## **6.2 Other regulations to be repealed or simplified**

### ***Roaming***

“Roam Like at Home” has delivered significant value to EU consumers, and has become the standard for retail offers, being this already available as a commercial offer beyond EU/EEA regulated markets, showing how competitive the market is.

At Telefónica, we strongly welcome the report on the Review of the Roaming Market<sup>1</sup> submitted by the Commission to the Council and the Parliament, in which it considers the current regulatory framework fit for purpose and does not propose any changes.

The roaming retail market effectively ensures the application of domestic tariffs and quality of service, reinforcing the Single Market. At the wholesale level, the market functions efficiently and competitively, with hundreds of dynamic roaming agreements between operators across Europe featuring varied pricing schemes—such as volume discounts and commitments—that result in average rates below the regulatory caps. This is clear evidence of healthy market dynamics. Moreover, competition has led to the development of sustainable wholesale options that support retail offerings. Importantly, “roam like at home” (RLAH) conditions are now being extended voluntarily by operators, including Telefónica in the UK, even beyond the EU/EEA, demonstrating that RLAH has evolved into a market-driven reality rather than one sustained solely by regulation.

Considering the market is well functioning and given that a review of the sectoral regulation is currently underway, this is the right moment to go beyond Commission initial recommendation to the Council and the Parliament and abolish access obligations, particularly those related to price control, and more specifically, cost-oriented price regulation.

EC should shift the focus and abandon cost orientation (LRIC+) price-regulated mobile network access, towards policies that create incentives for more investment and more competition between secure and sovereign infrastructures. Requirements setting wholesale rates of the Roaming Regulation have to be repealed. Further

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<sup>1</sup> <https://ec.europa.eu/newsroom/dae/redirection/document/117645>



decreases of regulated wholesale price-caps are completely unjustified, further disincentivizing investment; they should be avoided entirely.

### ***Termination rates***

Similarly, there is no ground anymore for new rounds of regulation of wholesale termination rates. The aim of achieving a European single termination rate for voice calls by defining harmonised termination rates, and for international roaming, has been achieved. The current wholesale prices (MTR) have delivered their objectives: harmonization and improvement of the retail markets by ensuring abundance/unlimited offers in every Member State. Any further reduction of wholesale termination rates reduces revenues and lowers the ability of telcos to invest, without any impact on the retail market for consumers. Regulation of European roaming termination rates is neither necessary nor longer justified.

Therefore, regulation of termination rates should be repealed, abandoning cost orientated price-regulated mobile network access, in favour of policies that create incentives for more investment and more competition between secure and sovereign infrastructures. Moreover, consistent with the position outlined regarding wholesale roaming price caps, there should be no further reductions in termination rates.

### ***Intra-EU call market***

Intra-EU call market is competitive. In the past three years, prices for mobile intra-EU calls have consistently declined by 12-15%. Citizens, including most vulnerable citizens, and businesses benefit from a variety of offers by telecom operators, including different call tariff options and bundles, and have free access to different OTT apps to communicate across borders at zero cost.

Retail price regulation should not be necessary in a market where consumers have and demonstrably make meaningful choices about how to pay for intra-EU voice.

The abolition of per-minute surcharges in intra EU calls makes European telcos less investment attractive, and that reduces the ability of operators to pursue stronger growth initiatives in the digital sector, reducing our sector's capacity to invest in high-speed networks to achieve our 2030 Digital Decade targets hampering EU competitiveness.

EU should derogate current regulation on Intra-EU calls setting retail prices obligations and let the already competitive EU market function without undue intervention.

### **Regulation on security and cybersecurity.**

One of the objectives of the DNA is to strengthen the EU's security and resilience. The telecom sector already has a high level of security maturity, supported by a long-standing regulatory framework, recently updated through the NIS2 Directive. However, multiple overlapping security obligations – such as those from NIS2, DORA, the CRA, and national requirements – create legal uncertainty and regulatory inconsistency. This complicates investment planning and network deployment, especially for operators active in several EU countries, which seek consistent security policies across markets.

The call for evidence suggests that the DNA could promote greater coordination and harmonised implementation of security requirements, possibly through a revised authorisation regime. It is worth noting that the upcoming review of the Cybersecurity Act is already expected to streamline the EU's cybersecurity framework and reduce duplication in risk management and reporting obligations. A unified and coherent approach to regulating security in electronic communications is essential; setting of obligations should be accompanied, in close cooperation with the sector, with through full impact assessment of the scope, timeframe and economic cost and funding approach of measures to be adopted, analysing its effect on innovation, service quality, operational activity, supply chain continuity.

Telefonica remains fully committed to investing in connectivity and digital infrastructure to support and enhance EU sovereignty, resilience and defence capabilities.