

(English version)

Question for written answer E-000362/25
to the Commission
Eero Heinäluoma (S&D)
(27 January 2025)

Subject: Preserving competition in the telecommunications sector to enable consumer choice and affordable prices

EU and Member State regulation and competition policy in the telecommunications sector has enabled a plurality of players to operate in the market, contributing to relatively low consumer prices and encouraging innovation, for example in Finland. This has benefited consumers and small businesses.

The significant market power (SMP) obligations imposed by national regulatory authorities on major telecommunications operators, for example in Finland, have proven an effective solution for ensuring a competitive market. The SMP decisions have required larger operators to lease their networks at reasonable prices to smaller operators, bringing more consumer choice, innovation and competitive Internet services to consumers and businesses.

1. How does the Commission plan to encourage new investments in 5G, 6G and high-speed fibre networks while preserving market competition, including market access for small businesses, to enable consumer choice and relatively affordable prices?
2. Does the Commission agree that SMP obligations are important in the telecommunications market and should be preserved?
3. Is the Commission ready to defend the rights of smaller market players and maintain the obligation for major telecommunications companies to lease their networks to other industry players, including in Finland?

Submitted: 27.1.2025

Answer given by Executive Vice-President Virkkunen on behalf of the European Commission
(24 March 2025)

Connectivity is at the heart of our digital ecosystem and key for the competitiveness of the entire European economic area. Closing the innovation gap will require investment in state-of-the-art digital infrastructure, including modern fibre networks, 5G and 6G.

The Commission continues working to improve access to secure, fast and reliable connectivity while safeguarding fair competition. For that, Europe can build on existing initiatives, e.g. for the development of 6G ⁽¹⁾ and actions to scale up innovative technologies ⁽²⁾, as well as on adaptations to its regulatory framework.

In that sense, ensuring a regulatory framework reflecting technological and market developments is a key tool to support sufficient investments in future-proof networks.

Along with the recent Gigabit Infrastructure Act ⁽³⁾ and the upcoming review of the European Electronic Communication Code, the announced Digital Networks Act will provide a modern set of rules for the new connectivity ecosystem, proposing solutions to improve market incentives to invest, reduce burden and compliance costs, and foster an integrated Single market for connectivity.

Competition is developing ⁽⁴⁾ in the electronic communication markets, notably in many densely populated areas, where commercial access to competing networks is often not problematic.

Despite this progress, some barriers may persist also in the future, in particular in rural or more remote areas. Some regulatory intervention in such cases may still be warranted and, national Regulatory Authorities should, in case of clear market failure, be able to intervene.

⁽¹⁾ See the initiatives of the EU Smart Networks and Services Joint Undertaking (SNS JU) <https://smart-networks.europa.eu/>

⁽²⁾ One example is the development of 5G corridors, funded under the CEF Digital programme: <https://digital-strategy.ec.europa.eu/en/policies/cross-border-corridors>

⁽³⁾ See Regulation (EU) 2024/1309 of the European Parliament and of the Council of 29 April 2024 on measures to reduce the cost of deploying gigabit electronic communications networks, amending Regulation (EU) 2015/2120 and repealing Directive 2014/61/EU (Gigabit Infrastructure Act), <https://eur-lex.europa.eu/eli/reg/2024/1309/oj/eng>

⁽⁴⁾ The electronic communication regulatory framework has been broadly successful in lifting barriers to competition and the number of markets that national regulators need to assess *ex-ante* went from 18 to 2 between 2003 and 2020, when the latest Recommendation on Relevant Market was adopted.