

EU Digital Networks Act (DNA)

SAFEGUARDING COMPETITION ACCELERATING COPPER-TO-FIBRE TRANSITION

ANGA welcomes the Commission's proposal for a Digital Networks Act that continues SMP-based ex-ante regulation while advancing the shift from copper to fibre.

Europe's digital strength depends on sustained investment in high-performance networks – not on the size of particular network companies.

Competition and market diversity – including alternative and regional operators – **drive investment, innovation, attractive end-user prices and high service quality.**

Companies should benefit from the **Single Market and grow based on a fair competitive level-playing field.** This keeps the telecom sector attractive for investors.

The experience across the EU shows that scale and consolidation do not automatically translate into higher investment.

The **DNA could become a success story** for Europe's digital competitiveness **if it protects competition, supports long-term investment and accelerates the copper-to-fibre transition.**

Competition drives fibre roll-out

Competition ensures:

- strong investment dynamics through parallel rollouts by multiple players,
- fair end-user prices and high service quality,
- ongoing innovation in networks, products and business models,
- and contrary to some claims: a more resilient and secure infrastructure.

The **fixed telecoms market is still dominated by former incumbents** with even growing market shares in some Member States.

Where competition is weakened, re-monopolisation tendencies emerge, investment incentives fall and fibre rollout slows. The **DNA must therefore preserve and strengthen this competitive investment engine.**

A high-performance **EU-wide Gigabit infrastructure requires strong and sustainable competition.**

Alternative operators – often regionally rooted, mid-sized or municipality owned - are the main drivers of fibre deployment. They invest long-term, innovate continuously and focus on customer needs.

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Preserve SMP-based regulation – adjust rather than overhaul

Against this background, **asymmetric ex-ante regulation based on Significant Market Power (SMP) remains essential.**

The current EECC framework:

- enables targeted intervention where market power persists,
- provides planning certainty and investment security for all market players,
- has built-in mechanisms to deregulate where sustainable competition has developed.

There is no need for radical system change; rather, a **consistent and careful evolution of the existing framework.**

A blanket **shift towards primarily symmetric regulation would ignore market realities** and risks allowing dominant players to transfer their dominant market power from the copper to fibre era. This would **harm alternative investors, overall investment levels and ultimately consumers and other end-users.**

3

Accelerate the copper-to-fibre transition – action needed now

A **rapid migration from DSL copper networks to fibre is crucial.** Operating DSL copper networks in parallel slows fibre investment by:

- weakening fibre business cases,
- enabling strategic delays by dominant operators.

ANGA therefore welcomes the Commission's proposal for an EU-wide, rules-based copper switch-off framework. Two principles are essential though:

- Non-discrimination:** switch-off must also apply where competitors operate high-quality fibre networks.
- Protection of competition and investment:** supply security and investment protection have to go hand in hand

With an EU-wide switch-off date by end-2035:

- the process of copper to fibre migration must begin well before 2030 in Member States,
- national regulators must act now rather than wait for full DNA implementation.

The **concrete and successful transposition from copper to fibre will depend on details that still need to be examined and assessed.** It requires **continuous safeguarding of customer service** and at the same time **investment incentives** for fibre deployment should not be undermined.

Only under these conditions the switch from copper to fibre will succeed on a sustainable and European/nationwide basis.

ANGA The Broadband Association e.V. is Germany's oldest telecommunications association with over 50 years of history. Its roughly 160 member companies supply more than 20 million households with high-speed internet and television. Members include, among others, Vodafone, Tele Columbus (PYUR), Deutsche Glasfaser, EWE TEL, NetCologne, M-net, wilhelm.tel, willy.tel, DNS:NET, as well as numerous local and regional cable and fiber network operators and equipment manufacturers. ANGA's members invest billions of euros in the privately financed gigabit rollout and are leading this development. More on: www.anga.de

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