CEO Statement

Correcting the course to support European Tech Leadership

Brussels, 15 September 2026 – Connectivity networks are the foundation of Europe's technology stack, and today, we still control this critical layer. However, that position is at risk due to incoherent policy reforms, and we now face a clear choice: reinforce connectivity and unlock tech leadership, or risk losing control of the full stack.

Our contribution to European tech leadership

The connectivity ecosystem already contributes 5% of Europe's GDP and telecom operators invest €64 billion annually[i]. Yet Europe still needs €475 billion to achieve world-class networks just in mobile, requiring a step change in investment[ii]. By delivering gigabit connectivity for all, standalone 5G for industry, strategic investments in submarine cables and satellites, and future 6G networks, Europe can empower its companies to expand across the technology stack and regain leadership. Telecom operators are ready to play their part in delivering tech leadership, as follows:

- ***Artificial Intelligence***. Building European AI factories and Gigafactories, deploying open and sovereign AI platforms, expanding access to AI tools for our customers, and meeting the growth of AI-generated data traffic as well as advanced network needs for AI inference[iii].
- ***Sovereign Cloud*.** Creating data capacity and meeting demand for sovereign cloud: from edge cloud integrated in mobile networks to building sovereign data centres and cloud platforms, from federating pan-European cloud to integrated cloud offers.
- ***Defense Tech & Resilience*.** Helping keep Europe safe and contributing to the 1.5% GDP investment target in critical infrastructure, as agreed by NATO's heads of state[iv]. We can provide secure military communications, drone detection, cybersecurity shields, managed security operations, dedicated 5G slices and capabilities as well as satcom services.

We are ready to deliver tangible benefits for Europeans by empowering innovation, strengthening our industrial base and boosting the Continent's sovereign tech capacity in times of geopolitical instability.

Implementing competitiveness reforms

European tech leadership requires Europe to translate its competitiveness agenda into concrete policy reforms. A shift in policy direction is starting to take shape in key areas. On tech sovereignty, the European Commission has taken positive steps with the **Cloud and AI Development Act** as well as with its recent **mobile satellite spectrum** regulation, by making room for European alternatives in both cloud and satellite connectivity as tools to boost competitiveness. We believe the same spirit should be reflected in modernised **merger enforcement**, allowing both in-market and cross-border consolidation to help us invest and innovate at scale.

By contrast, the current proposal for a **Digital Networks Act** (DNA) fails to address Europe's need to materially improve investment and innovation conditions for connectivity. We call on co-legislators to correct the course around five priorities:

- ***Unlock capital for network deployment***. Co-legislators should be in full support of indefinite spectrum licences by default, with a minimum 40-year term in exceptional cases, as proposed by the Commission. In the past 12 years, the European telecoms industry has spent €110 billion on spectrum licenses[v]. Moving away from frequent auctions is one of the most immediate ways to redirect capital towards investments in 5G, fibre and future 6G, which is so essential for competitiveness.
- ***Investment driven by demand, not by command***. While European telcos invest over €30bn per year in FTTH[vi], our Continent will not get more fibre simply by mandating operators to switch off functional copper-fibre networks. This top-down approach would restrict consumer choice, weaken infrastructure competition and disregard different market conditions across Europe. The transition to fibre should be driven by better conditions for its deployment, by consumer choice and by evolving market demand –

not by regulatory command. Consumers should remain free to choose between offers that meet their needs with networks competing not only on speed, but also on quality, reliability and service.

- ***Modernise regulation for innovative networks***: As clearly indicated in the Draghi Report, current ex-ante regulation disincentivises investment and risk-taking. Europe should not carry forward a regulatory model designed decades ago for copper networks into today's increasingly competitive fibre markets. Where markets work, competition should lead – and regulation should remain a safety net. The same spirit must guide net neutrality: Europe can preserve its Open Internet principles while ensuring legal certainty and allowing room to innovate with advanced 5G and 6G networks, including network slicing, quality differentiation and new industrial services.
- ***Make simplification real***. The DNA should deliver on the Commission's promise of "simplicity by design": less regulation and bureaucracy, greater harmonisation and with that, more room for investment and innovation.

Above all, ongoing reforms must be coherent. While the DNA is meant to strengthen telecoms' investment capacity, the **Cybersecurity Act** (CSA) risks draining the sector of the very capital needed for fibre, 5G and 6G. The blanket equipment removal requirements foreseen by the CSA would impose up to €40 billion[vii] in replacement costs on our sector. In addition, a recent study shows additional burdens include operational disruptions as well as negative effects on customers[viii]. We need a proportionate, risk-based approach that takes into account alternative mitigation measures, instead of broad restrictions mandating infrastructure replacement with no regard for investment lifecycles or compensation.

As CEOs of Europe's leading telecom companies, we are ready to play our part in delivering European tech leadership. We believe that the on-going DNA and CSA reforms should be corrected, so they empower the sector to invest more. We call on EU institutions to join us on this journey, as we help Europe keep pace with global competition and technological innovation.

Signatories:
Ana Figueiredo, CEO and Chairman, MEO
Amel Kovačević, General Manager, BH Telecom
Benedicte Schilbred Fasmer, President and CEO, Telenor Group
Boštjan Košak, CEO, Telekom Slovenije, d.d.
Christel Heydemann, CEO, Orange Group
Christoph Aeschlimann, CEO, Swisscom Group
Georgios Metzakis, CEO, Cyta
Joost Farwerck, CEO & Chairman, KPN
Marc Murtra, Chairman & CEO, Telefónica S.A.
Mike Fries, Chairman & CEO, Liberty Global
Pietro Labriola, CEO and General Manager, TIM
Stan Miller, CEO, United Group
Stijn Bijnens, CEO, Proximus Group
Thomas Arnoldner, Deputy CEO, A1 Telekom Austria Group
Timotheus Höttges, CEO, Deutsche Telekom
Tomáš Kouřil, CEO, CETIN a.s.
Topi Manner, CEO, Elisa Corporation

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[i] State of Digital Communications, Connect Europe, 2026
[ii] Mobile investment needs in Europe, Gsma, 2026
[iii] AI Impact on Networks, Cisco, 2026 and Connect Europe, State of Digital Communications, 2026
[iv] The Hague Summit Declaration, NATO, 2025
[v] State of Digital Communications, Connect Europe, 2026
[vi] ibidem
[vii] The cost of removing designated third-country vendors from EU telecoms networks, Gsmai, 2026
[viii] Cybersecurity Act, Impact Assessment, Assembly Research for Connect Europe, 2026