

Body of European Regulators for Electronic Communications (BEREC)

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## **Submission to BEREC: Early Call for Inputs on the BEREC Work Programme 2026**

### **Submitted by: The Telecom Industry Association – Denmark (TI)**

The Telecom Industry Association – Denmark (TI) appreciates the opportunity to comment on the Outline BEREC Work Programme 2026. We welcome BEREC's continued focus on promoting full connectivity as a strategic priority. To achieve the ambitions of Europe's Digital Decade, particularly regarding fibre, gigabit infrastructure, and 5G coverage, it is essential to address the growing investment gap and the structural fragmentation of telecom markets across and within the EU.

These investments are not only critical to market performance, but also essential if the EU is to meet its Digital Decade 2030 targets for widespread very high-capacity networks (VHCN) and 5G coverage, as referenced in the Outline Work Programme 2026.

The European Commission's white paper, *How to master Europe's digital infrastructure needs?*, accurately identifies the challenges facing Europe's connectivity ecosystem and the necessity for a significant increase in investment levels. We share the view that supporting this diverse ecosystem requires a step change in investment levels, enabled by a reform of EU rules and policies. The transition to gigabit infrastructures, 5G, cloud-defined networks, and AI automation necessitates a paradigm shift in Europe's telecom and competition policy to reflect the market and technological realities.

Achieving these objectives will require significant investments and incentives, and we welcome the Commission's efforts to address the challenges facing the EU's connectivity ecosystem. In this regard, we urge Member States as well as the Commission to ensure framework conditions that enhance incentives to invest in digital infrastructure, promote innovation, competition, and quality for end-users. These

framework conditions should be based on market terms and take into account the differences between national markets within the EU.

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Investments in the telecommunications industry are crucial for the development of electronic communications networks and services across the EU. However, the challenge today is that we are operating in a distinctly fragmented telecom and fibre market, characterised by many small players — both across the EU and at national level. This fragmentation, combined with low returns on investment, reduces companies' ability to continue making crucial investments in digital infrastructure. The sector is also under increasing pressure from inflation, higher interest rates, a supplier market affected by geopolitical uncertainty, and the rising costs of new technologies. Fragmented national regulatory frameworks and the absence of a genuine single market further limit the potential for cross-border sustainable market structures and economies of scale. Regulation, however, should only be applied where necessary, justified, and proportionate, in order to preserve incentives to invest in digital infrastructure, digital solutions, and digital products.

In this regard, a restrictive interpretation of merger control rules related to in-market mergers and economies of scale has resulted in a highly fragmented market with small players compared to other parts of the value chain. The key challenge has been the narrow focus on the impact of in-market mergers on consumer prices alone, without ensuring the proper balance of other key parameters such as quality of services and products; innovation; the future level of investments; as well as sustainability and security ambitions.

We believe that in-market economies of scale related to digital infrastructure in the telecommunications market is essential for unlocking economies of scale and generating efficiencies. By operational streamlining, the industry can unlock resources vital for the much-needed investments. As such, sustainable market structures, economies of scale and integration in the telecommunications industry can promote growth, development, and efficiencies across the EU market. In essence, increased in-market economies of scale and integration in the telecom industry should be viewed as a catalyst for growth and development, rather than a deterrent to competition. In this regard, we find that in-market economies of scale is a prerequisite for cross-border economies of scale.

The recent Draghi report on EU competitiveness also emphasises the need for sustainable market structures within the telecommunications sector. Draghi's call for sustainable market structures is rooted in the belief that larger telecom players will have the financial muscle to accelerate investments and improve technological sovereignty.

As BEREK transitions from its 2021–2025 strategy to the forthcoming 2026–2030 strategic framework, we believe this is a pivotal moment to address long-standing investment challenges and market fragmentation in a future-proofed and forward-looking way.

We suggest the BEREC Work Programme 2026 include a dedicated initiative aimed at analysing and promoting enabling conditions for **investment** in digital infrastructure. Central to this is a balanced regulatory and competition policy framework that facilitates **mergers and consolidation**, allowing telecom operators to achieve necessary economies of scale and operational efficiencies.

We propose that BEREC initiate a project to:

- Analyse the role of **sustainable market structures** in enabling full connectivity;
- Consider how merger review criteria can be broadened to include **investment incentives, innovation capacity, security and sustainability**;
- Assess the interplay between national market structures and EU-wide strategic goals, including the **Digital Decade targets**;
- Examine how fragmented regulation can in some cases impede the emergence of a genuine **Digital Single Market**, thereby limiting cross-border and in-market synergies;
- Promote **investment-friendly frameworks** by advising national regulatory authorities (NRAs) and EU institutions on proportional, harmonised and innovation-oriented approaches to telecom regulation.

This work would contribute directly to BEREC's objectives by helping to ensure that EU telecom markets are fit for the challenges of 2030 and beyond. In our view, the development of high-capacity, secure and resilient networks can only be achieved if the sector has both the incentive and the scale to invest.

Best regards

A handwritten signature in black ink, appearing to read 'Jakob Willer', with a stylized, cursive script.

Jakob Willer  
Director