From: (CAB-REYNDERS) @ec.europa.eu
Sent: Wednesday, June 30, 2021 12:28 PM
To: BUSA Lucrezia (CAB-REYNDERS) <Lucrezia.BUSA@ec.europa.eu>; HERRMANN Joachim (CAB-REYNDERS) <Joachim.HERRMANN@ec.europa.eu>
Cc: (CAB-REYNDERS) @ec.europa.eu
Subject: Meeting with Deutsche Telekom- 29/06/21

Dear Lucrezia, Dear Joachim,

In case it is useful, please find below a flash report from yesterday’s interview with

Deutsche Telekom AG started by presenting its activities and the two main fields in which it tries to contribute to the European agenda: i) thriving the digital agenda by investing a lot for sustained growth momentum; ii) green agenda. Deutsche Telekom AG reviewed recently its commitments aiming at becoming climate neutral for scope 1 and 2 by 2025 and to be climate natural for the full value chain by 2040.

1) Transatlantic data flows

The Commissioner explained that the Commission continues working with MS to have a correct implementation of the GDPR and that, if needed, the Commission launches infringement proceedings. On relations with third country, he stressed that the most important data flow is with Japan thanks to the adequacy decision, and that the Commission started a process for an adequacy decision with South Korea and the UK. About the US, continue dialogue is in place, with the Schrems II decision being the most difficult file discussed.

2) Mandatory human rights due diligence

Deutsche Telekom AG fully supports it, however it has some concerns about the way it will be implemented with even elements to criminal liabilities, and obligations that goes beyond tier 1 suppliers.

The current discussion are about what kind of initiative it will be, the Commissioner affirmed it will be an horizontal one, for which he is working with Commissioner Breton in order to include all the different sectors, in an effort of harmonization. Many questions concern the scope, with real attention to SMEs. However, the goal is to take into consideration all companies for guaranteeing a level playing field. In this initiative, there is particular attention to fighting climate change and to protecting of biodiversity, and to human rights issues. The Commission needs to act with flexibility on what kind of liability and regulation for the entire supply chain is needed. What kind of supervision and liability is another point of discussions: the goal is to organize an administrative supervision, not a criminal one, with existing administrative bodies in all MS with a network at EU level. Some elements about civil liability are also under discussions. The Commission hopes to come with a proposal at the end of September/beginning of October.
On the timeline, the Commissioner explained that if the Commission reaches an agreement after summer, there will be an agreement with the EP and the Council at the end of 2022 or beginning of 2023. By the time MS transpose, it will be at least 2025.

3) **Structural challenges for Deutsche Telekom AG investments:** i) Better enforcement of EU rules; ii) Better protection of intra EU investments against arbitrary state intervention; iii) Ensure that the EU Recovery and Resilience Facility is used in a proper way.

The Commissioner reacted saying that the Commission is facing the same problems. The Commission protects the rule of law with different tools such as the 2020 and 2021 Rule of Law Reports. Rule of law is important also for the protection of investments. The Commissioner informed he is working on these matters with Commissioner McGuinness.

Best,

European Commission
Cabinet of Commissioner Didier Reynders – Justice

@iec.europa.eu