

TTIP / Meeting with Telefonica 25.11.2013

Participants:

Telefonica:

[ART. 4.1b]

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DG TRADE:

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Details:

- Telefonica was enquiring about the state of play of the TTIP negotiation to ensure that any input they could still provide might still be useful. In this context, Telefonica explained that they have been working through ETNO (European association of incumbent operators) and its counterpart "US Telecom" to issue a joint position paper. So far, this attempt had failed because of diverging views on cross-border data flow.
- However, Telefonica is considering another attempt to a joint submission. Should this be the case, here are the main components of this potential submission: the cornerstone is that TTIP should lead to regulatory modernisation, notably through:
 - A holistic approach to Digital Economy services. Telefonica came back to the well-known complain that telecom operator are more regulated than internet services providers [**NOT RELEASABLE**], even when providing the same service. TTIP should ensure a level playing field;
 - Access regulation: ETNO – and Telefonica – favour the US approach where there is more flexibility in pricing, which is allegedly conducive to more investment. AT least TTIP should provide for a evaluation of the two respective systems (EU: more regulated access market; US: less regulated access market);
 - Ensuring better and fair access to spectrum;
 - Competition rules should address newer issues deriving from digital economy: i.e. not only the dominance in networks management but also in operating systems (iOS; Android) or software; or the portability of profile from one system to another...
- DG TRADE (IGB) confirmed that although the negotiations had started, we would welcome a joint submission and encouraged Telefonica to also reach out to DG CONNECT. IGB also stressed the sensitivity on data flow and recalled the EU line in this respect.
- Next steps: Telefonica – through ETNO – to reach out to its US counterpart to possibly finalise a joint paper and revert to DG TRADE.

Fabien