

Note of Conference Call between Kim Jorgensen and [REDACTED] Fédération française des télécoms, 10 June 2022.

Participants

[REDACTED] (Bouygues Telecom & [REDACTED] Fédération française des télécoms); [REDACTED] (Bouygues Telecom); [REDACTED] (Bouygues Telecom); [REDACTED] (Fédération française des télécoms); [REDACTED] (Fédération française des télécoms); [REDACTED] (SFR); [REDACTED] (Orange); [REDACTED] (Orange).

Kim Jørgensen, Werner Stengg, Penelope Papandropoulos, Ida-Maria Fallesen (Cabinet of EVP Vestager); [REDACTED] (SG D1)

The meeting was held at the request of [REDACTED], to discuss the issue of the potential contribution of the big tech platforms to the financing of telecom networks.

[REDACTED] explained that the big tech platforms occupied more than 50% of the bandwidth of telecom operators' networks in France, going up to 80% at certain times. Given the network operators' obligations to meet demand on their networks and the requirements of net neutrality, they were not able to determine the level of their investment needs, negotiate on price or differentiate on service levels. In contrast to the infrastructure investments of big tech companies that focused on specific areas (submarine cables or big cities), telecom operators were required to invest in all parts of the network, including the most costly last mile. In addition to the growing overall data volumes, the increasing bitrate requirements of the services provided by big tech platforms had an effect on telecom network costs. There was a need for a common tariff scheme that would incentivise the big tech companies to mitigate the levels of data passing over the networks. Fierce competitive at retail level had kept prices low and stable in France over recent years, despite the massive increase in data volumes and speeds over the period. Reference was made to the advantages that would flow from the additional investment that a big tech contribution could bring, as outlined in the Axon Partners Report. The Federation did not wish to call into question the principle of net neutrality, but its side effects should be taken into account.

Mr Jørgensen explained that while EVP Vestager had indicated that the issues involved were worthy of consideration, no decisions had yet been taken as regards any specific course of action or its timing. It was important to hear both sides of the argument and to gather evidence from all parties in the debate. Civil society representatives had expressed concerns over the potential for double payments and the implications for net neutrality. The upcoming Connectivity Infrastructure Act, emerging from the Commission's review of the Broadband Cost Reduction Directive, did not cover these issues in its impact assessment. Further input from the telecom industry, including projections of how the market would develop over the coming years, would be welcome.