## Joint Statement on preserving net neutrality in the upcoming Digital Networks Act

9 July 2025

As the European Commission prepares an upcoming proposal for a Digital Networks Act (DNA), the undersigned organisations and civil society groups wish to reaffirm their collective concern about the direction of ongoing discussions in the EU telecoms sector.

We are concerned about the continued calls by large telecom companies to introduce, in the DNA proposal, a dispute resolution mechanism for the Internet's interconnection ecosystem. We regret that these proposals, first put forward by some telecom operators in 2022 as part of broader "Fair Share" mechanisms<sup>1</sup>, are still being actively considered in ongoing discussions on the future of the EU telecoms sector. As described by the large telecom operators themselves<sup>2</sup>, the goal of such a mechanism is to implement a so-called "fair share" settlement regime, whereby content and application providers (CAPs) would be required to pay telecom companies mandatory fees for delivering traffic.

We firmly oppose the introduction of such a mechanism in EU law, which risks undermining net neutrality and Open Internet principles. This would have immediate and far-reaching consequences, harming European consumers<sup>3</sup>, businesses, digital rights and the sustainability of the creative and cultural sectors, ultimately risking a fragmented Internet<sup>4</sup> and single market.

Measures introducing interconnection charges would risk driving up costs, limiting choice and open access to information, undermining the affordability, quality, and diversity of digital products and services. If targeting EU operators, these measures would be particularly detrimental to the EU ecosystem. This would ultimately lead to higher subscription prices for consumers and disadvantage European CAPs, undermining investment in content creation and limiting consumer choice. In addition, it would further raise market entry barriers<sup>5</sup> for European SMEs and start-ups<sup>6</sup>, Mobile Virtual Network Operators (MVNOs), and other smaller actors, strengthening the position of a few incumbent telecom operators exploiting their termination monopoly.

<sup>&</sup>lt;sup>1</sup> Connect Europe, Report by Axon, *Europe's Internet Ecosystem: Socio-Economic Benefits of a Fairer Balance Between Tech Giants* and Telecom Operators, May 2022, p. 44.

<sup>&</sup>lt;sup>2</sup> Please see: Telefónica, <u>Telefónica's Contribution to the EU Commission's Exploratory Consultation</u>, May 2023; Connect Europe, Response to the Public Consultation on the European Commission's White Paper "How to Master Europe's Digital Infrastructure Needs?", June 2024; Deutsche Telekom, <u>Deutsche Telekom Position Regarding the European Commission White Paper on the Future</u> of Digital Infrastructure, June 2024.

<sup>&</sup>lt;sup>3</sup> BEUC position paper, <u>Mind the (connectivity) gap: making digital infrastructure work for consumers</u>, June 2024.

<sup>&</sup>lt;sup>4</sup> Internet Architecture Board (IAB), <u>Response to the European Commission's exploratory consultation on "The future of the</u> <u>electronic communications sector and its infrastructure"</u>, June 2023.

<sup>&</sup>lt;sup>5</sup> WIK, <u>Competitive conditions on transit and peering markets</u>, February 2022.

<sup>&</sup>lt;sup>6</sup> Beschwerden über die Telekom wegen langsamen Internets. tagesschau.de.

We recall that these proposals have already received a clear rejection by the vast majority of relevant stakeholders<sup>7</sup> in previous wide-ranging public consultations because of their counterproductive effects for European consumers, digital rights, competition<sup>8</sup>, creative and cultural sectors, innovation and net neutrality.

BEREC, the Body of European Regulators for Electronic Communications, has consistently shown the absence of a market failure that would require such regulatory intervention. According to BEREC<sup>9</sup>, Europe's interconnection market functions smoothly, with balanced bargaining power among transit providers, content delivery networks and internet access operators. There is no evidence of systematic congestion or abuse warranting regulatory intervention. Instead, the introduction of an arbitration mechanism would allow large telecom operators to exploit termination monopolies to force payments from other actors, distorting competition at the expense of smaller operators, including MVNOs, and undermine consumers' rights to use the Internet freely, as guaranteed by EU net neutrality rules<sup>10</sup>.

We consider that Europe leads by example of its fundamental values and principles by promoting an open and competitive market. We therefore call on EU policy makers to reject such a regulatory intervention that could introduce direct or indirect payment obligations on CAPs, whether through a mandatory dispute resolution mechanism, mandated negotiations or any other mechanism effectively introducing network usage fees. There is no evidence of market failure or verified necessity to revive the telephony-era model of network-usage fees, allowing incumbent telecom operators to exploit their termination monopolies.

We recall that, in line with the European Commission's Better Regulation principles, any proposal must adhere to a transparent and inclusive process, be based on available evidence, including past public consultations and BEREC's assessments, and provide a thorough analysis that demonstrates a clear justification for regulatory intervention.

 <sup>&</sup>lt;sup>7</sup> Please see: European Commission, Results of the Exploratory Consultation on the Future of the Electronic Communications Sector and Its Infrastructure, October 2023; BEREC, Annex to Complement Section 4 of the BEREC Response to the European Commission's Exploratory Consultation on the Future of the Electronic Communications Sector and Its Infrastructure (BoR (23) 131d), May 2023; Political Intelligence, Unlocking the Future of Connectivity: An In-Depth Analysis of the Public Consultation on the White Paper, October 2024.

<sup>&</sup>lt;sup>8</sup> Monopolkommission, A contribution from data traffic-intensive over-the-top (OTT) providers to the costs of telecommunications network expansion should be rejected!, May 2023.

<sup>&</sup>lt;sup>9</sup> BEREC, <u>BEREC Report on the IP-IC ecosystem (</u>BoR (24) 177), January 2025.

<sup>&</sup>lt;sup>10</sup> Epicenter.works, Federation of German Consumer Organizations (vzbv) and Stanford Professor Barbara van Schewick, Official complaint with the German Federal Network Agency against Deutsche Telekom for unfair business practices: <u>Netzbremse -</u> <u>Deutsche Telekom is throttling the internet!</u>, February 2025.





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## **Full List of Signatories**

## Organisations:

- ACT | The App Association
- AIIP (Associazione Italiana Internet Providers)
- Airwave Internet
- Alphawave/Premier Broadband
- Aptus Broadband
- Arden Brisknet
- Article 19
- Aspiration Tech
- Association of Commercial TV & VOD Services in Europe (ACT)
- Atlantek/Mayo Fiber
- BBNet
- BEUC (The European Consumer Organisation)
- Blacknight
- Bluebox Broadband
- Broadband 4 Our Community
- Bundesverband Digitalpublisher und Zeitungsverleger e.V. (BDZV)
- BusinessCS
- Celtic Broadband Ltd.
- CENTR
- Chirpy Software SRL
- ClearWave
- Coalition For Creativity (C4C)
- ConwayTV Broadband
- Council for Electronic Communications of the Republic of Slovenia
- Cyfrowa Polska
- Danes je nov dan, Slovenia
- Digitalcourage
- Digital Forge
- Digital Freedom and Rights Association (DFRI), Sweden
- D3 Defesa dos Direitos Digitais
- East Cork Broadband
- EDRi
- Electronic Frontier Foundation (EFF)
- European Magazine Media Association (EMMA)
- European Newspaper Publishers Association (ENPA)
- epicenter.works
- Euroconsumers
- European Broadcasting Union (EBU)
- European Bureau of Library, Information and Documentation Associations
- European Games Developers Federation (EGDF)
- Grifonline SRL
- High Speed Internet
- High5

- IMS Connect
- Institute for Democratic Digitalisation (Xnet)
- I2C Coalition (Internet Infrastructure Coalition)
- Internet Society
- Irish Wireless
- IT Pol, Denmark
- Ivertec
- Jaynet Ltd.
- Kerry Broadband Ltd.
- Level7 internet srl.
- Linkbroadband
- Lodz Cyber Hub
- Motion Picture Association EMEA.
- MTS Internet
- Munster Wireless
- MVFP Medienverband der freien Presse e.V.
- MVNO Europe (Mobile Virtual Network Operators Europe)
- Net1
- Netzkommune GmbH
- Onecontact Ltd.
- OpenBSD.ams
- OpenSME Internet CLG
- Orion Broadband
- PMIT Solutions
- Rapid Broadband
- Real Broadband
- SCC Broadband
- Seznam
- Think Young
- Titania Networks Ltd.
- Total Wireless
- Video Games Europe
- VOD Coalition (EU Video-on-Demand Coalition)
- Warian
- Webworld
- Whizzy Internet
- Wireless Connect Ltd.
- ZPS (Zveza potrošnikov Slovenije)

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