

Response to public consultation on a Path to the Digital Decade

European Wireless Infrastructure Association – EWIA

About us

We are the **European Wireless Infrastructure Association**, the European trade association of wholesale wireless infrastructure providers. Our members invest in and operate wireless infrastructure essential to the delivery of mobile voice, wireless broadband and other wireless networks.

EWIA is a well-established presence in Europe with **ten members operating across sixteen European countries** who develop, acquire and operate communication towers together with investment in the fibre-connected small cell networks in buildings and on city streets needed for 5G. Together, our members have invested and operate over €100bn of wireless infrastructure assets globally and operate a portfolio of over 100,000 assets in Europe, raising the share of independent wireless infrastructure in Europe to 20%.

EWIA advocates policies that **encourage the network infrastructure investment and deployment**: this is necessary to make advanced wireless broadband available everywhere for consumers, businesses, health care, public safety and the countless other sectors that rely on always-on wireless connections. This includes ensuring better and faster connectivity in rural areas.

A Path to the Digital Decade

EWIA welcomes the vision set by the Commission in the Path to the Digital Decade, especially as infrastructure is recognized as one of the four cardinal points. We fully agree with the set target to provide 5G connectivity to everyone and everywhere as this could be one of the key tools that can

help the digital and green transitions and has also a social dimension as connectivity benefits to social inclusion, social equity and increases opportunities for everyone.

The Path to the Digital Decade is a good tool to set quantitative objectives for the digital transition, but it needs to be complemented by specific plans on how to reach such objectives. Therefore, we welcome the monitoring system and Member States strategic roadmaps outlined in the Path for the Digital Decade as well as the mechanism to support the implementation of multi-country projects.

Such vision, however, requires the collaboration of the whole European telecom ecosystem in order to overcome specific challenges which are outlined over the next paragraph.

Major challenges

Ensuring 5G coverage everywhere, starting from the notion itself of '5G everywhere', is a considerable and complex task. This would need to be further specified to understand what that means for both populated urban areas and for less populated rural areas. In addition to this general consideration, we identified challenges under four different areas:

- **Technical:** Europe needs more towers where there are none, and stronger antennas or small cells where there are already towers.
- **Timing:** Europe needs a fast rollout, with wireless connectivity being an enabler of the other dimensions in the Digital Compass.
- **Financial:** Any coverage definition needs investment and long-term certainty. Europe needs capital, in particular EUR 300 billion for fixed and wireless connectivity.
- **Regulatory:** The regulatory framework should foster the long-term industrial investors in front of opportunistic and speculative behaviours that can make the path more difficult.

In addition to these challenges, according to the latest Digital Economy and Society Index (DESI) European countries and companies risk falling behind on the deployment of 5G telecom networks. The EU could fall behind on its own digital targets for 2030, as only 13 countries have so far deployed next-generation 5G networks, and 59 percent of European households had access to high-speed Internet in 2020.

How to make it happen

Earlier this year, we participated in the Task Force led by the Centre for European Policy Studies (CEPS) on the New Industrial Strategy, which among its many subjects considered acceleration in 5G, and emphasized new business models for infrastructure sharing.

The Digital Decade is the opportunity for Europe to catch up with other regions in reaping the benefits of the optimal wireless infrastructure sharing model which is associated with more outsourcing of the wireless infrastructure to independent players. To ensure the development of the infrastructure sharing model means to promote faster and more optimised roll out.

In many regions in the world the level of outsourcing is 40–50% and reaches 90% in the USA. A concrete target in the EU could be to reach or exceed a level of outsourcing of 50% or more, compared to the 2020 level of 20%. Such a target is ambitious but realistic, while still leaving space for coexistence with other models. Reaching such target would bring:

- **Higher efficiency in 5G rollout**, with existing, expanding or in the build wireless infrastructure;
- **Quick and open access**, as the neutral host model is suited for MNOs, but also for innovative operators, IOT and verticals;
- **Long-term investment with industrial commitment** as the business model is based upon economics of sharing and drawing new funds of capital.

This would lead to very significant economic benefits to the EU during the roll out of 5G due to increased sharing; it would facilitate raising the necessary upfront financing to set up the 5G infrastructure; and it would bring additional benefits for the coverage of underserved areas and fostering innovation through a neutral host model accessible to established operators, vertical sectors and innovative wireless networks in a cost efficient, greener and more sustainable way.

Conclusions

Policymakers and industry need to cooperate much more closely to reach the level of ambitions set in the Digital Decade. The independent tower business model is emerging in Europe, and is proven in other parts of the world, and would help making some of the targets reachable, including 5G coverage for everyone. For this, we would need a regulatory framework to foster the long-term industrial

investors to make the path smoother and avoid of short-sighted behaviors that can make the path more difficult.