



THE DIRECTOR GENERAL

Mr Luc Chatel
Chair of the EU Telecommunications Council
Ministry for Industry and Consumer Affairs
139 Rue de Bercy
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FRANCE

20 November 2008

Telecommunications Council, 27 November 2008

Dear Minister,

We are writing to you in view of the forthcoming Council discussions on the telecommunications framework review, universal service and roaming to be held at the Telecommunications Council on 27 November.

The telecommunications sector makes a major contribution to overall productivity and economic growth. The telecoms services market in Europe represents 44% of the total ICT market, with a value of €300 billion in 2007. It is therefore a key factor for competitiveness, job creation and growth of the European economy.

However, the telecoms sector is challenged and under high competitive pressures, in particular in the context of the difficult economic and financial situation globally. We need to create a sustainable model which will maintain Europe's leading position worldwide, especially in telecoms services, which support productivity in other sectors. BUSINESSEUROPE believes that the current debate should focus on the contribution that the telecommunications and ICT sectors make to Europe's competitiveness, both within the Internal Market and globally.

The rules governing the telecoms sector have a direct impact on key investment decisions by operators and manufacturers. Regulators need to facilitate investment, optimise legal certainty for investors and encourage innovation, research and infrastructure competition. This will work most effectively in an Internal Market based on efficient and consistent application of rules, with regulation kept to the minimum necessary for competition in accordance with the principles of subsidiarity and proportionality.

In this context, BUSINESSEUROPE regards the regulatory intervention on roaming prices for mobile communication as inappropriate, particularly in the context of the current financial crisis, as it would not preserve the capital and investment incentives that are urgently needed to develop new and competitive networks and products.

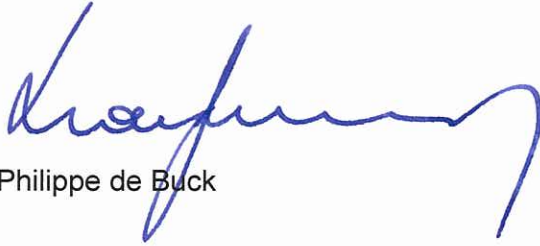
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In addition, it is of paramount importance that the imposition of further obligations on providers, such as in the case of universal service, must be considered only when the market fails to deliver those basic services considered essential for participation in society and already available to the great majority of citizens.

You will find at annex a more detailed assessment of the issues related to the telecoms review, next generation networks, universal service and roaming.

We trust you will take into account our views in this important debate and remain at your full disposal to discuss our comments further.

Yours sincerely,



Philippe de Buck