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EU should focus on boosting competition in telecom sector overhaul

The European Commission has today proposed to adapt EU telecom rules and ensure citizens have high-speed access to the internet and better protection in communication services. The European Consumer Organisation (BEUC) welcomes these measures but is worried that the new rules could lead to less competition between telecom providers.

Because consumers increasingly use apps such as WhatsApp, Skype or Viber to call and to send messages, the Commission proposes that these companies respect some of the consumer rights that providers of traditional phone and messaging services also have to abide by.

Disappointingly, the Commission did not listen to BEUC and many Members of the European Parliament¹ to tackle unjustifiably high prices for consumers when they call another EU country from home.

Monique Goyens, Director General of The European Consumer Organisation (BEUC), commented:

"Consumers increasingly need high-speed internet connections in order to work, shop and interact with each other. We welcome that the EU is proposing ambitious measures to deliver high speed broadband to all its citizens. But moves to boost investments in broadband that are necessary cannot come at the expense of smaller operators. Now more than ever, consumers need operators to compete with one another in the market to deliver innovative services at cheaper prices.

"The Commission's own data show that consumer detriment in the telecom sector is highest². It is welcome that this proposal aims to beef up consumer rights such as rules on switching. The Commission is right not to limit the revamp to traditional telecom companies but also to include popular apps such as WhatsApp and Viber.

"We are disappointed to see that the Commission has disregarded evidence about prohibitive prices for international phone calls. Lower prices and higher demand would be a win-win for consumers and telecom providers. A real single market will not see the light of day as long as consumers continue worrying if the friend they are calling lives in a different country."

ENDS

¹ http://www.beuc.eu/publications/beuc-x-2016-074_mgo_letter_to_mr_ansip_mr_oettinger.pdf

² http://ec.europa.eu/consumers/consumer_evidence/consumer_scoreboards/12_edition/docs/factsheet_consumer_markets_scoreboard_2016_en.pdf