



Franco Bernabè, Chairman, GSMA and Chairman and CEO, Telecom Italia Group
Mobile 360-Europe Opening Keynote
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Ladies and gentlemen, good morning and welcome to the GSMA Mobile 360 Europe conference. I would like to thank all of our speakers and attendees, from industry, from the European Parliament and from the European Commission for joining us here today as we explore our vision of a “Connected Europe” - a vision that is rich in opportunities for industries and citizens alike.

I would also like to take a moment to note that this morning, we kicked off the mHealth Grand Tour cycle ride, which will take riders 2,100 kilometres from Brussels to Barcelona over the next 13 days. The Grand Tour aims to draw attention to the important issue of diabetes and how mobile health solutions can help individuals living with this condition to manage it more effectively. I want to wish good luck to all of the riders participating, and hope they arrive safely in Barcelona, our Mobile World Capital.

Over the past few decades, the success of the mobile industry has been shaped by the enormous growth of voice services. In recent years, we have seen mobile emerge as the most common way for people to connect to the Internet, and to a rich variety of information, services and applications. And now we are looking at a future where nearly everything in our lives will be connected by mobile, including buildings, utility meters, cars, health monitoring devices, and much, much more.

This digital lifestyle will combine connectivity and innovation across a range of industry sectors, enhancing the way individuals across the European Union conduct business and live their daily lives. At the very heart of this connected future is collaboration between adjacent industries and importantly, between industries and policy makers.

A great example of this collaboration, driven by the mobile industry, the automobile industry and policy makers was achieved in June 2013, when the European Commission selected embedded mobile technology for its in-vehicle emergency call service mandate. All new car models sold in the EU member states from 2015 must be fitted with a mobile enabled eCall service. The eCall service connects vehicles to emergency services following a collision, providing critical location and impact information, speeding the arrival of emergency services and saving human lives.

This is just one example. The ubiquitous mobile broadband coverage across the EU opens up a nearly endless range of possibilities, from mobile commerce to mobile health, from mobile education to eGovernment and many others. To deliver these possibilities, we must recognise that different industries have different drivers, different value chains, different regulatory contexts, different investment practices. In simple words, it is essential that we create and foster a common ecosystem, one that is stable, predictable and rewarding for all participants.

As we strive to connect lives, connect cities and connect Europe, we need to develop this ecosystem and establish partnerships between the ecosystem participants that deliver mutually beneficial rewards.

The GSMA created the Mobile 360 series of events, including today’s event here in Brussels, to provide a platform through which senior industry leaders, governments and regulators can engage in a dialogue focused on the opportunities, challenges and issues facing this fast-growing ecosystem. In today’s conference, we are seeking to coalesce around the concrete actions that we must take together to enable and accelerate growth in Europe and re-establish this region as a leader in the mobile communications sector globally.

This is the objective that all of us in the industry want to achieve, but the effort of the industry will never be sufficient if it is not supported by a regulation and public policy aimed at creating an investment friendly climate. As illustrated in the Mobile Economy Europe report, issued this morning, the mobile industry has had a very positive impact in Europe. In 2012, the mobile

ecosystem generated approximately 2.1 per cent of GDP for the EU – including contributions to public funding of €53 billion – and directly supported 394,000 jobs in the region.

However, we have seen Europe falling behind other regions in mobile leadership. The U.S. has opened up a large lead in deployment of next-generation technologies; by the end of 2013, nearly 20 per cent of U.S. connections will be on LTE networks, compared to fewer than two per cent in the EU. Average mobile data connection speeds in the U.S. are now 75 per cent faster than those in Europe and by 2017, they will be more than twice as fast. Mobile investment in the United States has outpaced that in Europe, with capital expenditure in the U.S. growing by 70 per cent since 2007 while declining in the EU and the gap continues to widen.

We need a broad package of measures in Europe that reignites growth and drives investment in this industry that is so important to our future.

Firstly we need a number of public policy strategies that encourage investment in mobile broadband connectivity:

Most important in this regard, is the timely identification and release of spectrum for mobile operators, particularly around the 800 MHz digital dividend. Only nine Member States met the January 1, 2013 deadline. Spectrum is the lifeblood of our industry, so the importance of the timely release cannot be over-emphasised.

It is also essential that we simplify the spectrum management process in Europe, where a range of institutions at the international, EU and national levels are involved. An effective spectrum management policy in Europe requires a streamlined process with clearer responsibilities that will deliver economies of scale and a more responsive policy approach.

The GSMA is today calling for the harmonisation of spectrum regulation across EU Member States, with standard licence terms and a clear presumption in favour of licence renewal.

A further important step to drive investment and growth is the structuring of licence auctions to reflect the long-term economic value of spectrum. Auctions should be fair, transparent and designed for the specific market conditions, with licence payments phased over the term of the licence.

And a final essential step to drive investment would be to enable market-driven consolidation and efficiencies of scale, with streamlined merger reviews and a more cautious approach to the imposition of remedies. Coupled with this, we need to see an end to discrimination in favour of new entrants, allowing market forces to determine the optimum number of players in a Member State.

Secondly, we need to drive innovation in new content and services:

As you will see throughout today's programme, mobile provides opportunities for innovation across many adjacent industries.

Mobile is ideally placed to play a key role in identity. We call on policy makers to acknowledge the central role of mobile in the digital identity landscape, where mobile devices provide a user-friendly identity platform and solution that can drive innovation across the EU. We need to ensure that we facilitate the interoperability of secure electronic transactions and services across borders and across industry sectors, always ensuring transparency and the application of consistent rules for privacy and security.

In health, we are already seeing advances. In order to unlock the full potential of mHealth in Europe, the importance of innovation in healthcare needs to be recognised and some key challenges need to be addressed. mHealth solutions increasingly cross different regulatory frameworks. Clarity with respect to the application of regulations is urgently needed in order to protect user safety, build trust and maximise effectiveness, while encouraging innovation and stimulating new deployment on the market.

And in mobile commerce, we are already seeing the deployment of exciting new services such as NFC and mobile money transfers. This is being driven by open, transparent and non-

discriminatory standards developed by the global ICT industry, providing interoperability and enabling complex ecosystems to evolve. Market forces over time converge on the most compelling solutions and standards will emerge naturally. A regulatory push for standardisation at this stage could stifle innovation. The contradictory implementation of provisions of the Payment Services Directive and the Second Electronic Money Directive by Member States is increasing the complexity of cross-border payments and hindering the development of the single market.

Thirdly, we need to build consumer confidence in mobile services and applications:

Building consumer confidence requires a consistent application of regulation across all services that run on mobile devices.

Personal data should be protected in a consistent way across all technologies, types of infrastructure and business sectors. In particular, regulators should ensure there is consistency and transparency across the entire Internet value chain and ensure that same rules are applied for functionally equivalent services.

The personal data of individuals in the EU should be governed by the consistent application of European data protection and privacy law, even if the service provider's location is in a third country.

And finally mobile operators need to continue to be vigilant in their work to protect and support younger customers, while ensuring the mobile experience for young people is positive and enriching.

Let me briefly conclude on the European Single Market Telecoms Plan. In this respect, I particularly appreciate Commissioner Kroes' leading role in this debate, her strong motivation to establish a single market for mobile and her openness to engage in a meaningful discussion.

The European Commission has rightly recognised that underinvestment in Europe's telecoms infrastructure is holding back the region's growth and competitiveness, impacting all sectors.

The initiative on the single European telecoms market represents a unique opportunity to set Europe back on the path to growth with a policy and regulatory framework for telecoms that can boost investment, enable innovative services and help build consumer confidence.

We look forward to working with the European Parliament, the Member States and the European Commission to improve the Single Market Regulation and give Europe the telecoms policy framework it needs to drive investment and underpin growth in the future.

Connecting Lives, connecting cities, connecting Europe becomes a reality when we connect stakeholders. If we look to the future as a partnership between industries and policy makers, then we will establish the essential ingredient to give Europe a chance to compete in the new digital ecosystem, to boost mobile operator investments, to foster innovation, to embrace adjacent industries, and to create our connected future.

I have no doubt that all of Europe will benefit from a shared long-term vision, coupled with clear, predictable and stable policy directives. This will drive the connected future that we all desire.

Thank you for your attention and I hope you enjoy Mobile 360 Europe.