FEDIL

Position - 27/05/2026

POSITION PAPER ON THE DIGITAL NETWORKS ACT

EXECUTIVE SUMMARY

- **An ambitious EU connectivity overhaul:** FEDIL welcomes the proposed Digital Networks Act (DNA) as a major reform of Europe's telecom framework, replacing the 2018 European Electronic Communications Code and aiming to establish a true Single Market for connectivity. The DNA seeks to boost network investment and innovation, accelerate the deployment of 5G/6G and fibre networks, including satellite connectivity, and strengthen network resilience and security, in line with the EU's 2030 Digital Decade objectives.
- **Support for goals – but preserve competitiveness and clarity:** FEDIL supports the DNA's ambition to modernize EU telecom rulescritical for a small, highly digitalized economy like Luxembourg's, provided it balances ambition with competitiveness and legal certainty. The new framework must be proportionate, predictable, and simple, not add burdens or uncertainty that could undermine investment. Digital autonomy and economic competitiveness can go hand in hand if regulation focuses on enabling rapid network upgrades without imposing undue bureaucracy.
- **Administrative simplification, not new bureaucracy:** Real simplification is a FEDIL priority. The DNA's single "connectivity passport" and consolidation of laws are positive steps to cut red tape. However, adding new processes risks increasing complexity. FEDIL emphasizes the DNA should truly "do more with less", eliminating duplicative reporting, integrating data portals ("report once, use many"), capping new data requests, and reviewing the cost-benefit of new structures after a few years. Regulatory simplification should be continuous and embedded in future digital legislation.
- **Network resilience – strengthen security with proportionate measures:** FEDIL supports an EU wide resilience framework but warns that obligations and sanctions must remain proportionate. Clear scope and scaled obligations are essential. Support mechanisms should complement binding rules to effectively strengthen resilience across all Member States.
- **Single Market authorisation ("passport") – support with safeguards:** FEDIL strongly supports creating a single EU authorisation regime for connectivity services, which promises to simplify cross border operations and lower compliance costs, a significant benefit for Luxembourg's and Europe's digital sector. However, to succeed it must

preserve fair competition and oversight. In this context, the DNA must explicitly uphold the principle of "same service, same rules", ensuring that all providers using the passport fully comply with host country obligations and that the regime does not become a loophole for lower standards. **Regulators must maintain visibility of all operators in their market**, supported by a central EU register and strong home–host cooperation mechanisms, to ensure effective enforcement and avoid regulatory blind spots while enabling growth without undermining national control or consumer protection.

- **Spectrum & numbering – harmonisation without centralisation:** FEDIL supports the DNA's objective of improving predictability and investment conditions in spectrum management, notably through longer term licences (25+ years or indefinite) with clear renewal criteria, which are essential to support 5G/6G deployment. However, FEDIL stresses that **enhanced EU coordination must not translate into centralisation** or de facto veto powers at EU level: spectrum remains a national resource, and Member States must retain final decision making authority to reflect local market conditions and sovereignty considerations. The DNA should therefore promote convergence through guidelines, peer review and cross border coordination under the RSPB, while preserving national competence, particularly for sensitive uses (defence, space) and operational agility.
  Regarding satellites, FEDIL calls for an incremental and predictable approach towards harmonisation, noting that Member States will anyway remain competent on the implementation of license obligations and spectrum management, rather than an EU level authorisation framework: short term or limited duration licences should be strictly confined to experimental or sandbox use cases, while full commercial satellite deployments must benefit from unlimited or clearly defined long term authorisations, supported by clear statutory timelines. In addition, FEDIL stresses that spectrum rights and related authorisations must not be conditioned on compliance with CSA2 supply chain requirements: cybersecurity obligations are already comprehensively addressed under CSA2 and should not be used to indirectly restrict market access under the DNA.
- **Consumer protection – high standards without over engineering:** FEDIL welcomes the fact that the DNA preserves Europe's strong end user protections, including open internet principles, transparency and switching rights. However, the move towards maximum harmonisation under Part VI leaves little room for national flexibility. FEDIL cautions that uniform rules on contract information, transparency and related obligations, while positive in principle, risk increasing compliance costs and displacing effective national solutions. New requirements, such as the 24 month contract cap, detailed renewal procedures and BEREC switching guidelines, should therefore be implemented carefully and proportionately, so as not to overburden smaller providers or reduce consumer choice. FEDIL calls on policymakers to scrutinise any new obligations to ensure they deliver genuine benefits for end users and do not duplicate existing protections under horizontal EU consumer law, while preserving the high standards already enjoyed by consumers in Luxembourg and across the Union.
- **Governance – cooperation over centralisation:** FEDIL supports a governance framework under the DNA that strengthens EU coordination while avoiding over centralisation. National Regulatory Authorities must remain key decision makers, notably on market enforcement and spectrum management, with EU bodies playing a supportive and coordinating role in line with the principle of subsidiarity. The governance model should also limit bureaucracy by preventing

overlapping structures and overly complex procedures. Finally, FEDIL stresses the **importance of structured industry involvement in EU level processes**, including the development of guidelines or key criteria within RSPB/BEREC, as meaningful stakeholder engagement is essential to ensure practical, workable rules and is fully consistent with the EU's Better Regulation principles.

- **Delegated & implementing acts – legal certainty through restraint:** FEDIL considers the extensive reliance on delegated and implementing acts in the DNA to be excessive and calls for a significant reduction of secondary legislation. Fundamental elements, such as spectrum conditions or numbering arrangements, should be defined directly in the Regulation itself, rather than deferred to future Commission acts. Where secondary acts remain necessary, they should be few, strictly technical and clearly delimited, and accompanied by appropriate safeguards, including stakeholder consultation, transparency and clear deadlines. A more disciplined use of delegated and implementing acts is essential to enhance legal certainty, avoid regulatory fragmentation and ensure that the benefits of the DNA can be delivered without delay.

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