

Position paper on the Digital Networks Act



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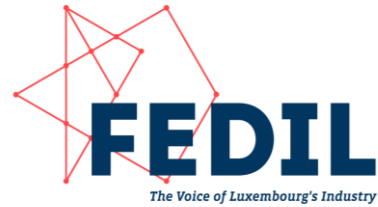
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Executive Summary

- **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 rules critical 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.

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- **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.

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- **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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I. Introduction and general remarks

The European Commission's proposal for a Digital Networks Act (DNA) represents the most ambitious overhaul of the EU telecom framework in decades. FEDIL acknowledges the Commission's objectives to boost investment and innovation in advanced digital infrastructure, knit together a true Single Market for connectivity, accelerate the rollout 5G/6G networks comprising both terrestrial networks (including fiber) and satellite networks, and strengthen network efficiency, resilience and security across the Union. These goals respond to real challenges, Europe's telecom sector remains fragmented into 27 markets, cross-border operations are stifled by divergent rules, and new geopolitical and technological realities demand a more resilient, future-proof connectivity framework, giving due consideration to EU sovereignty and strategy independence.

FEDIL welcomes the ambition to modernize the legal landscape by replacing the 2018 European Electronic Communications Code (EECC) with a directly applicable Regulation, introducing a "Single Passport" authorization, streamlining spectrum management, phasing out legacy copper networks, and aligning rules with Europe's Digital Decade targets. In a context where Luxembourg's and Europe's economies are highly digitalized and deeply integrated, a cutting-edge telecoms framework is fundamental to competitiveness, innovation and strategic autonomy.

At the same time, connectivity regulation must remain fully compatible with Europe's broader competitiveness agenda and the proper functioning of the Single Market. Digital connectivity, strategic autonomy and economic competitiveness are not opposing objectives. They can only be reconciled if the regulatory framework remains proportionate, predictable, technology-neutral and legally certain. Europe cannot accelerate network investment by weakening legal certainty or undermining investment incentives. The DNA should deliver on its promise to simplify and harmonize rules, rather than adding new layers of complexity that might divert resources from deployment and innovation. In short, ambition must be balanced with an equal commitment to competitiveness and clarity: the new framework should enable rapid infrastructure upgrades without imposing undue burdens or uncertainty on the industry.

From an industrial and operational perspective, however, the DNA proposal raises significant concerns regarding proportionality, governance, legal certainty and market impact. These concerns are particularly acute in certain areas where far-reaching mechanisms could have disruptive consequences for operators, competition and long-term investment if not carefully calibrated. Ensuring that national competences and expertise are respected, that administrative processes are truly streamlined, and that core rules are defined in the will be crucial for the DNA to succeed.

This position reflects the concerns and priorities voiced by FEDIL's member companies, notably in the telecom, ICT, manufacturing and infrastructure sectors. Luxembourg's economy is highly digitalized and deeply integrated into cross-border networks. For many FEDIL members operating across borders, reliable and competitive connectivity is not a theoretical nice-to-have but a core requirement for business continuity, long-term investment planning and international competitiveness. In this context, regulatory stability and predictability are as vital as ambition.

Accordingly, this position paper focuses on the cross-cutting issues that will determine the DNA's success, ensuring meaningful administrative simplification, respecting subsidiarity and national expertise in governance, reinforcing legal certainty, and maintaining a level playing field and investment-friendly conditions in the Single Market to help the DNA truly master Europe's digital infrastructure needs without compromising its competitiveness.

II. Key recommendations

1. Administrative burdens: delivering real simplification, not new layers of bureaucracy

The European Commission has rightly placed the reduction of administrative burdens at the heart of the DNA. FEDIL strongly supports this objective.

The current fragmentation, where operators must comply with 27 different authorization regimes and submit duplicative reports to multiple authorities hampers efficiency and discourages investment. The introduction of a single connectivity passport, the consolidation of existing legislation into one regulation, and the removal of outdated provisions from the 2018 EEC are all welcome steps towards a more streamlined regulatory environment.

However, FEDIL cautions that this goal of simplification will only be achieved if the DNA avoids creating new bureaucratic layers.

As it stands, certain provisions risk increasing complexity, rather than reducing it.

For example, the creation of the Office for Digital Networks (ODN), with its broad mandate for data collection, monitoring, and regular reporting, could lead to a proliferation of information requests to operators, without necessarily eliminating existing obligations.

Similarly, the introduction of new formal processes (e.g. ex-ante reviews of national decisions by Brussels, new expert groups, etc.) could lengthen decision-making timeliness and consume more administrative resources, both for authorities and businesses.

FEDIL, therefore, insists that the DNA must become a **true instrument of effective simplification and rationalization**, fully aligned with the broader simplification agenda launched by the European Commission through the Digital Omnibus initiative. This includes ensuring that simplification is not treated as a one-off exercise, but rather as a continuous process embedded in the design of future digital legislation. Simplification measures should be considered more broadly in upcoming initiatives, with the most burdensome requirements identified and addressed at the preparatory stage. The focus must be on ensuring that regulation is clear, coherent, predictable, innovation-friendly and technology-neutral.

To shape a regulatory framework that is effective, proportionate, and supportive of competitiveness:

- **Eliminating redundant reporting obligations:** If a connectivity indicator (e.g. fibre coverage rate) must now be reported to the ODN at EU level, this requirement should formally replace, not duplicate, existing national reporting. **Every new DNA obligation should be accompanied by an assessment of what it eliminates in return.** Article 9(2) extends general authorization to "electronic communication networks used wholly or mainly for providing information society services", vague language that could unintentionally capture private backbone infrastructure across industries without demonstrated market failure. Private networks and Content Delivery Networks (CDNs) are already regulated as critical infrastructure under Europe's cybersecurity framework. Additional telecom regulation would duplicate existing requirements without enhancing security or resilience.

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- **Ensuring interoperability of monitoring tools and platforms:** To avoid forcing operators to navigate multiple portals (national, ODN, BEREC, etc.), the EU should develop integrated systems where data is entered once and shared across regulators under the principle of “**report once, use many**”.
For example, the future European Connectivity Data Portal, managed by the ODN, should become the single reference point for submitting key indicators, accessible to the Commission, BEREC, and national authorities alike.
- **Strictly limiting new data collection:** Any new data request from the ODN or other EU entities should be preceded by consultation with national regulators and stakeholders to ensure that the information is not already available elsewhere and that its collection adds real value.
- **Assessing the cost and resource impact of new structures:** The establishment of the ODN, the RSPB, and new cooperation mechanisms will entail costs, financial and human, for public authorities and, ultimately, for operators (who often fund sectoral regulators through levies).
FEDIL recommends including a review clause in the DNA to evaluate, a few years after entry into force, the actual added value of these new structures and processes. If the expected simplification is not achieved, adjustments should be considered.

The DNA must live up to its promise of “doing more with less”.

The telecom sector operates in an increasingly competitive and capital-intensive environment; every euro spent on paperwork is a euro not spent on innovation or service quality.

FEDIL urges legislators to keep in mind the principle of “less is more”: any new regulatory requirement must demonstrably simplify or optimize the existing framework, otherwise, it has no place in a regulation designed to boost Europe’s digital competitiveness.

2. Network resilience and security (Part II): strengthening preparedness through proportional, clear and supportive measures

FEDIL welcomes the Commission’s proposal to establish a comprehensive EU framework for network resilience and crisis preparedness. Luxembourg’s operators are acutely aware of the strategic importance of resilient digital infrastructure. This resilience also comes from the diversification of communication networks and from taking advantage of the unique capabilities each type of network has to offer. Luxembourg hosts critical financial, cloud, and satellite systems that serve not only the national economy but also the wider European market. Many FEDIL members already implement state-of-the-art resilience measures as part of their standard operations, in line with or exceeding NIS2 requirements.

We therefore support the DNA’s ambition to reinforce infrastructure resilience, security and preparedness. However, we stress that **the framework must be implemented in a way that is proportionate, clearly scoped, and supportive**, especially for smaller markets like Luxembourg.

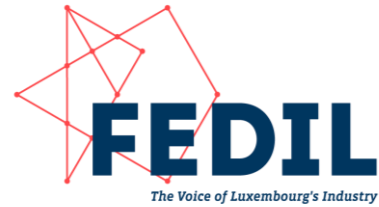
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FEDIL calls for:

- **Review of sanction mechanism:** FEDIL urges that any enforcement regime be grounded in proportionality. We support reasonable obligations and effective oversight, but excessive sanctions will not make networks safer. The current draft's sanctioning approach is seen as overly harsh and potentially counterproductive. It risks punishing operators who are already investing heavily in security, without offering support. For example, proposals for high fines "based on a group's global turnover" (similar to GDPR) would hit Luxembourg's operators, many of which are part of larger groups, disproportionately hard for issues that may be outside local control.
We call for a **review of the sanction mechanism to ensure it focuses on incentivizing improvements before any extreme fines are levied.**
This could include warnings, improvement notices, or peer reviews before any financial penalties are considered. Sanctions, if needed, should consider an operator's good-faith efforts and the reality that even the most advanced networks cannot be 100% risk-free. The DNA should foster a "just culture" in security incident reporting, encouraging transparency, not a punitive culture that might incentivize underreporting or excessive caution.
- **Clarify scope of application:** The DNA must clearly define which entities fall under "digital networks" and "providers" in the resilience chapter. The proposal's broad language risks capturing private networks across Europe's economy despite no identified market failure requiring regulatory intervention. This could affect thousands of European and Luxembourg businesses, banks linking branches, manufacturers coordinating production facilities, logistics companies sharing data, and any operational technology networks within groups, e.g. between parent and subsidiaries, all these operate private networks for internal use which are in no case public connectivity services. These are not traditional telecom providers and are already subject to NIS2 for critical entities and Europe's cybersecurity framework for critical infrastructure. Including these into telecom regulation creates unnecessary administrative burdens that undermine European competitiveness and contradict the DNA's simplification goals. Additional telecom regulation would duplicate existing requirements without enhancing security or resilience. For example, a multinational manufacturer with a private cross-border fibre link should not face telecom fines under the DNA if that link fails, provided they are not offering public telecom services. FEDIL therefore calls on the Commission to ensure that such **private, non-public networks are clearly excluded from the DNA's resilience obligations and sanction regimes.**
- **Support mechanisms alongside obligations:** True resilience comes not just from rules, but from resources and coordination. We encourage the EU to **complement obligations with supportive measures and incentives.**
For instance, establishing an EU Resilience Fund to co-finance network resilience and diversification, security upgrades (especially for smaller operators or in high-risk cross-border infrastructure) would demonstrate that the EU is a partner in resilience, not just a watchdog. The DNA should reflect a spirit of cooperative security: helping industry raise the bar through guidance, capacity-building, and knowledge-sharing, before resorting to enforcement. Luxembourg's experience with public-private cyber response exercises and threat intelligence sharing could serve as a model for the Union-wide Preparedness Plan to be developed by BEREC.

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- **Alignment with existing frameworks:**
FEDIL emphasizes the importance of avoiding duplication and ensuring that new rules complement, rather than overlap with existing frameworks. We are pleased that the DNA aligns its resilience provisions with NIS2 and the Cybersecurity Act. However, we recommend that BEREC's mandate to develop Guidelines on security & resilience do not create any further regulatory overlap atop of the DNA, CSA, NIS2, and the CER Directive given that entities that are regulated under the DNA are already subject to extensive requirements under the cybersecurity related legislative framework. A single, integrated compliance pathway would reduce complexity and ensure coherence across the EU's cybersecurity and resilience landscape.
- **Satellites as part of EU-wide resilience:** The final policy should support **satellite solutions as part of a larger push towards Digital Decade goals**, especially in rural and hard-to-reach areas where satellite-based connectivity can be faster and more efficient.

DNA's resilience chapter must combine ambition with realism. The shared goals of security and crisis preparedness are widely supported. The challenge now is to implement a framework that helps operators raise their protection standards while avoiding the unintended consequences of rigidity or overreach.

3. **Single market authorization and passporting (Part III): ensuring a level playing field and effective oversight**

FEDIL strongly supports the creation of a European single authorization regime for electronic communications networks and services, the so-called "single passport. By replacing the current requirement for operators to notify 27 national authorities with a single EU-wide authorization, this mechanism promises to significantly reduce administrative burdens and facilitate cross-border expansion.

For a small and highly connected market like Luxembourg, which hosts several operators active across borders and relies on a competitive and open telecoms ecosystem, the establishment of a true Single Market for connectivity is particularly beneficial.

However, the success of the connectivity passport hinges on the implementation of two essential safeguards:

- **Ensuring a level playing field:** The passport must not become a regulatory loophole. All operators, regardless of their country of origin, must fully comply with the rules of the Member State where they operate. This includes obligations related to national security, emergency services, lawful interception, and universal service contributions. FEDIL insists that the DNA must clearly state that the passport does not exempt operators from these essential requirements. The principle of "**same services, same rules**" must be upheld to prevent regulatory arbitrage and unfair competition.
- **Maintaining visibility and control:** National regulators must be able to identify and monitor all operators active in their territory, even if those operators are authorized elsewhere. In that sense, FEDIL supports the creation of a centralized EU database, managed by the Office for Digital Networks (ODN) or BEREC, listing all authorized operators and the Member States in which they are active.

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This database should be made accessible in real time not only to all National Regulatory Authorities (NRAs), but also to operators and other relevant stakeholders. The level of transparency currently applicable, where competitors can identify which operators are active in a given market and the services they provide, must be fully preserved under the new regime. Maintaining this visibility is essential to ensure fair competition, informed market participation, and regulatory accountability.

Furthermore, the DNA should establish **robust cooperation mechanisms** between home and host regulators to ensure effective enforcement and rapid response to non-compliance. Without such safeguards, the passport risks creating regulatory blind spots and encouraging “forum shopping”, where operators choose their country of establishment based on perceived regulatory leniency, undermining the integrity of the Single Market.

The connectivity passport is a powerful tool for integration, but it must be accompanied by strong safeguards to ensure fair competition and effective oversight. Implementation should avoid disrupting existing authorized operators (who have already notified under the current EECC regime) and should not introduce additional procedural steps where the current notification system already works efficiently. The added value of the new regime must be clearly demonstrated through reduced compliance costs and faster cross-border market entry, not simply through institutional reorganization. If well implemented, it can unlock growth and innovation across the EU while protecting national interests and consumer rights. If poorly calibrated, it risks creating regulatory loopholes and competitive distortions that must be avoided at all costs. With the right balance of simplification, transparency, and accountability, the European connectivity passport can deliver on its promise to remove unnecessary barriers while maintaining high standards across the Union.

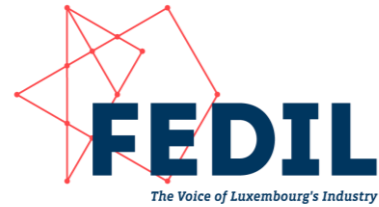
4. Resources (Radio Spectrum & Numbering) (Part IV): harmonization without centralization

The DNA contains some of its most ambitious measures on radio spectrum management, an area of paramount importance for the telecom sector and for national sovereignty. These measures are described by the Commission as critical to creating a predictable, investment-friendly environment for 5G, 6G, and beyond. Yet the Commission acknowledges that spectrum policy touches national sovereignty.

FEDIL finds common ground with the Commission on several points:

- **Longer license durations & predictability:** FEDIL strongly supports the move to longer or indefinite license durations with clear renewal criteria. This aligns perfectly with industry’s requests for stable investment horizons. Luxembourg’s operators have long advocated 25+ year spectrum licenses to justify heavy 5G/6G investments. We therefore welcome the DNA’s approach on this front and agree it will bolster network investment across Europe, striking the right balance between predictability and accountability for efficient use.
- **Spectrum sharing and use:** FEDIL is in favor of the DNA’s push for efficient spectrum use and sharing, but we want to ensure the mechanisms are transparent and accessible to smaller operators.

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Despite the above positives, FEDIL has fundamental concerns with the proposed spectrum governance model that could inadvertently harm competition and national interests:

- **Oversized EU control & spectrum veto rights:** We firmly oppose giving the European Commission (via the RSPB/ODN process) a de facto veto over national spectrum assignments. Radio spectrum is a sovereign national resource, and Member States like Luxembourg have deep expertise in managing it to meet local needs. Our small size and unique cross-border conditions demand fine-tuned spectrum policies (for example, coordinating closely with Belgium, France, and Germany to prevent interference in border regions). The Commission's proposal to centralize strategic decisions raises serious concerns in terms of subsidiarity, legal clarity, and operational efficiency. This is especially important in areas that remain under national competence, such as military, defense and space spectrum or other nationally defined requirements. The DNA should avoid disempowering NRAs or reducing them to mere conduits for EU-level instructions.

FEDIL insists that **final decisions on awarding spectrum** (e.g. whom to license, under what auction design) **must remain with national authorities**, who are directly accountable and knowledgeable about their markets. Their proximity to stakeholders and their ability to provide risk-based, proportionate oversight are essential to ensuring that the DNA remains workable, responsive, and grounded in the realities of diverse national markets.

- **Single EU-level satellite framework to replace national authorizations:** FEDIL believes the ambition to centralize authorization of satellite networks, services and spectrum at EU level risks creating an additional institutional layer atop of the existing national authorization processes and must be approached with caution.
 - While harmonization is a desirable long-term goal as regards specifically the granting of general authorizations (Art. 38), FEDIL stresses that there is a risk that it leads to the most complicated authorization regime based on maximum conditions, rather than a truly simplified and enabling framework, as aspects related to earth station licensing are inherently national by nature (related to national competences over lawful intercept, national security, and site-specific earth station coordination). FEDIL therefore recommends **taking incremental, well-calibrated steps toward harmonization**, based on well-identified essential licensing conditions that already exist within CEPT, which has a geographical scope that is broader than the EU27, leading to a wider harmonised set of conditions across countries.
 - Moreover, the proposed framework risks creating legal uncertainty for satellite operators due to insufficient clarity on the duration and conditions of EU-level authorisations. In particular, the relationship between Articles 24 and 42 should be clarified to ensure consistency. FEDIL recommends that **shorter-duration authorisations be strictly limited to genuinely experimental, pilot or sandbox use cases**, while full-scale commercial satellite deployments benefit from authorisations of unlimited duration or clearly defined long-term duration, as is the case today. This distinction is essential to reflect the very high investment requirements associated with satellite systems and constellations. In addition, the procedure for granting EU authorisations under Article 40 should include a statutory timeframe, in order to avoid undue delays and provide the level of predictability and legal certainty required for long-term investment decisions.

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- FEDIL is also concerned that if the EU moves toward a fully centralized licensing regime for the use of satellite spectrum (Art. 39), the process will anyway involve supervision at national level, making it more complex rather than simpler and ultimately delaying satellite deployment that would harm both operators and European consumers who are currently underconnected. A system where a group of EU-level regulators collectively reviews and approves the granting of satellite spectrum rights of use risks becoming complicated, slow, and less adapted to operational realities. In reality, national authorities will necessarily have to address implementation and enforcement at their level. What appears to be simplification may, in practice, result in an additional layer of decision that does not replace national requirements but rather adds to them, creating a more burdensome framework overall.
- In the view of promoting a resilient, competitive and innovative ecosystem, the final Act's implementing rules should guarantee fair access to spectrum to all players. This means accounting for the particular requirements and constraints of smaller but innovative forward-looking EU players. Spectrum assignment procedures should, therefore, consider proportionate qualification and selection criteria and mechanisms to accommodate and enable SMEs as part of the overall ecosystem.
- In the view of promoting **fair competition**, clear guidelines should be provided for the comparative and competitive phases, including weighting for environmental sustainability, open standards and consumer benefits. Transparent scoring and rationales for selection decisions should be published.
- The final policy should support **satellite solutions as part of a larger push towards Digital Decade goals**, especially in rural and hard-to-reach areas where satellite-based connectivity can be faster and more efficient. Furthermore, the provisions could be complemented with plans to use satellite networks during fiber outages or emergencies, ensuring continuity of service as part of an EU-wide resilience plan that integrates satellite capacity for backup.

FEDIL therefore advocates for a recalibration of this chapter to strike a better balance between European coordination and national autonomy. Specifically, we call for:

- **Strengthening coordination without transferring final decision-making:** We support the goal of greater harmonization in timelines and technical conditions (e.g., aligning 6G bands and ensuring all countries have high-quality spectrum available in time for next-generation networks). But harmonization should focus on outcomes and guidelines, *not* on stripping national agencies of decision-making. The RSPB could issue binding guidelines on best practices (e.g. license durations, minimum coverage obligations), without requiring formal ex-ante approval from the Commission for each national procedure. The existing EECC approach of peer review and exchange of best practices should be strengthened and formalized rather than replaced with top-down control. The RSPB can serve as a platform for coordination and transparency, advising the Commission and national regulators, without becoming a hierarchical approval layer. Luxembourg's ILR must retain authority to design auctions and set conditions that reflect our market's scale. For example, Luxembourg has successfully tailored spectrum fees and coverage obligations to ensure full national coverage and to accommodate a fourth mobile entrant, which might not have happened under a one-size EU auction. If an ex-ante review is retained, it must be strictly time-bound, with short deadlines for objections and tacit approval mechanisms to prevent procedural delays.

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- **No EU-mandated auctions:** We categorically oppose any pilot or permanent mechanism where the EU conducts spectrum auctions or selections on behalf of Member States. The Commission's intention to manage EU-wide selection in case of spectrum scarcity for satellite (per Annex VI of the DNA) should remain an **absolute exception**, confined to global satellite networks where a single EU license makes sense. Even in such case, there should be regulatory solutions, leveraged on technological advances, promoting and ensuring that multiple operators can be authorized, while giving due attention and consideration to smaller innovative EU players. Auctions are not suited to satellite markets, which rely on shared use and high-risk investment cycles. For terrestrial mobile spectrum, a single EU auction or an imposed "EU model" for auctions could sideline smaller national and regional operators and concentrate spectrum in the hands of a few large players – undermining competition and ultimately harming consumers in countries like Luxembourg.
- **Immediate applicability to existing licenses:** The DNA's provisions on license duration and renewal should apply immediately to existing licenses, subject to strict public-interest exceptions and procedural safeguards. Limiting these benefits to future licenses alone would delay the investment stimulus intended by the DNA, thereby undermining the regulation's primary objective.
- **Ensuring continuity of cross-border considerations:** We appreciate the DNA's recognition of cross-border issues, such as interference management in border regions. With Luxembourg's proximity to large neighbors, a stronger framework for cross-border frequency coordination is beneficial. We suggest that RSPB's mandate explicitly include facilitating binding solutions for cross-border interference (e.g. standardized coordination agreements) and promoting joint timing of spectrum releases in neighboring countries. This could help avoid situations where one side of a border is waiting for spectrum while the other has already deployed, which can create coverage gaps along our frontiers. In practice, the ILR's cooperation with counterparts in Belgium, France, and Germany will remain essential and should be supported through the DNA.
- **Preserving national control over critical resources:** The DNA should explicitly reaffirm that spectrum and numbering resources remain under Member State sovereignty, with EU coordination aimed at setting general objectives and promoting best practices, not replacing national authorities in individual decisions.
- Maintain Member State authorization framework for satellite services rather than centralizing at EU level, as aspects related to earth station licensing are inherently national by nature (related to national competences over lawful intercept, national security, and site-specific earth station coordination) in Art. 38 and Art. 39.
- Provide clear statutory timelines for authorization procedures duration to ensure regulatory predictability for operators making long-term investment decisions (Art. 42).
- Provide clarity on the authorization conditions in an Annex of the DNA rather than defining them through future Implementing Acts (Art. 40).

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- **Spectrum sharing and use:** The DNA should ensure the mechanisms are transparent and accessible to smaller operators. Whereas we appreciate the inclusion of “use-it-or-share-it” provisions, conditions must be implemented in a non-discriminatory and practical way. For example, if an SME requests to share spectrum that another operator is underusing, the process for evaluating and granting that request should be clear, quick, and not easily stonewalled. We propose to consider reasonable deployment timelines for new entrants, i.e. an SME that acquires spectrum should be given a fair chance to deploy before being forced to share or give it up. Additionally, any fees or compensation for shared use should be proportionate so that the cost of accessing spectrum through sharing isn’t prohibitive for smaller companies. This will ensure that unused frequencies in a small market can be opened to others (e.g. for local private networks) without undermining license holder rights.
- **Fair spectrum access:** In the view of promoting a resilient, competitive and innovative ecosystem, the final Act’s implementing rules should guarantee fair access to spectrum to all players. This means accounting for the particular requirements and constraints of smaller but innovative forward-looking EU players. Spectrum assignment procedures should, therefore, consider proportionate qualification and selection criteria and mechanisms to accommodate and enable SMEs as part of the overall ecosystem.
- **Fair competition:** Transparent decisions should be published. Furthermore, there should be regulatory solutions, leveraged on technological advances, promoting and ensuring that multiple operators can be authorized, while giving due attention and consideration to smaller innovative EU players.

FEDIL urges policymakers to adjust the DNA’s spectrum chapter to achieve a genuine simplification by “**harmonization without centralization**”. The EU has much to gain from defining common objectives and promoting best practices in spectrum use (e.g. longer license durations, synchronized availability of new bands). However, this convergence must not come at the expense of local agility and accountability. Shared goals require shared tools, not centralized control. We also call to enshrine the 30-year license principle and streamlined renewals in the final law, as this will markedly improve Europe’s 5G/6G investment landscape. With these adjustments, the DNA can deliver a spectrum regime that supports Europe’s connectivity goals while respecting the diversity of its national markets.

- **No additional conditions should be imposed for the granting of authorisations:** In the DNA (Articles 9 and 20), obtaining radio spectrum or a general authorization is explicitly conditioned on complying with ICT supply-chain requirements under the proposed revised Cybersecurity Act (CSA2).
FEDIL opposes this linkage for several reasons.
 - First, it results in an unnecessary **bundling of two distinct regulatory instruments**, the DNA and the CSA2, which pursue different objectives and follow different legislative logics. The DNA focuses on telecom market functioning, authorization and spectrum governance, whereas CSA2 establishes cybersecurity and supply-chain risk-management obligations applicable across sectors. Combining both creates interdependencies that are not required for achieving the intended policy outcomes.

- Second, this linkage introduces a **disproportionate measure**. Operators would face potentially severe consequences, such as restrictions or delays in spectrum assignment, based on compliance requirements that are already addressed comprehensively in CSA2. The DNA already contains its own set of sector-specific obligations and adding cross-references to CSA2 amplifies compliance risks without delivering measurable additional security benefits.
- Third, it is **unnecessary to foresee this safeguard in the DNA**, as CSA2 already provides a robust and horizontally applicable framework ensuring supply-chain security. The obligations foreseen in the CSA2 are enforceable in their own rights and do not require an additional layer of conditionality in the DNA. The duplication of safeguards would only increase administrative burden and create overlaps between sectoral and horizontal compliance regimes.

For these reasons, FEDIL urges the co-legislators to remove the linkage to the CSA2 from the DNA.

5. Transition to fibre, market functioning and competition (Part V):

The DNA's fibre measures must be applied with flexibility and a sense of priority:

- **No unnecessary burdens for advanced markets:** FEDIL stresses that the European framework must acknowledge the progress already made by the most advanced markets and avoid imposing redundant or costly obligations. For example, requiring Luxembourg to produce an additional lengthy report on fibre transition would be counterproductive, given that the national plan is already agreed and being implemented. We ask for simplified reporting for Member States and operators that have already met key thresholds.
We therefore recommend that the DNA include adaptation mechanisms for Member States that have already achieved near-universal fibre coverage, allowing them to be exempted from certain procedural requirements or to accelerate implementation. The final legislation could include “**earned autonomy**” clauses, for instance, exempting markets above a certain coverage from detailed fiber rollout reports, or allowing an earlier recognition of copper switch-off if national stakeholders agree.

FEDIL fully supports the idea that every European consumer should benefit from affordable, reliable gigabit connectivity by the target date. However, we will remain vigilant to ensure that additional procedural burdens remain minimal for highly advanced countries.

6. Combating fraud (Articles 522, 103 and 110): effective, agile and proportionate measures

FEDIL supports the DNA's goal of better protecting end-users against fraud. Effective fraud prevention requires close cooperation among telecom operators, banks, online platforms, device manufacturers, and authorities. However, the DNA's fraud framework (Articles 522, 103, and 110) must remain effective, agile, and proportionate to be operational. FEDIL warns against prescriptive, technology-specific measures, given the ability of fraudsters to adapt quickly.

7. Services (Part VI)

Luxembourg's telecom consumers already enjoy **highly robust protections and competitive service offerings**, with strong national rules ensuring affordable pricing, quality, and choice. FEDIL notes that the DNA's end-user rights provisions broadly **mirror the existing framework**, suggesting that the current consumer protection regime is largely effective. We appreciate that the DNA does not radically overhaul these rights – internet **open access/net neutrality** remains safeguarded, and core consumer guarantees persist.

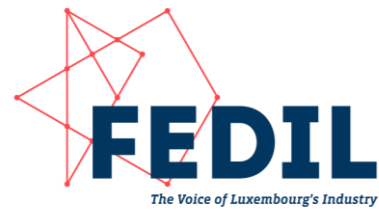
However, the proposal takes **full harmonization** further than the status quo, which raises two key concerns.

- First, the DNA's "one-size-fits-all" harmonization of consumer rights leaves **almost no room for national adaptation**. Articles 95 and 96 of the draft Regulation prescribe uniform contract information and transparency obligations: providers must supply comprehensive pre-contract disclosures (beyond today's Consumer Rights Directive), including an EU-standardized contract summary and even a basic itemized bill by default. They must publish clearly readable general terms, pricing, quality metrics, and dispute resolution processes, and enable easy comparison of different offers across the EU. While such uniform rules can improve clarity and cross-border consistency, they eliminate the flexibility of national authorities to tailor requirements to local conditions or simplify rules that are already working well. Luxembourg's market, for example, already meets high transparency standards and pre-contractual obligations; being forced into a fixed EU mold could increase compliance burdens without adding value. Maximum harmonization in this area may also prevent beneficial local initiatives in consumer protection, by prohibiting any additional or divergent national measures, even if those measures suit local market realities. We urge co-legislators to ensure that the move to full harmonization truly streamlines rules rather than imposing rigid templates on well-functioning national regimes.
- Second, while the new end-user provisions are intended to strengthen consumer rights, they also bring new operational obligations that may be onerous or unnecessary in contexts like Luxembourg. Article 97 fixes a maximum contract duration of 24 months EU-wide (with allowances for shorter terms if a Member State chooses) and introduces stricter procedures for contract renewal and performance-related termination (e.g. tariff advice before automatic renewal, the right to exit if promised speeds aren't met). These changes are largely sensible and consistent with existing practice. In fact, many Luxembourg providers already offer flexible contracts. But we caution that imposing these obligations uniformly could disproportionately impact smaller operators or niche service providers, who will have to adjust processes across all markets even if their local customers are fully satisfied under current rules. Similarly, updates to switching and number portability (Article 100) essentially codify today's rights, a positive step, but the introduction of detailed BEREC guidelines for switching might add layers of procedure where simple solutions suffice.

In general, FEDIL **supports strong end-user safeguards** and a **simplified EU-wide rulebook** that enhances certainty for both consumers and providers. The telecom sector's credibility depends on trust and fair treatment of customers.

However, we emphasize that **careful balance is needed**: the DNA's consumer chapter should not "over-engineer" requirements or ignore real-world diversity. Maximum harmonization must not lead to a lowest common denominator or to excessive compliance costs in markets that already lead in consumer satisfaction.

Position paper on the Digital Networks Act



We ask that co-legislators **scrutinize any new information or transparency mandates** to ensure they are genuinely beneficial and not duplicative of protections already ensured by horizontal EU consumer law. Crucially, where Luxembourg or other Member States have effective, higher-than-average standards or pragmatic solutions in place, the EU framework should accommodate, not override, those strengths.

FEDIL will remain **vigilant that the final DNA maintains Europe's high level of consumer protection** without adding undue burdens.

Consumer confidence is a cornerstone of digital adoption; any refinements to contract rules, transparency, or net neutrality must uphold **the user rights and choices that Luxembourg's consumers already enjoy**. The goal should be to **simplify and clarify** the end-user regime across the EU, not to create rigid uniformity for its own sake. With that in mind, we support the general direction of the DNA's service provisions and are reassured that they do not depart fundamentally from current practice.

Our recommendation is to implement these measures in a way that **preserves competition and innovation**, for instance by allowing continued national initiatives on consumer issues where they don't harm the single market, and by ensuring that operators have clear guidance and reasonable time to adapt to any new obligations. By doing so, the EU can achieve a fully harmonized consumer-rights framework that works in practice, empowering all European users while keeping compliance practical for operators.

8. Governance & General and final provisions (Part VII & VIII): strengthening cooperation without overcomplicating the institutional framework

The final pillar of the Digital Networks Act (DNA) aims to rethink the governance of the sector, with the stated ambition of improving coordination and enabling the EU to speak with one voice.

While we appreciate the intention to simplify the regulatory landscape by consolidating laws, we are concerned that the proposed governance changes could actually lead to more complexity and bureaucratic burden rather than less, especially for smaller countries and their operators.

FEDIL is concerned that, as currently drafted, the proposals in Part VII of the text risk further complicating the institutional architecture, at the expense of efficiency and clarity.

Some governance improvements are certainly welcome. For example, the formalization of the Radio Spectrum Policy Body (RSPB) could enhance transparency and strategic alignment in European spectrum management, an area that clearly needs it. Similarly, the consolidation of BEREC's role as the guardian of consistent DNA implementation will be key to the proper functioning of the Single Market.

That said, FEDIL questions whether creating additional layers of EU bureaucracy is the right path, given that Europe's telecom market was liberalized over 30 years ago. The DNA seems to reinforce and multiply regulatory bodies instead of streamlining them, contrary to the earlier promises of simplification. We note that BEREC, ODN, RSPB, NRAs, the Commission, plus new expert groups will all be involved in telecom regulation under the DNA.

From an operator's standpoint, this raises serious concerns about duplication, inconsistent guidance, and slower decision-making. For example, if a cross-border issue arises, will an operator have to engage with its NRA, BEREC, and ODN and perhaps the Commission separately, all at once?

The growing number of EU-level structures also raises concerns about the resources required to participate meaningfully: Luxembourg's national regulator (ILR) and our companies may struggle to engage effectively if they are expected to respond to an excessive number of bodies and consultations in parallel.

The lines of responsibility must be absolutely clear to avoid regulatory confusion.

Position paper on the Digital Networks Act



FEDIL's stance is that the DNA should strive for **fewer interfaces, not more**, for regulatory decisions.

FEDIL therefore recommends prioritizing cooperation over centralization in the DNA's governance model.

The goal should be to strengthen existing network-based collaboration mechanisms between regulators, without unnecessarily expanding the institutional hierarchy.

In practice, we call for the following:

- **The role of the ODN should be clearly defined and limited:** BEREC and RSPG were already functioning as forums for coordination. We advocate strengthening those existing structures rather than creating new ones.

If the ODN is to be established, its scope must be carefully circumscribed to avoid overlapping with BEREC and national regulators. This new agency should remain a support body, focused on data collection and analytical assistance, for BEREC and the Member States.

It must not evolve into a Brussels-based “super-regulator” disconnected from local realities. Its activities should be driven by concrete requests from BEREC or the Commission and be subject to regular reporting and evaluation of its added value. Similarly, the RSPB should remain focused on high-level spectrum strategy and not become a second regulator, issuing binding decisions.

- **Preserving national competence in governance and ensuring continued industry engagement:** FEDIL warns against a shift toward centralized decision-making power to the European level that would reduce NRAs to mere executors of EU-level decisions and risk sidelining both national expertise and industry input, away from an inclusive approach. Such a model would undermine the long-standing European tradition of shared governance and balanced powers. Subsidiarity must remain the guiding principle. NRAs must remain central actors, not only in implementing EU rules, but in shaping them, given their deep understanding of national markets, sector dynamics, and operational realities. This is particularly vital in areas that remain under national competence, such as military, defense, and space spectrum. National authorities must retain their supervisory role to ensure that regulation remains predictable, risk-based, and responsive to Member State diversity.

FEDIL also stresses the importance of maintaining the close and constructive relationship between operators and the national regulator as a key strength. This inclusive approach enables open dialogue, transparency, and practical engagement on strategic issues such as spectrum allocation and usage. This model of cooperation, where industry can engage directly with the authority responsible for decision-making, has proven effective and should be preserved. As a benchmark, the CEPT (European Conference of Postal and Telecommunications Administrations) provides a tested and effective model of inclusive governance, where administrations and industry collaborate in technical working groups. It has proven its value over time and should inspire the governance structures of the DNA. It is not only a matter of administrative efficiency, but also a prerequisite for ensuring that the DNA remains workable, responsive, and grounded in the realities of diverse national markets.

FEDIL calls for a governance model under the DNA that maintains the role of National Regulatory Authorities (NRAs) and safeguards meaningful industry participation in strategic decision-making.

- **A post-implementation review of the new governance framework should be planned:** A review clause should be included to assess the real-world impact of these changes with a sunset clause if they are not adding value (e.g. three to five years after entry into force). Have they improved coherence and reduced fragmentation? Or have they introduced confusion and additional costs?

Based on this assessment, adjustments should be made to strike the right balance between European coordination and administrative efficiency.

Position paper on the Digital Networks Act



FEDIL urges policymakers to refocus the governance reforms on true simplification and efficiency: an agile and partnership-based governance model for the Single Market in electronic communications.

Now is not the time for more bureaucracy, but for the collective mobilization of national and European expertise to address major challenges, such as gigabit rollout, cybersecurity, and technological sovereignty. The best way to achieve this is not to build new layers of administration, but to empower existing actors to work together in a spirit of collaboration and mutual trust.

Excessive use of delegated/implementing acts – need for clarity and certainty:

The DNA proposal relies on an **exceptionally high number of secondary acts**, with at least **4 delegated acts and more than 30 implementing acts** spread across the text. While FEDIL recognises that **implementing acts can be appropriate** for updating purely technical details without reopening the Regulation **but when strictly limited to technical aspects of implementation**, the current approach raises serious concerns for **legal certainty, predictability and simplification**.

First, several implementing acts go well beyond technical implementation and address essential elements of the framework, such as licensing conditions or the definition of spectrum scarcity. These are core policy choices that must be defined in the Regulation itself and should not be deferred to post-adoption acts.

Second, the sheer volume of delegated and implementing acts risks delaying clarity for operators, who would need to await numerous Commission measures, each with its own timeline, before fully understanding their obligations. This runs counter to the DNA's stated objective of simplification.

Third, industry stakeholders are not involved in the preparation of implementing acts, which is inconsistent with the Commission's Better Regulation agenda¹ calling for stakeholder consultation and evidence-based policy-making at all stages and undermines both the quality and acceptability of the resulting rules.

To enhance legal certainty and ensure that the DNA's benefits are felt immediately, FEDIL calls for :

- **A significant reduction and tighter framing** of delegated and implementing acts in the DNA.
- Set directly in the Regulation essential principles and criteria.
- Clearly limit the scope of secondary acts where they remain necessary.
- Include early stakeholders consultation and transparency in the drafting process
- **Set clear deadlines**, to avoid prolonged uncertainty.

FEDIL, the Voice of Luxembourg's Industry
7, rue Alcide de Gasperi
P.O. Box 1304, L-1013 Luxembourg
E.: fedil@fedil.lu – T.: (+352) 435366 -1

¹ https://commission.europa.eu/law/law-making-process/better-regulation_en