



INTUG



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## **PRESS RELEASE**

### **European business frustrated by fragmented EU electronic communications market**

**Brussels, Tuesday 5 June 2007:** A major new study has found that current regulation of electronic communications services in Europe is failing to meet the needs of business.

As EU ministers meet this week for the Telecoms Council, the report highlights that the quality, range and accessibility of telecoms inputs for electronic communications for businesses across the EU is completely fragmented.

The consequences are serious according to Professor Martin Cave of Warwick Business School. "The difficulties of piecing together a seamless offering for corporate clients has led to the pan-European market for corporate services being underdeveloped."

The study calls on the European Commission to lay the foundations for an innovative pan European market in telecommunications services and applications. "The current review of the EU regulatory framework is a golden opportunity to ensure that the needs of business are met" said Luis Alvarez, President for EMEA of BT Global Services. "This study shows that we have the chance to improve European business competitiveness with a few simple measures".

Drawing on the experiences of major companies operating in Europe, via a series of interviews conducted by the International Telecommunications User Group (INTUG) and the Enterprise Virtual Network User Association (EVUA), the study is intended to make an important contribution to the current Commission review of the regulatory framework.

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“If we can’t get the communications infrastructure right then the outlook for European business competitiveness is bleak” said Nick White of INTUG. “Member States want businesses to adopt advanced ICT to improve EU productivity and growth. At the same time they have created a system of 27 different telecoms regulatory regimes, some of which are at best half-serious about requiring incumbents to provide access services”.

The Commission’s proposals on new legislation will likely give them the ability to review national regulation. Yet some national regulators claim that cross-border services in telecoms do not exist and that therefore there is no role for the Commission.

According to the study, however, businesses operating at Pan-European level require cross border services “We want only one or two suppliers across the whole of Europe” said Massimiliano Leccà, Fiat’s ICT Corporate Governance Services Outsourcing Manager. “A high degree of diversification of transport networks has proved to be inefficient in terms of governance, service continuity, performance management and maintenance cost” he added.

The study, “The Economic Benefits from Providing Businesses with Competitive Electronic Communications Services”, is written by a group of leading academics and communications consultants and backed by INTUG, EVUA and BT plc.

The full study is available at:

[www.evua.org](http://www.evua.org)

<http://www.btplc.com/Thegroup/Regulatoryinformation/Consultativeresponses/BTdiscussionpapers/Electronic/index.htm>

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**About INTUG:**

The International Telecommunications Users Group - INTUG - is an international association of telecommunications user groups. INTUG exists to promote users' interests at the international level and to ensure that the voice of the user is clearly heard wherever telecommunications policy issues are decided.

Since its formation in 1974, INTUG has lobbied for competition and choice in telecommunications equipment and services for customers, resulting in enhanced availability and quality of services and continuing reductions in tariffs, for example with the recent announcements concerning reduction in international mobile roaming charges, which INTUG first raised as an issue before the year 2000. Today it is engaged in lobbying to ensure:

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- maximum freedom in customer choice in the telecommunications market
- deployment of appropriate technology for business and residential users
- global availability of modern technology at reasonable and affordable prices
- access in urban and rural areas to enable participation in the information economy
- constructive co-operation between governments, regulators, operators and users

INTUG has contacts with telecommunications user groups in all continents, and works in consultation with many bodies, including the International Telecommunication Union (ITU), the Organisation for Economic Cooperation and Development (OECD), the European Union (EU), the Commonwealth Telecommunications Organisation (CTO), and the Asia-Pacific Economic Cooperation (APEC). Further information may be found at [www.intug.org](http://www.intug.org)

**About EVUA:**

The EVUA is an independent, supplier neutral and non-profit global ICT network user group for multinational companies, and the ICT industry platform for global users and suppliers. EVUA is totally managed by end-users, using their substantial buying position to influence the supply side of the industry. The EVUA industry network includes independent industry partners, working links with regulatory organisations and links with other user groups. Membership includes companies from all over Europe, North America and AsiaPacific.

Further information may be found at [www.evua.org.uk](http://www.evua.org.uk)

**About BT:**

BT is one of the world's leading providers of communications solutions and services operating in 170 countries. Its principal activities include networked IT services; local, national and international telecommunications services; higher-value broadband and internet products and services and converged fixed/mobile products and services. BT consists principally of four lines of business: BT Global Services, Openreach, BT Retail and BT Wholesale.

In the year ended 31 March 2007, BT Group plc's revenue was £20,223 million with profit before taxation of £2,484 million.

British Telecommunications plc (BT) is a wholly-owned subsidiary of BT Group and encompasses virtually all businesses and assets of the BT Group. BT Group plc is listed on stock exchanges in London and New York.

For more information, visit [www.bt.com/aboutbt](http://www.bt.com/aboutbt)

**About FIAT:**

Fiat is a large industrial Group with more than one hundred years' experience in the motor vehicle field, designing, manufacturing and marketing cars, trucks, tractors, agricultural machinery, construction equipment, motor vehicle engines and components, and production systems.

The Group is present in 190 countries and performs manufacturing and service activities through Operating Sectors, which can be divided into business areas.

Further information may be founds at [www.fiatgroup.com](http://www.fiatgroup.com)

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