Telcos want higher network charges in EU

Telecoms providers should be able to raise prices charged to rivals for using their networks to help spur investment in faster fiber optics, industry body ETNO said on Thursday.

The call by ETNO (the European Telecommunications Network Operators' Association), whose members include Deutsche Telekom, Telecom Italia and Telefonica, came as the European Commission considers pricing guidelines for next-generation fiber optic networks.

EU telecoms chief Neelie Kroes said last year she might tell telecoms companies to cut access charges to their copper-based networks to force them to invest in fiber optics.

The suggestion, which could still be modified, is part of the Commission's plan to speed up the roll-out of ultra-fast broadband across Europe to boost jobs and businesses.

The EU executive will unveil its proposals later this year.

ETNO head Luigi Gambardella said it was important to send a signal that the sector, already suffering its third year of declining profit, was worth investing in.

"A commitment to a reasonable increase in copper (network) prices over time above inflation would clearly indicate a change of direction to investors," he told a conference in Munich.

"Once the transition to fiber accelerates, reverting to a safety cap for copper wholesale prices may also be an option to address concerns that prices for legacy products may rise unduly as demand falls," he said.

The Commission wants at least half of European households to have access to broadband with speeds of above 100 Mbps by 2020.

Other members of ETNO include Swisscom, Dutch company KPN and France Telecom's Orange unit.

(Reporting by Foo Yun Chee)

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