

Response to the Public consultation on the review and prolongation of the current Roaming Regulation

Introduction

The Alliance of Internet of Things Innovation (AIOTI) is an association initiated by the European Commission in 2015 to strengthen the dialogue and interaction among IoT players in Europe, to contribute to the creation of a dynamic European IoT ecosystem and overall speed up the take up of IoT. Our members include key European players across the IoT value chain – large companies, successful SMEs and dynamic start-ups, as well as research centres, universities and associations.

AIOTI's key aim is to enhance innovation and economic development across IoT in Europe. We want Europe to maintain competitiveness on a global scale and for that purpose we are focused on fostering experimentation, deployment of IoT, supporting convergence and interoperability of standards, gathering evidence on market obstacles for IoT deployment and mapping and bridging EU and Member States' IoT innovation activities.

In this context, we have recently contributed to the White Paper on Artificial Intelligence, European Data Strategy, Smart Readiness Indicator consultation, the inception impact assessment of the General Product Safety Directive and on the New Consumer Agenda, as well as on the inception impact assessment of the legislative framework for the governance of common European data spaces.

We welcome Commission's initiative on the review and prolongation of the current Roaming Regulation, seeking to assess its relevance and coherence in addressing the single market and Rome-Like-At-Home for consumers as they travel across Europe.

We support the Commission objective of promoting and accelerating the deployment of a competitive European IoT market, and therefore assessing if the current roaming rules in place are sufficient and necessary for that purpose.

In general, **AIOTI considers that intervention by the Commission in the context of Roaming Regulation may not be necessary to address IoT market expansion across EU**. We propose that the Commission continues to monitor IoT in the future and considers intervention through Roaming Regulation only if there is evidence of market failure.

European IoT market competitiveness

From our understanding, the continuous market growth in the past years and the significant fall in prices suggest that the European IoT connectivity market is healthy and competitive. IoT customers have a wide choice of connectivity providers both locally or at European level, and likewise they can choose between cellular networks and related dedicated technologies that meet the specific needs of Low Power Wide Area solutions. AIOTI's contribution in the areas of interoperability, convergence and the potential of 5G use cases has played its part by further facilitating and accelerating market adoption of IoT solutions and its benefits.

Strengthening EU leadership

We are supportive and encourage the Commission to address European strategic objectives in the context of IoT market by creating a healthy and sustainable market, a prerequisite to much needed investment in critical national infrastructure. A better investment climate is essential post crisis so that we can all 'build back better' and support digitalization across all sectors of the economy, with IoT at the centre of it.

IoT expansion (as with other digital services) relies on investments in infrastructure and expanded networks. In principle, unnecessary regulatory intervention that can affect operators' finances may have negative impact on connectivity, as it will directly reduce their investment incentives.

We welcome Commission interest in the European IoT ecosystem, which is important to accelerate adoption of new technologies, such as 5G and IoT. Network slicing on 5G public networks, for instance, allows traffic to be prioritised. As a result, operators will be able to offer an increasingly differentiated product portfolio. Customers are able to select the most suitable quality of service for their application and this area will further evolve as access to 5G networks increases, driven by customer demand. Competition at this point will not be price-driven only, but rely on other aspects of the offerings such as quality of service; a commercial flexibility that we believe should remain with contracting parties and outside of the scope of Roaming Regulation.

These examples indicate that the potential economic impact of IoT is promising to be substantial across markets and sectors: from improving productivity in manufacturing, to reducing public administration costs in deploying public services, monitoring and reducing pollution, to improving and facilitating the delivery of public services. Therefore, we ask the Commission to continue supporting the growth of the IoT market (and EU players) by maintaining a pro-customer and pro-innovation policy approach, in continuation to all the successful initiatives, pilots and funding projects it has undertaken to date.

The importance of permanent roaming

'Permanent roaming' is a vital element in the IoT value chain. The consistent use of a supranational or extraterritorial numbering profile helps to realise economies of scale for all participants involved (e.g. connectivity providers, industry sectors/ verticals, IoT platform and service providers).

To that extent, we believe it is important that parties are able to continue to leverage their existing commercially agreed roaming agreements to support deployment of 'permanent' IoT roaming in the various industry sectors (e.g. automotive, manufacturing, healthcare, agriculture).

We are not aware of any issues around the 'permanent roaming' model that have not been manageable from our members to date. Therefore, the AIOTI does not consider that a 'permanent roaming' IoT access right is required under Roaming Regulation. We suggest that the Commission continues to monitor this market in case a future need for review arises in light of the segment not functioning properly in this respect.

M2M/IoT market is different from consumer market

One of the key characteristics of IoT is that it is inherently cross-cutting in nature. There is, therefore, a wide range of different regulations that are relevant to the development of IoT in the EU, from rules relating to the regulation of electronic communications services and networks, horizontal consumer protection rules and industry-specific rules. Adding further regulations to this list, by adding IoT to a regulation that was designed for an entirely different purpose, is likely to create an even more burdensome matrix to navigate.

Also, we observe that industrial or business IoT customers often require multi-national or pan-EU connectivity and in response, supply for such services is specified contractually, with generally no exposure to roaming surcharges (as could have been the case with consumers). This differs from the personal mobile connectivity market, where competition is generally country specific.

We hope that these comments will be helpful to the Commission as it considers its policy in this area.

About AIOTI

AIOTI is the multi-stakeholder platform for stimulating IoT Innovation in Europe, bringing together small and large companies, start-ups and scale-ups, academia, policy makers and end-users and representatives of society in an end-to-end approach. We work with partners in a global context. We strive to leverage, share and promote best practices in the IoT ecosystems, be a one-stop point of information on all relevant aspects of IoT Innovation to its members while proactively addressing key issues and roadblocks for economic growth, acceptance and adoption of IoT Innovation in society.

AIOTI's contribution goes beyond technology and addresses horizontal elements across application domains, such as matchmaking and stimulating cooperation in IoT ecosystems, creating joint research roadmaps, driving convergence of standards and interoperability and defining policies. We also put them in practice in vertical application domains with societal and economic relevance.