

Event summary:

« NAVIGATING TRANSFORMATION: FROM TELECOMS TO TECH COMMS? »



Organized in partnership with Orange, the roundtable "Navigating Transformation: From Telecoms to Tech Comms?" took place on September 4, 2025, at the European Parliament. Against the backdrop of rapid transformation in the digital sector, the event brought together several key European stakeholders: Michał Kobosko, Member of the European Parliament (Renew Europe), Thibaut Kleiner, Director for "Future Networks" at DG CONNECT (European Commission), Bruno Zerbib, CTIO of the Orange Group, and Olivier Arous, CEO of the French startup OGO Security.

The panel explored the challenges and opportunities linked to the transformation of European telecom operators into integrated tech companies, focusing on three core themes: innovation, technological sovereignty, and competitiveness.

A Strategic Shift for European Telecoms

Michał Kobosko opened the discussion by underlining the strategic importance of revising the Digital Markets Act (DMA) and drafting the upcoming Digital Networks Act (DNA) – both seen as key levers to modernize Europe’s digital infrastructure and foster innovation, particularly through artificial intelligence. The revision of the DMA aims to adapt the regulatory framework to emerging digital challenges. The DNA, still in development and supported by recommendations from Mario Draghi, is intended to modernize, streamline, and harmonize the existing telecommunications regulatory environment.

Kobosko emphasized the Parliament’s ambition to play a leading role in these transformations, especially as Europe continues to face a digital investment gap estimated at several hundred billion euros.

Representing the European Commission, Thibaut Kleiner pointed to the alarmingly low R&D investment in the sector, averaging just 0.02% of revenue. The Commission aims to create favorable conditions for innovation, with upcoming legislation including the AI and Cloud Development Act (expected in early 2026) and a new Cybersecurity Act planned by year-end. The Commission is currently reviewing feedback from the public consultation on the AI & Cloud Act, which closed in July 2025 and aligns with broader concerns about energy consumption, notably from data centers.

Shifting Towards AI, Cloud, and Platforms

Bruno Zerbib presented Orange’s strategic vision to evolve into a platform-based company, leveraging AI and cloud technologies to become more agile. He stressed the urgent need to embed AI deeply into telecom networks, enabling the creation of the “intelligent network of tomorrow” that can address the exploding demand for localized data processing. Orange is actively investing in research (with 700 researchers), building partnerships across Europe, and advocating for greater standardization and cross-industry collaboration – a cultural shift he deems essential.

Zerbib also voiced strong concern over Europe’s potential technological lag in AI, calling it a real “economic survival issue” for the continent. He warned against increasing strategic dependence on non-European players, particularly U.S.-based companies, which already dominate critical areas such as cloud infrastructure. This imbalance, he argued, threatens not only Europe’s industrial competitiveness but also its *digital sovereignty*.

In this context, Zerbib welcomed recent EU initiatives to support AI gigafactories, viewing them as positive steps, but emphasized the need for a long-term industrial strategy. This should include consolidating the fragmented telecoms market and deploying large-scale investment policies. According to him, Europe must structure a robust ecosystem that can compete with American and Chinese giants, strengthening local innovation capabilities, pooling resources, and enhancing public-private cooperation.

Beyond economic imperatives, Zerbib highlighted the deeply political nature of this transformation. The ability to store and process data within Europe, in line with its standards for sovereignty, security, and data protection, is essential to preserve digital freedoms, secure critical infrastructure, and ultimately safeguard Europe's strategic autonomy in cyberspace.

Technological Sovereignty: A Shared Priority

On the topic of technological sovereignty, Olivier Arous, CEO of OGO Security, illustrated the potential of AI-driven cybersecurity innovation in Europe. However, he pointed out the structural challenges European startups face when competing with American solutions, calling for greater support from large companies like Orange. He highlighted the irony of the situation: "Americans buy American solutions, and Europeans buy American solutions."

From the Commission's side, there is a clear commitment to boosting the innovation capacity of European businesses and startups, particularly in the digital sector. The proposed Digital Omnibus Regulation aims to simplify the regulatory environment and reduce administrative burdens, thereby making Europe more attractive to tech investment. This legislative push is accompanied by a stronger focus on public procurement as a strategic lever to stimulate domestic demand for European technologies and ensure market opportunities for locally developed innovations.

In parallel, the Commission emphasized the importance of the proposed Competitiveness Fund, part of the post-2027 multiannual financial framework. This fund aims to support large-scale industrial projects, accelerate the rollout of critical digital infrastructure, and reinforce Europe's strategic autonomy in areas such as AI, sovereign cloud, and cybersecurity. It represents a key financial tool to address Europe's competitive asymmetries with global rivals by supporting the entire digital value chain, from research to market deployment.

The need to create a true single telecommunications market was also reiterated. Current regulatory fragmentation hinders the emergence of continental-scale industrial champions. A comprehensive reform is deemed necessary to enable cross-border mergers, economies of scale, and increased investment in next-generation, secure and resilient networks.

Laying the Groundwork for a New European Ecosystem

A shared conclusion among speakers was the urgent need to build a European industrial and technological ecosystem that encompasses the entire value chain — from infrastructure to AI-based services. According to Bruno Zerbib, two preconditions are essential: securing the supply of equipment and guaranteeing demand — both critical to ensuring sustainable returns on investment for operators.

Thibaut Kleiner reminded participants that, within just a few years, economic value in the digital sector has shifted from pure network infrastructure to AI-powered services. Europe, he argued, must no longer remain a spectator but become a producer of sovereign, innovative technologies. The recently published White Paper on Telecommunications formalizes this convergence between telecoms, cloud, AI, and services, asserting that in the near future, every company will be at least partially an AI company.

A major concern was also raised: over 75% of the European cloud market is currently controlled by U.S. hyperscalers such as Amazon Web Services, Microsoft, and Google, while European providers hold only around 13-15% — a significant decline since 2017.

Michał Kobosko closed the session by closely linking digital sovereignty and security as inseparable pillars of Europe's strategic future. He called for a renewed political will at EU level, describing the upcoming Web Summit 2025 in Lisbon (November 10-13) as a potential turning point — a moment of necessary "European awakening."

Conclusion

The roundtable highlighted the urgent need for the EU to build a stronger, more competitive digital ecosystem, capable of producing homegrown tech champions with global reach. Achieving this will require a combination of strategic vision, large-scale investment, regulatory streamlining, and enhanced public-private cooperation. With upcoming initiatives such as the Cloud & AI Development Act, the Digital Networks Act, and the Competitiveness Fund, the European Union is beginning to sketch a new policy framework to revitalize its digital competitiveness and build enduring technological sovereignty.