Executive Briefing: The Impact of Telecom Regulation on Connected Cars

Overview

Modern cars now rely on connectivity for everything from infotainment and streaming to safety systems and diagnostics. They are, in effect, becoming smartphones on wheels.

But Europe's telecom rules weren't designed for vehicles. As in-car services begin to mirror home broadband experiences — from streaming Netflix to gaming — automakers face a patchwork of national obligations that add cost, complexity, and compliance risks.

This executive briefing highlights the key hurdles outlined in Telenor IoT's regulatory guide *Driving Digital: What Vehicle Manufacturers Need to Know About Europe's Telecom Regulations — and How Telenor IoT Helps OEMs Navigate Them.*

1. Fundamental Industry Shift (p. 4)

- Cars are becoming smartphones on wheels.
- Cars are increasingly defined by their digital experiences: watching Netflix, gaming together, or joining a Teams call on the move

As the in-car experience evolves, telecom legislation becomes directly relevant for OEMs — requiring updated approaches to compliance.

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2. Fragmentation vs. Cross-Border Ambition (p. 5)

- The European Electronic Communications Code (EECC) sets a common framework.
- In practice, implementation differs in every Member State.
- The result: a regulatory "grey zone" for in-car connectivity services, despite EU ambitions for seamless cross-border digital services.

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3. When Cars Become Electronic Communications Services (p. 6)

- Delivering in-car digital experiences such as streaming, browsing, or video calls is most likely to qualify as an electronic communications service under the EECC.
- Unlike traditional telematics or M2M services, these applications actively involve end users and therefore cannot benefit from the lighter M2M regime.
- Because they are marketed directly to consumers, they may meet the criteria of a publicly available service, which triggers significantly broader obligations

4. Key Regulatory Hurdles (pp. 7–11)

General Authorization Regime & Notifications

- Any provider of electronic communications services is subject to the general authorisation regime under the EECC — essentially a rule book of obligations that must be followed.
- Member States may impose notification requirements as part of this regime, and most have done so.
- Where required, notifications often entail complex operational steps, such as providing translated documents, appointing local representatives, obtaining tax IDs, or even submitting police clearances.

Data Retention

- Once in-car connectivity qualifies as a publicly available service, providers may face data retention obligations for subscriber, traffic, and location data.
- There is no harmonised EU framework in place. Instead, national legislators have introduced their own regimes, often imposing extensive storage requirements.
- These regimes differ significantly across Member States, especially regarding which types of data must be retained and for how long.

Know Your Customer (KYC) Rules

- Telecom providers are often required to collect and store information about the people or companies using their services — in telecom terms, this is called subscriber identification. The data can range from basic details (name, address) to more sensitive identifiers (such as national ID numbers).
- Some countries go further. In Austria, for example, providers must also technically verify that the data is accurate (so-called user verification).
- These mechanisms are not harmonised at EU level. Each Member State sets its own rules, which means providers must go deep into national telecom frameworks to understand and comply with the details.

Lawful Access & Interception

- National laws already require providers to cooperate with law enforcement agencies, making communications data one of the most important tools in criminal investigations.
- Obligations can include enabling real-time interception or providing secure handover of stored data.
- The new EU e-Evidence Regulation will significantly expand this framework by allowing authorities across all Member States to issue direct orders to providers.
- In practice, this means providers may need to coordinate with more than 500 different authorities across the Union, further increasing complexity and operational burden.

Consumer Rights Obligations

- Entering the realm of publicly available ECS also triggers obligations from the consumer rights framework.
- Services must be provided under general terms and conditions that meet a variety of national requirements, including use of the local language.
- Providers are further required to establish clear processes for end-user support, complaint handling, and transparency on service quality.
- While based on EU rules, these obligations differ in detail across Member States and demand local compliance

Implications for Providing Digital In-Car Services (p. 12)

- Complexity and cost: Inconsistent national rules can cause delays, redesigns, and higher operational overheads.
- Compliance risk: Offering consumer-facing connectivity exposes providers to fines, investigations, and reputational damage if obligations are missed.
- Customer impact: Regulatory hurdles may slow down service launches or degrade the in-car experience.
- Operational readiness: Beyond lawful access obligations, providers must also establish robust end-user support processes to handle connectivity issues quickly and effectively.

Conclusion — The Strategic Choice

OEMs must ultimately decide whether to assume the role of a telecom provider themselves or partner with a regulated provider to manage these obligations.

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5. Telenor IoT's Solution (pp. 13–14)

Consumer Connect, a part of the company's IoT Drive offering, enables OEMs to monetize digital in-car services, keep the driver journey under their brand, and stay compliant across markets.

Simplify Compliance: Telenor IoT acts as the regulated provider, assuming the legal obligations. Compliance is handled invisibly in the background so you can focus on customers and services.

Protect Brand Integrity: Keep every customer touchpoint in your ecosystem, from onboarding to upgrades. No telco portals, no third-party branding — the driver journey stays 100% under your brand.

Scalability: Ready to expand across Europe while aligned with EECC and national laws.

How Consumer Connect Works

- **Connect** — Vehicles ship with an embedded eSIM that links automatically to the best local network. Drivers enjoy a home-like internet experience everywhere.
- **Configure** — OEMs define plans, pricing, and policies through simple APIs. Telenor IoT handles payments, KYC, and regulatory complexity in the background.
- **Activate** — Drivers onboard can manage connectivity seamlessly inside the OEM app or infotainment system.
- **Operate** — Always-on reliability powered by AI monitoring, plus real-time usage and performance insights for OEMs.

Conclusion

Europe's regulatory patchwork is a challenge to the connected car. OEMs face costs, delays, and compliance risks if they go it alone.

Partnering with a regulated provider like Telenor IoT allows manufacturers to:

- Launch faster.
- Reduce compliance complexity.
- Deliver the seamless digital experiences drivers expect.

For the full guide, see:
Driving Digital: What Vehicle Manufacturers Need to Know About Europe's Telecom Regulations.

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TELENOR CONNEXION

Telenor IoT is the portfolio of IoT solutions from Telenor Group, one of the world's major mobile operators. With more than 20 years' experience of providing global IoT connectivity, cloud services and expert support to companies of all sizes, Telenor is one of the world's most advanced IoT solution providers. Telenor IoT manages international IoT deployments for global customers in some 200 countries and today operates more than 25 million connected devices to enterprises such as Volvo, Scania, Hitachi, Verisure and Husqvarna. The IoT solutions are offered to national customers in the Nordics through the local Telenor operations in each country, and on a global level through Telenor Connexion, Telenor's specialized unit that provides IoT solutions for large, international enterprises who need a customized offer with advanced support.

iot.telenor.com

hello@telenorconnexion.com