

Opinion of the Committee of the Regions on 'trans-European telecommunication networks'

(2012/C 225/16)

THE COMMITTEE OF THE REGIONS

- welcomes the European Commission's (Commission) initiative to set up the Proposal for a Regulation on guidelines for trans-European telecommunications networks;
- stresses the priorities set out in this document - high-speed networks, cross-border public services, access to PSI and multilingual services, safety and security and smart energy services - are all domains in which cities and regions are simultaneously actors, providers and beneficiaries;
- acknowledges the importance of trans-European telecommunications networks for the EU's international competitiveness and sustainable development, and stresses that the exchange of experiences and best practices between Member States (MS) and other regions should be intensified;
- notes the potential of the new financing framework to make a major contribution to bridging the digital divide and achieving the objectives of the Europe 2020 strategy, while meeting some of the key social, cultural and economic needs of the people of Europe;
- stresses that fast and operationally reliable communication links, complemented by efficient wireless mobile services, play a key role in promoting regional competitiveness, accessibility and equality between people and recalls that effective information society infrastructure must be guaranteed to all members of the population regardless of where they live.

Rapporteur	Alin-Adrian NICA (RO/ALDE), Mayor of Dudeștii Noi
Reference document	Proposal for a Regulation of the European Parliament and of the Council on guidelines for trans-European telecommunications networks and repealing Decision No 1336/97/EC
	COM(2011) 657 final

I. POLICY RECOMMENDATIONS

THE COMMITTEE OF THE REGIONS

The Committee of the Regions' views

1. welcomes the European Commission's (Commission) initiative to set up the Proposal for a Regulation on guidelines for trans-European telecommunications networks;

2. stresses the priorities set out in this document - high-speed networks, cross-border public services, access to PSI and multilingual services, safety and security and smart energy services - are all domains in which cities and regions are simultaneously actors, providers and beneficiaries;

3. notes the key role of local and regional authorities (LRAs) in promoting informed dialogue with the general public, and in addressing public concerns close to the citizens and in facilitating cooperation between users and producers of ICT innovations in different corners of governments and administrations;

4. stresses the importance of trans-European telecommunications networks for both commercial and non-commercial purposes and of investment in research to support specific activities and the development of future applications in order to enhance the value of the telecommunications sector;

5. acknowledges the importance of trans-European telecommunications networks for the EU's international competitiveness and sustainable development, and stresses that the exchange of experiences and best practices between Member States (MS) and other regions should be intensified;

6. points out the role of infrastructure needed to handle the large amount of data that are going to be used by the telecommunications networks and calls upon stimulating public and private investments for rural and low-density areas and in the outermost regions;

7. considers that security requirements should be established at every level in order to ensure optimum levels of privacy and

protection of personal data and to prevent any kind of unauthorised tracking of personal information and profiling, including shopping preferences, medical status, health records, etc.;

8. welcomes the European Commission's idea of exploring a new pricing model, which would lower access prices to copper in order to facilitate the transition from copper to fibre networks, while noting that it is important for networks to be open to various operators;

9. notes the potential of the new financing framework to make a major contribution to bridging the digital divide and achieving the objectives of the Europe 2020 strategy, while meeting some of the key social, cultural and economic needs of the people of Europe;

10. reaffirms the importance of synergies between framework programme (FP), the Structural Funds (SF) and national policies in relation to the broader EU objectives of competitiveness and cohesion;

11. considers it is imperative to identify regulatory and procedural solutions to the financial and economic measures in order to stimulate the greater use of existing infrastructure that can integrate broadband networks to reduce social, economic and environmental costs;

12. endorses the Commission's proposal to set up a high-level expert group tasked with developing a strategy for trans-European telecommunications networks, and requests the Commission to be kept informed from an early stage about developments regarding this group, including their analyses and policy recommendations;

The Committee of the Regions' recommendations

13. acknowledges that ICT, underpinning an information society which is open to all, should include the needs of all members of society, including those risking social exclusion;

14. reaffirms that the Commission and the Member States should take the measures necessary to ensure that LRAs are fully and effectively involved in the governance of ICT-related initiatives ⁽¹⁾;

⁽¹⁾ CdR 283/2008 fin.

15. proposes the exploitation of Europe's full potential for developing ICT services in the public and private sectors, and usage of ICT as a means of improving LRA services in fields such as healthcare, education, public procurement, security and social services;

16. proposes that an observatory be set up on the implementation and dissemination of next generation networks in Europe, tasked with recording and collecting information and statistics on public works that could be partially or fully used to implement NGNs; managing a database for monitoring these public works and setting up a European register of telecommunications networks; encouraging technical and regulation activities; carrying out studies and research, and acquiring and disseminating technical documentation and data;

17. recalls that EU-backed public-private partnerships among LRAs and ICT-development SMEs in the area of public ICT services can serve as an excellent cornerstone for building up local skills and knowledge across the EU ⁽²⁾;

18. proposes the use of public-private partnerships (PPP) to provide broadband services, especially in rural areas and avoid crowding out of private investments;

19. recalls that it is crucial that public institutions at regional and local level have adequate in-house capacity and sustainable financial resources for digitisation. PPPs and the development of e-learning markets do provide alternatives to finance content digitisation. Public-sector information can develop self-sustaining revenue streams to help data creation and digitisation efforts. In addition, networks and interactive communities are also important because they allow cost reductions along the lines of open software development ⁽³⁾;

20. asks the Commission to pay special attention to developing a policy of non-discrimination and evening out the gap between incumbents and their newer rivals, especially when trying to improve the business case for high-speed broadband in Europe;

21. points out that implementation of the CEF should not be detrimental to the cohesion policy objectives, that putting into practice the proposed measures should not entail any increase in red tape and administrative burden and that further information and clarification should be provided on the use of the new financial instruments and their leverage effect. Their effectiveness should also be assessed. The requirement for budget discipline, the prohibition of borrowing and

budgetary clarity must not be circumvented. The EU's liability must be limited to the original contribution. Contingent liabilities must not arise;

22. urges a significant shift, when using SF by regions, towards stimulating in particular the demand side for research and innovation, fostering user-driven and open innovation as a regional potential ⁽⁴⁾;

23. recalls that LRAs have a key role to play in helping to ensure equal and affordable broadband access in areas where the market fails, in leading pilot projects aimed at bridging the e-Accessibility gap, and in developing new approaches towards people-centred public e-services ⁽⁵⁾;

24. reaffirms that funding and other support measures should favour the implementation of open-access broadband networks that are based on horizontally layered network architecture and highlights the need for a business model that separates physical access to the network from service provision ⁽⁶⁾;

25. stresses that fast and operationally reliable communication links, complemented by efficient wireless mobile services, play a key role in promoting regional competitiveness, accessibility and equality between people and recalls that effective information society infrastructure must be guaranteed to all members of the population regardless of where they live ⁽⁷⁾;

26. asks for more focus on awareness-raising at regional and local level and on stimulating the infrastructure upgrade as necessary elements for the development and implementation of trans-European telecommunications networks;

27. highlights the need for public investments in backhaul infrastructures, which provide links between network nodes at middle-sized cities and small towns or rural municipalities and are a catalyst for investment to upgrade the access network;

28. notes that access to high-quality broadband services at reasonable prices can increase the availability and quality of services provided by LRAs and facilitate product marketing ⁽⁸⁾;

⁽²⁾ CdR 156/2009 fin.

⁽³⁾ CdR 247/2009 fin.

⁽⁴⁾ CdR 263/2007 fin.

⁽⁵⁾ CdR 5/2008 fin.

⁽⁶⁾ CdR 104/2010 fin.

⁽⁷⁾ CdR 104/2010 fin.

⁽⁸⁾ CdR 252/2005 fin.

29. recalls the significance of and the need for common rules and practices governing the re-use and exploitation of public-sector information to ensure that the same basic conditions are applied to all players in the European information market, that conditions for re-using such information are more transparent, and that distortions of the internal market are eliminated ⁽⁹⁾;

30. stresses that the full potential of public sector information re-use could be reached with closer involvement of LRAs, which could significantly contribute to promoting public sector information re-use in order to increase competitiveness and create jobs ⁽¹⁰⁾;

31. encourages LRAs to participate in wide-ranging cooperation to improve the interoperability of public administration and the effectiveness of public service delivery ⁽¹¹⁾;

32. points out that, within the international cooperation, the significance of the regions stands out through supportive programming, structural and legislative framework conditions in the context of their research policies;

33. considers that the actions planned in the proposal for a regulation, as they stand, do not appear to raise any issue regarding their compliance with both the principle of subsidiarity and proportionality.

II. RECOMMENDATIONS FOR AMENDMENTS

Amendment 1

Preamble

Text proposed by the Commission	CoR amendment
(21) In order to take into account the developments in the areas of information and communication technologies, the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission in respect of amending the Annex to this Regulation. It is of particular importance that the Commission carries out appropriate consultations during its preparatory work, including at expert level. The objective of this delegation is to address new technological and market developments, emerging political priorities or opportunities for exploiting synergies between different infrastructures, including those in the fields of Transport and Energy. The scope of delegation is limited to modifying the description of projects of common interest, adding a project of common interest or removing an obsolete project of common interest according to pre-established, clear and transparent criteria.	(21) In order to take into account the developments in the areas of information and communication technologies, the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission in respect of amending the Annex to this Regulation. It is of particular importance that the Commission carries out appropriate consultations during its preparatory work, including at expert <u>and local and regional</u> level. The objective of this delegation is to address new technological and market developments, emerging political priorities or opportunities for exploiting synergies between different infrastructures, including those in the fields of Transport and Energy. The scope of delegation is limited to modifying the description of projects of common interest, adding a project of common interest or removing an obsolete project of common interest according to pre-established, clear and transparent criteria.

Reason

It would be particularly useful involving LRAs in consultation process as they are contributors to the governance process and are a link between central public administration, citizens and private companies.

Amendment 2

Article 4(a)

Text proposed by the Commission	CoR amendment
(a) the deployment of ultra fast broadband networks ensuring the speed of data transmission of 100 Mbps and above;	(a) the deployment of ultra fast broadband networks ensuring the speed of data transmission of 100 Mbps and above, <u>taking into account the demand for ultra-fast Internet</u> ;

⁽⁹⁾ CdR 247/2009 fin.

⁽¹⁰⁾ CdR 247/2009 fin.

⁽¹¹⁾ CdR 10/2009 fin.

Reason

Investing in ultra-fast broadband networks is a high-risk area. Statistical data show that high-speed Internet usage substantially lags behind actual broadband coverage. The choice of technology and projects to be financed should therefore take into account the actual demand for broadband access.

Amendment 3

Article 4(b)

Text proposed by the Commission	CoR amendment
(b) the deployment of broadband networks to link island, landlocked and peripheral regions with the central regions of the Union ensuring in those regions that speeds of data transmission are sufficient to permit broadband connectivity of 30 Mbps and above;	(b) the deployment of broadband networks to link island, landlocked and peripheral regions with the central regions of the Union ensuring in those regions that speeds of data transmission are sufficient to permit broadband connectivity of 30 Mbps and above, <u>taking into account the demand for ultra fast Internet;</u>

Reason

Same reason as above.

Amendment 4

Article 5(3)

Text proposed by the Commission	CoR amendment
(3) Member States and/or other entities in charge of the implementation of projects of common interest or contributing to their implementation shall take the necessary legal, administrative, technical and financial measures in compliance with the corresponding specifications of this Regulation.	(3) Member States and/or other entities, <u>including local and regional authorities</u> , in charge of the implementation of projects of common interest or contributing to their implementation shall take the necessary legal, administrative, technical and financial measures in compliance with the corresponding specifications of this Regulation.

Reason

Mentioning LRAs would be useful from same reason as stated above.

Amendment 5

Article 5(8c)

Text proposed by the Commission	CoR amendment
(8c) demonstrates European added value;	(8c) demonstrates European added value, <u>as a result of a feasibility and cost-benefit assessment;</u>

Reason

A feasibility assessment would be the best instrument to demonstrate the added value.

Amendment 6

Article 7(4)

Text proposed by the Commission	CoR amendment
<p>In these reports the Commission shall also evaluate whether the scope of the projects of common interest continues to reflect political priorities, technological developments or the situation in the relevant markets. For major projects, these reports shall include an analysis of the environmental impact, taking into account climate change adaptation and mitigation needs, and disaster resilience. Such a review may also be carried out at any other time when it is deemed appropriate.</p>	<p>In these reports the Commission shall also evaluate whether the scope of the projects of common interest continues to reflect political priorities, technological developments <u>and feasibility of the project, given</u> or the situation in the relevant markets. For major projects, these reports shall include an analysis of the environmental impact, taking into account climate change adaptation and mitigation needs, and disaster resilience. Such a review may also be carried out at any other time when it is deemed appropriate.</p> <p><u>5. The Commission shall also be assisted by an observatory on the implementation and dissemination of next generation networks in Europe, tasked with recording and collecting information and statistics on public works that could be partially or fully used to implement NGNs; managing a database for monitoring these public works and setting up a European register of telecommunications networks; encouraging technical and regulation activities; carrying out studies and research, and acquiring and disseminating technical documentation and data.</u></p>

Reason

Same reason as above.

Brussels, 4 May 2012.

*The President
of the Committee of the Regions*
Mercedes BRESSO