# European broadband: investing in digitally driven growth

2010/2304(INI) - 26/05/2011

The Committee on Industry, Research and Energy adopted the own-initiative report drafted by Niki TZAVELA (EFD, EL) on European Broadband: investing in digitally driven growth.

**(1) Broadband for all**: Members consider that the objective must be to establish EU global leadership in ICT infrastructure. In order to achieve this objective, **100% of basic broadband coverage must be delivered to all Europeans by 2013**, giving at least 2Mbps service to all users in rural areas and much higher speeds to users in other areas.

The report insists on the following issues:

- it is necessary to make best use of all available technologies, including mobile and satellite;
- the future allocation of **radio spectrum** must pave the way for European leadership in wireless applications and new services;
- facilitating the prompt exploitation of the 'Digital Dividend' for new mobile broadband services through a harmonised and technology-neutral pan-EU approach;
- the Commission and the Member States should develop European and national programmes to facilitate and provide funding for access to broadband infrastructure for all teaching and research institutions by 2015;
- Member States should: (i) promote and extend high-speed open-access connectivity to **important public infrastructure** (schools, hospitals and other public institutions) located in remote areas; (ii) implement public policies to support the introduction of new technologies; (iii) promote the introduction of digital teaching methods;
- continue to develop joint technology initiatives in these areas, involving universities, research institutes, device manufacturers and service and content providers;
- the Commission is urged to urgently present an appropriate proposal for a strategic plan containing a single framework for all aspects of EU cyber security;
- lastly, Member States are invited to set **national broadband plans** and adopt operational plans with concrete measures to implement the 2013 and 2020 targets set in the Digital Agenda.

**(2) Broadband for economic growth, innovation and global competitiveness**: the report emphasises that broadband services are key to the competitiveness of EU industry and greatly contribute to EU economic growth, social cohesion and quality employment, as well as to the participation of all regions and social groups in digital life in the EU. The successful implementation of the 'Broadband Package' is critical to tackling unemployment, particularly among young people, by the provision of smart, sustainable and inclusive growth in Europe.

In this context, Members believe that the combination of competition and carefully selected targets, in both infrastructure and services, provides the best basis for sustainable investment, innovation and take-up. They recommend **promoting a competitive market for investment in, and utilisation of fixed and wireless broadband infrastructure**.

The committee regrets that the EUR 1 billion in funding announced in 2008 in the European economic recovery plan with reference to 100% broadband coverage by the end of 2010 has not been allocated and that this objective has not been achieved. The Commission and the Member States to **allocate the necessary amounts** to achieve the target of ensuring 100% broadband coverage by 2013 when the current multiannual financial framework is reviewed.

**(3) Incentivising investment and competition**: the report highlights the need for measures by Member States and the industry sector aimed at achieving broadband for all, to be focused on the demand side and to avoid distorting the market or creating an undue burden on the sector.

Stressing that the cost of infrastructure investments needs to be financed by the market, Members note, however, that, where open infrastructure is unlikely to be installed through market forces within a reasonable period, the broadband state aid framework and targeted use of Community funds, including through the EIB, structural funds and EAFRD, may be the most progressive complementary means of accelerating broadband roll-out.

The Commission is invited to **provide a stable and consistent framework which supports competition and efficient investment in open networks** and to allow the flexible allocation of EU funds within the respective programming periods.

The report notes that in order to maximise broadband availability and adoption, EU policy must encourage the deployment of efficient and affordable networks, applications, access equipment, services and content. It encourages Member States to develop e-government, e-democracy, e-learning and e-health services, which will boost the demand for Broadband.

Members welcome the Commission’s proposal to explore new financing sources and innovative financing instruments. They continue to encourage appropriate public-sector investment and organisational models, in particular involving local authorities, public-private partnerships and tax incentive schemes for the roll-out of fast and ultra-fast networks. They stress the importance of government policies being coordinated at all levels.

The Commission and the Member States are called upon to agree on an **EU Broadband Deployment Pact** with a view to coordinating national and European funding programmes and private investment more effectively.

Members also call for the establishment of a **single high-level EU task force** with representation of all relevant stakeholders, including users and providers of electronic networks and services, to assist in developing a future ICT infrastructure strategy and specific information society services.

**(4) Consumer benefits**: noting the Commission’s intention to produce guidance on costing and non-discrimination, Members encourage the Commission to support competition in fast and ultra-fast networks and allow all operators fair access to the infrastructure, in order to **ensure a wide choice of services, fair network access rates and affordable prices** for consumers, and to incentivise efficient investment and rapid switchover to fast and ultra-fast networks.

The report calls on the Commission and the Member States to **address social digital exclusion** and other impediments that have kept some populations offline, particularly low-income communities and people

with disabilities, and to require all relevant stakeholders to provide: training and public access to broadband services, economic assistance for the acquisition of broadband services and equipment, and incentives for the development of technology and content aimed at specific users' needs.

**(5) E-Initiatives: promoting demand**: the report calls for specific measures to be taken to ensure that SMEs can fully enjoy the potential of broadband in the fields of e-commerce and e-procurement. It also states that broadband deployment should be coupled with demand-awareness information and educational programmes.

Members call on the Member States to step up efforts to **address e-skills shortages** at all educational levels and through lifelong education for all citizens. They support innovative broadband services directed towards the maritime sector.