

Guidelines for trans-European networks in the area of telecommunications infrastructure

2011/0299(COD) - 28/05/2013 - Legislative proposal

PURPOSE: to present an **amended 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.

BACKGROUND: On 29 June 2011, the Commission adopted the Communication "[A Budget for Europe 2020](#)" on the next multi-annual financial framework (**MFF**) (2014-2020), which proposes the creation of a [Connecting Europe Facility](#) (**CEF**) to promote the completion of priority energy, transport and digital infrastructures with a single fund of EUR 40 billion, out of which **the Commission proposed that** EUR 9.2 billion are **be** dedicated to digital networks and services.

On 8 February 2013, the European Council adopted conclusions on a new MFF **setting the budget for "CEF Digital" at EUR 1 billion**. On this basis, the Commission now proposes to modify its proposal for a Regulation on guidelines for trans-European telecommunications networks. At the time of writing, the negotiations between the Council and the European Parliament on the next Multiannual Financial Framework have not yet been concluded. Likewise, negotiations on the proposal for a Regulation establishing the CEF are on-going.

CONTENT: the modified proposal takes, to the extent possible, account of the latest positions in the Council and in the relevant European Parliament committee. It aims to focus the CEF intervention on a smaller number of digital service infrastructures, based on a stringent set of criteria for prioritisation, and a limited contribution to broadband via financial instruments, with a view to leverage private investment as well as investment from public sources other than CEF.

Despite its limited financial contribution regarding broadband, the proposal sets a framework enabling wider contributions from business and institutional players such as the European Investment Bank.

Hence, CEF will only be able to finance a limited number of broadband projects by itself, but in addition it will facilitate the efficient allocation of, for example, European Structural and Investment Funds (ESIF), by enabling Managing Authorities to make a contribution from the operational programmes.

For digital service infrastructures, taking account of the proposed budgetary restrictions, two services have been not been a retained in the annex of this proposal ("Trans-European high-speed backbone connections for public administrations", "Information and communication technology solutions for intelligent energy networks and for the provision of Smart Energy Services"), while one general service infrastructure has been added

The European Parliament's Industry, Research and Energy Committee added additional digital service infrastructures on "Deployment of infrastructures in public transports allowing the use of secure and interoperable mobile proximity services", "Online Dispute Resolution Platform", "European Platform for Access to Educational Resources", and "Cross border interoperable electronic invoicing services". Some of them are retained in the annex of the present proposal.

In the area of broadband, the present proposal foresees the setting up of financial instruments with a view to providing an efficient way to allocate, inter alia, structural funds.

Both Council and Parliament shared the view that the intervention should not displace private investment and that it should be based on the principle of technological neutrality.

By insisting that EU funds be prioritised to state-of-the art technologies, while giving Member States flexibility in the choice of projects in their countries that would benefit from access to long term funds, the present proposal reaffirms the link to the Digital Agenda targets, while retaining the spirit of preferences expressed by both institutions.

On the method of intervention, i.e. grants or financial instruments (loans, guarantees, project bonds, equity), the present proposal only provides for the setting up of financial instruments, as sources of efficiently priced long term funds, aligned to the infrastructure needs.

Lastly, on horizontal points, the original Commission proposal foresaw Delegated Act powers to amend the list of Projects of Common Interest in the Annex. The present proposal takes account of the concerns expressed in particular by Member States, and instead foresees sufficiently flexible wording in the Annex, and recognises that the necessary programme adjustments will be made by Implementing Act.

BUDGETARY IMPLICATION: the final amount allocated to telecommunications will be known once the political agreement on the MFF figures will be reached and the new legal base is adopted by the Legislative Authority.