

Promotion of internet connectivity in local communities

2016/0287(COD) - 14/09/2016 - Legislative proposal

PURPOSE: to promote internet connectivity in local communities.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with Council.

BACKGROUND: the **new telecommunications package** adopted today by the Commission includes [a Communication](#) setting out a European vision of Internet connectivity for citizens and business in the Digital Single Market, as well as a [legislative proposal](#) for a European Electronic Communications Code. The Commission proposal set out the reforms needed to ensure **availability and take-up of very high capacity networks** and ensure that no one and no region is left behind.

One of the Commission's strategic aims for the Union to be achieved by 2025 is for sites at which public services are provided, such as public administrations, libraries and hospitals to be equipped with gigabit internet connections.

The proposal complements this effort through **amendments to the legal framework for telecommunications** in the Connecting Europe Facility (CEF), contained in [Regulation \(EU\) No 1316/2013](#) and [Regulation \(EU\) No 283/2014](#) on guidelines for trans-European networks in the area of telecommunications infrastructure. These amendments encourage entities with a public mission such as public authorities and providers of public services to offer free local wireless connectivity in the centres of local public life (e.g. public administrations, libraries, health centres and outdoor public spaces).

IMPACT ASSESSMENT: the impact assessment carried out for the review of the regulatory framework builds on those considerations expressed by stakeholders and proposes to introduce provisions on the deployment of **small cells**. These provisions aim to reduce the costs of deploying very dense networks and to enhance access to local wireless connectivity in order to meet the exponential demand for ubiquitous connectivity.

CONTENT: the proposal aims to amend Regulations (EU) No 1316/2013 and (EU) No 283/2014 in order to **promote internet connectivity in local communities**.

Financial assistance: the proposal provides that entities with a public mission such as public authorities and providers of public services, wishing to offer **free local wireless connectivity through local access points**, will benefit from financial assistance.

Funding to local public authorities for access points in the **centres of local public life**, including outdoor spaces accessible to the general public, will be prioritised in the first phase of the intervention.

Targeted intervention: in order to ensure the targeted nature of the intervention and to realise maximum public benefit, funding will be limited to situations where no freely accessible public or private access points delivering very high-speed broadband exist.

Furthermore, funding will be awarded in a **geographically balanced manner** that contributes to the economic, social and territorial cohesion in the Union by taking particular account of the needs of local communities.

Rate of intervention: to ensure that local communities with limited resources can also experience these benefits of participation in the Digital Single Market, support under this measure should be available for **up to 100 % of the eligible costs**, without prejudice to the principle of co-financing.

Projects of common interest: given its flexible and focussed nature relative to the support for broadband networks under the telecommunications sectoral envelope for the implementation of the CEF, the intervention should be recognised as a separate project of common interest with associated actions under the CEF Regulation and a dedicated budget, the details of which should be provided for under the Guidelines Regulation.

BUDGETARY IMPLICATIONS: a total budget of **EUR 120 million is envisaged for the period until 2019.**

Appropriations required by the proposal are to be fully financed within the Multiannual

Financial Framework 2014-2020.

- **EUR 70 million** are to be reallocated within the programmed amounts for the CEF telecommunications sector 2017-2019 and
- **EUR 50 million** will be transferred to the financial envelope for the telecommunications sector through an amendment of Article 5(1) of the CEF Regulation.

For reasons of consistency, this increase is also reflected in [the proposal](#) for an amendment of the legal framework for the European Fund for Strategic Investments.