

# **Trans-European networks: eTen telecommunications programme, Community funding ceiling**

2003/0086(COD) - 29/04/2003 - Legislative proposal

**PURPOSE** : to revise the TENs financial regulation to increase the maximum level of Community aid to projects in the telecommunications sector. **CONTENT** : to recall, eTEN is one of the Trans-European Networks, enshrined in the EC Treaty with an objective to enable the citizens of the Union, economic operators and regional and local communities to derive the full benefit of the internal market. All TEN programmes are subject to full respect of competition rules in order to avoid all market distortions susceptible of being caused by the contributions. eTEN has been re-oriented to become a key implementing tool for eEurope 2005: its main focus will therefore be the practical realisation of eEurope general interest services objectives. This global reorientation towards eEurope 2005 and the specific need to ensure that funds contribute to meeting objectives find practical expression in this proposal by the Commission to raise the funding ceiling for projects from 10% to 30%. Given the key role that eTEN must play if eEurope 2005 objectives are to be achieved, it is imperative that the lead that has been given in other policy areas towards more focused and results oriented programs be followed in re-orienting the eTEN program. Closely intertwined with focus and results is the need to achieve "critical mass" both in terms of attracting the proper profile of project participants (and particular the "service deployers") but also the correct size of project to ensure genuine market impact potential. The re-orientation that has taken place in terms of actual program content must now be complimented with an impact oriented overhaul of the financing structure. This overhaul will result in: - no change to the overall eTEN financial envelope; - The financing of fewer, more highly visible, better focused, higher impact projects that are selected for their real market potential.