Basic information

2011/0299(COD) COD - Ordinary legislative procedure (ex-codecision procedure) Regulation	Procedure completed
Guidelines for trans-European networks in the area of telecommunications infrastructure Repealing Decision 1336/97/EC 1995/0124(COD) See also 2011/0302(COD) Repealed by 2018/0228(COD) Amended by 2016/0282A(COD) Amended by 2016/0287(COD) **Subject** 3.30.20 Trans-European communications networks	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
ITRE Industry, Research and Energy	TOŠENOVSKÝ Evžen (ECR)	19/01/2012
	Shadow rapporteur HÖKMARK Gunnar (PPE) TRAUTMANN Catherine (S&D) CREUTZMANN Jürgen (ALDE) ANDERSDOTTER Amelia (Verts/ALE)	

Committee for opinion	Rapporteur for opinion	Appointed
ECON Economic and Monetary Affairs	The committee decided not to give an opinion.	
ENVI Environment, Public Health and Food Safety	ROSSI Oreste (EFD)	28/11/2011
IMCO Internal Market and Consumer Protection	BOULLIER GALLO Marielle (PPE)	29/02/2012
REGI Regional Development	MĂNESCU Ramona Nicole (ALDE)	23/11/2011

	CULT Culture and Education	FONTANA Lorenzo (EFD)	25/01/2012
	LIBE Civil Liberties, Justice and Home Affairs	The committee decided not to give an opinion.	

Council of the European Union

Council configuration	Meetings	Date
Transport, Telecommunications and Energy	3171	2012-06-07
Transport, Telecommunications and Energy	3213	2012-12-20
Transport, Telecommunications and Energy	3278	2013-12-05
Transport, Telecommunications and Energy	3243	2013-06-06
Transport, Telecommunications and Energy	3134	2011-12-12
Education, Youth, Culture and Sport	3164	2012-05-10

European Commission

Commission DG	Commissioner
Communications Networks, Content and Technology	KROES Neelie

European Economic and Social Committee

European Committee of the Regions

Key events

Date	Event	Reference	Summary
19/10/2011	Initial legislative proposal published	COM(2011)0657	Summary
15/11/2011	Committee referral announced in Parliament, 1st reading		
12/12/2011	Debate in Council		Summary
10/05/2012	Debate in Council		
07/06/2012	Debate in Council		Summary
20/12/2012	Debate in Council		
28/05/2013	Legislative proposal published	COM(2013)0329	Summary
06/06/2013	Debate in Council		
09/07/2013	Vote in committee, 1st reading		
18/07/2013	Committee report tabled for plenary, 1st reading	A7-0272/2013	Summary
05/12/2013	Debate in Council		
25/02/2014	Debate in Parliament		
26/02/2014	Decision by Parliament, 1st reading	T7-0157/2014	Summary

26/02/2014	Results of vote in Parliament		
11/03/2014	Act adopted by Council after Parliament's 1st reading		
11/03/2014	Final act signed		
11/03/2014	End of procedure in Parliament		
21/03/2014	Final act published in Official Journal		

Technical information

Procedure reference	2011/0299(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Regulation
Amendments and repeals	Repealing Decision 1336/97/EC 1995/0124(COD) See also 2011/0302(COD) Repealed by 2018/0228(COD) Amended by 2016/0282A(COD) Amended by 2016/0287(COD)
Legal basis	Treaty on the Functioning of the European Union TFEU 172
Other legal basis	Rules of Procedure EP 165
Mandatory consultation of other institutions	European Economic and Social Committee European Committee of the Regions
Stage reached in procedure	Procedure completed
Committee dossier	ITRE/7/07678

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE487.697	24/05/2012	
Committee opinion	ENVI	PE480.682	22/06/2012	
Amendments tabled in committee		PE494.476	16/07/2012	
Committee opinion	CULT	PE489.644	27/09/2012	
Committee opinion	IMCO	PE489.674	12/10/2012	
Committee opinion	REGI	PE494.848	15/10/2012	
Amendments tabled in committee		PE514.689	26/06/2013	
Amendments tabled in committee		PE514.846	03/07/2013	
Committee report tabled for plenary, 1st reading/single reading		A7-0272/2013	18/07/2013	Summary
Text adopted by Parliament, 1st reading/single reading		T7-0157/2014	26/02/2014	Summary

Council of the EU

Document type	Reference	Date	Summary
Draft final act	00116/2013/LEX	11/03/2014	

European Commission

Document type	Reference	Date	Summary
Initial legislative proposal	COM(2011)0657	19/10/2011	Summary
Document attached to the procedure	SEC(2011)1229	19/10/2011	
Document attached to the procedure	SEC(2011)1230	19/10/2011	
Legislative proposal	COM(2013)0329	28/05/2013	Summary
Commission response to text adopted in plenary	SP(2014)446	20/05/2014	

National parliaments

Document type	Parliament /Chamber	Reference	Date	Summary
Contribution	PT_PARLIAMENT	COM(2011)0657	23/01/2012	
Contribution	IT_SENATE	COM(2011)0657	20/02/2012	
Contribution	CZ_SENATE	COM(2011)0657	08/03/2012	
Contribution	RO_CHAMBER	COM(2011)0657	15/03/2012	
Contribution	PT_PARLIAMENT	COM(2013)0329	25/07/2013	
Contribution	ES_PARLIAMENT	COM(2013)0329	27/07/2013	

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
EESC	Economic and Social Committee: opinion, report	CES0490/2012	22/02/2012	
CofR	Committee of the Regions: opinion	CDR0399/2011	04/05/2012	
CofR	Committee of the Regions: opinion	CDR5559/2013	08/10/2013	
EESC	Economic and Social Committee: opinion, report	CES5315/2013	16/10/2013	

Additional information

Source	Document	Date
National parliaments	IPEX	

European Commission	EUR-Lex	
European Commission	EUR-Lex	

Final act	
Regulation 2014/0283 OJ L 086 21.03.2014, p. 0014	Summary

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.

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

2011/0299(COD) - 19/10/2011 - Initial legislative proposal

PURPOSE: to draw up guidelines for the implementation of trans-European telecommunications networks.

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

BACKGROUND: telecommunications networks and services are increasingly becoming internet-based infrastructures, with broadband networks and digital services closely interrelated. The internet is becoming the dominant platform for communication, services, and doing business. Therefore, the trans-European availability of fast Internet access and digital services in the public interest is essential for economic growth and the Single Market.

This initiative is anchored in the Europe 2020 Strategy for smart, sustainable and inclusive growth1, which put digital infrastructures at the forefront as part of the flagship initiative "Digital Agenda for Europe". It underlined the need to ensure the roll-out and take-up of broadband for all, at increasing speeds, through both fixed and wireless technologies, and to facilitate investment in the new very fast open and competitive internet networks that will be the arteries of a future economy. The EU has set itself ambitious targets in terms of broadband roll-out and take up by 2020.

The approach in this Regulation is to aim for the **removal of bottlenecks** which hinder the completion of the Digital Single Market i.e. providing connectivity to the network and access, including across borders, to an infrastructure of public digital services. The blockages in operational terms for the telecom networks, in contrast to e.g. financing a ring-road around a capital city which is essential for fluidity in a transport corridor, concern both supply-side and demand side aspects :

- for the **supply side**, the limitations relate to a strong degree of market failures and the concomitant weak business cases for investment in broadband networks and delivery of essential public interest services (e.g. eHealth, eIdentity, eProcurement and their cross-border interoperability).
- on the **demand side**, the Digital Single Market with its considerable growth potential relies on all citizens being connected to digital networks.

IMPACT ASSESSMENT: two options were analysed:

Option 1- baseline option: this option foresees no EU funding to be allocated to broadband other than, potentially, through the structural funds and the continuation of the Competitiveness and Innovation Programme for digital service infrastructures in the scale of pilots only;

Option 2 - a financing tool which would complement the financing resources available under the first option: this is the line of action included in the proposal for the multiannual financial framework (MFF) released by the European Commission on 29 June 2011. The new facility will finance infrastructure projects with high EU added value, not only 'hard' infrastructure, but also 'soft and smart' infrastructure and governance structures to realise the transport "core network", the energy "priority corridors" as well as digital infrastructure. The facility would target projects with high European value added, such as cross-border interconnections or the deployment of EU-wide systems, which must be implemented by 2020. **This option was retained by the Commission.**

LEGAL BASIS: Article 172 of the Treaty on the Functioning of the European Union (TFEU) which provides a legal base for the EU intervention supporting the establishment and development of trans-European networks in the areas of transport, telecommunications and energy infrastructures.

CONTENT: the proposed Regulation will repeal and replace Decision 1336/97/EC on a series of Guidelines for trans-European telecommunications networks. It seeks to establish a series of guidelines covering the objectives and priorities envisaged for broadband networks and digital service infrastructures in the field of telecommunications in the context of the Connecting Europe Facility.

The guidelines identify in annex projects of common interest for the deployment of broadband networks and digital service infrastructures. These projects shall contribute to (i) improving the competitiveness of the European economy including small and medium sized enterprises (SMEs), (ii) promoting the interconnection and interoperability of national networks, as well as access to such networks and (iii) supporting the development of a Digital Single Market. They shall be eligible for EU financial support under the instruments available under the Regulation on Connecting Europe Facility which accompanies the proposed Regulation.

High-speed broadband: in this sector, the actions will encourage investment in networks capable of achieving, by 2020, the Digital Agenda for Europe targets of universal coverage at 30Mbps; or having at least 50% of households subscribing to speeds above 100Mbps. A balanced portfolio of 30 and 100 Mbps projects will be created and due account should also be taken of Member States' investment needs which are indicatively assessed to be up to EUR 270 billion.

Digital service infrastructure: for the digital service infrastructure, the bottlenecks in terms of service deployment within interoperable frameworks are addressed through direct grant schemes, in certain cases with high co-funding rates as there are no natural owners of a European interoperable service infrastructure.

Projects of common interest in the field of digital service infrastructures include:

- trans-European high-speed backbone connections for public administrations,
- cross- border delivery of eGovernment services based on interoperable identification and authentication (e.g. Europe-wide electronic procedures: to set up a business; for cross-border procurement, e-Justice, cross-border eHealth services);
- enabling access to public sector information, including digital resources of European heritage, data.eu and multilingual resources; safety and security (safer internet and critical service infrastructures) and
- smart energy services.

Projects of common interest may also include the operation of electronic public services implemented under other Community programs such as the ISA programme ("Interoperability solutions for European public administrations").

BUDGETARY IMPACT: the proposal will not entail any additional cost for the EU budget. The proposal for a Regulation on guidelines for the implementation of trans-European telecommunication networks is linked to the proposal for a Regulation establishing the Connecting Europe Facility (CEF) which will provide the legislative and the financial framework. An amount of **EUR 9.2 billion**is allocated for telecommunications within the envelope of the CEF.

Financial support shall be provided in accordance with the relevant rules and procedures adopted by the Union, funding priorities and the availability of resources.

DELEGATED ACTS: the proposal contains provisions enabling the Commission to adopt delegated acts in accordance with Article 290 of the TFEU.

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

2011/0299(COD) - 18/07/2013 - Committee report tabled for plenary, 1st reading/single reading

The Committee on Industry, Research and Energy adopted the report by Evžen TOŠENOVSKÝ (ECR, CZ) on the 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.

The committee recommends that Parliament adopt its position in first reading following the ordinary legislative procedure, and amend the Commission proposal as follows:

Broadband networks: given the rapid evolution of technologies that lead to ever faster internet connexions, it is appropriate today, for all Union households, to target **internet connections above 100 Mbps with 50% of the households having access to 1 Gbps.**

Projects of common interest must:

- allow **open and non-discriminatory access** to such networks and digital inclusion, bearing in mind that the more sparsely populated and less developed regions must be included in and served with connection;.

- ensure a **safe, inclusive and positive online environment for children and young people.**

Implementation: financing must be allocated taking into account the specific needs of the beneficiaries, in particular by balancing the division between subsidies and innovative financial instruments.

Exchange of information, monitoring and review: Members required a yearly overview of that information to be sent to the European Parliament. Member States shall involve local and regional authorities in the process.

The Expert Group may also consider any other issue relating to the development of the trans-European digital networks.

To that end, it will engage in **structured cooperation with those involved** in the planning, development and management of digital networks and services such as, inter alia, local and regional authorities, national regulatory authorities and the Body of European Regulators for Electronic Communications (BEREC), internet access providers, public network administrators and component manufacturers.

The Commission must provide an evaluation of: (i) the progress achieved in the development, construction and commissioning of projects of common interest and, where relevant, delays in implementation; (ii) the funds committed and disbursed by the Union for projects of common interest

Regarding broadband infrastructure, the report stressed the need for:

- assistance in narrowing the digital divide;
- deployment of infrastructures in public transport allowing the use of secure and interoperable mobile proximity services:
- a European Platform for Access to Educational Resources that would serve as a backbone for cooperation between educational institutions facilitating the implementation of other Union programmes such as "Erasmus for All".
- exploiting potential synergies between the roll-out of broadband networks and other utilities networks (energy, transport, water, sewerage, etc.), in particular those related to smart electricity distribution.

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

2011/0299(COD) - 26/02/2014 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 560 votes to 70 with 15 abstentions, a legislative resolution on the 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.

Parliament adopted its position in first reading following the ordinary legislative procedure. The amendments adopted in plenary are the result of a compromise agreement between Parliament and Council. They amend the Commission proposal as follows:

Objective: Parliament specified that the Regulation must lay down guidelines for the timely deployment of **projects of common interest in the field of trans-European networks in the area of telecommunications infrastructure.**

The Regulation provides for:

- the objectives and operational priorities of projects of common interest;
- the identification of projects of common interest;
- the criteria according to which actions contributing to projects of common interest shall be eligible for Union financial assistance;
- priorities for funding for projects of common interest.

Broadband networks: the projects of common interest shall make improvements in daily life for citizens, businesses and public authorities at every level through the **promotion of broadband networks**, interconnection and interoperability of national, regional and local broadband networks, as well as non-discriminatory access to such networks and digital inclusion.

A new recital refers to the resolution on the digital agenda for growth, mobility and employment, adopted by Parliament on of 12 September 2013: in the resolution Parliament emphasised that a revised forward-looking Digital Agenda for Europe target for 2020 is to connect all Union households with broadband connections delivering 100 Mbps, with 50 % of households subscribing to 1 Gbps or more.

Projects of common interest: the list of projects of common interest in the Annex to the Regulation must include **well-established digital service infrastructures** particularly identified to be eligible for funding contributing to uninterrupted service.

As well-established digital service infrastructure, **Europeana** (access point to Europeana cultural heritage content) and **Safer Internet for Children** should have priority for funding.

Actions contributing to projects of common interest in the field of broadband networks shall, inter alia:

- deploy the technology best suited for the specific project, while proposing the best balance between state of the art technologies in terms of data flow capacity, transmission security, network resilience, and cost efficiency;
- have a high potential for replicability and/or be based on innovative business models.

Methods of intervention: Member States shall be encouraged to take the measures necessary to facilitate the implementation of projects of common interest. The final decision on the implementation of a project of common interest that relates to the territory of a Member State shall be taken **after the approval of that Member State**.

The total amount of the budget allocated to financial instruments for broadband networks shall not exceed the minimum necessary to establish cost-efficient interventions which shall be determined on the basis of ex-ante assessments.

That amount shall be **15 % of the financial envelope** for the telecommunications sector referred to in Regulation (EU) No 1316/2013 establishing the Connecting Europe Facility.

At least one-third of the broadband projects receiving financial assistance under this Regulation shall aim at **broadband speeds above 100Mbps.**

Exchange of information, monitoring and reporting: Member States and the Commission shall exchange information and best practices about the progress made in the implementation of the Regulation. Local and regional authorities will be involved in the process. The Commission shall publish a **yearly overview** of that information and submit it to the European Parliament and to the Council.

The Commission shall publish a report on progress in the implementation of the Regulation. That report shall provide an **evaluation of the progress achieved** in the development and implementation of projects of common interest, including where relevant delays in implementation and difficulties are encountered, as well as information about commitments and payments.

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

2011/0299(COD) - 11/03/2014 - Final act

PURPOSE: to establish guidelines for the implementation of trans-European telecommunications networks.

LEGISLATIVE ACT: Regulation (EU) n° 283/2014 of the European Parliament and of the Council on guidelines for trans-European networks in the area of telecommunications infrastructure and repealing Decision No 1336/97/EC

CONTENT: the internet is becoming the dominant platform for communication, services, education, and participation in social and political life, cultural content, and business. Therefore, it is essential to ensure the trans-European availability of widespread, high-speed, secure internet access and digital services in the public interest.

The Regulation lays down **new guidelines** for the timely deployment and interoperability of projects of common interest in the field of trans-European networks in the area of telecommunications infrastructure.

Objectives and operational priorities: the projects of common interest shall contribute to achieving the general objectives specified in Regulation (EU) No 1316/2013.

The operational priorities are as follows:

- **interoperability, connectivity, sustainable deployment**, operation and upgrading of trans-European digital service infrastructures, as well as coordination at European level;
- efficient flow of private and public investments to stimulate the deployment and modernisation of broadband networks with a view to contributing to achieving the broadband targets of the Digital Agenda for Europe.

Projects of common interest: these shall, in particular: (i) aim at the creation and/or enhancement of interoperable and, whenever possible, internationally compatible core service platforms; (ii) provide efficient investment vehicles for broadband networks.

The list of projects of common interest in the Annex covers digital infrastructures such as: (i) electronic identification and authentication; (ii) electronic delivery of documents; (iii) automated translation; (iv) critical digital infrastructures support; (v) electronic invoicing.

The list also includes **well-established digital service infrastructures** particularly identified to be eligible for funding contributing to uninterrupted service. Well-established digital service infrastructures include **Europeana** (allowing access to digital resources on European heritage) and **Safer internet** for children, which will be priorities in terms of financing.

Methods of intervention: the Regulation provides that actions contributing to projects of common interest, which meet eligibility criteria, may benefit from Union funding Union financial assistance **under the conditions and instruments available under Regulation establishing the CEF.**

The total amount of the budget allocated to financial instruments for broadband networks shall not exceed the minimum necessary to establish cost-efficient interventions. That amount shall be **15 %** of the financial envelope for the telecommunications sector as set out in the CEF Regulation.

Eligibility criteria and priorities for funding: to be eligible for funding, actions contributing to projects of common interest in the field of **digital service infrastructures** must particularly, have sufficient maturity to be deployed, create European added value, have a strategy and planning for long-term sustainability, and comply with international and/or European standards for interoperability.

Actions contributing to projects of common interest in the **field of broadband networks** must satisfy certain criteria such as: making a significant contribution to the realisation of the targets of the Digital Agenda for Europe, address market failures or sub-optimal investment situations and not lead to market distortions or crowding out of private investment.

At least **one-third of the broadband projects** receiving financial assistance under this Regulation shall aim at **broadband speeds above 100 Mbps**.

In its resolution of 12 September 2013, the European Parliament emphasised that a revised forward-looking Digital Agenda for Europe target for 2020 is to connect all Union households with broadband connections delivering 100 Mbps, with 50 % of households subscribing to 1 Gbps or more.

Exchange of information, monitoring and reporting: Member States and the Commission shall exchange information and best practices about the progress made in the implementation of the Regulation. The Commission shall publish a yearly overview of that information and submit it to the European Parliament and to the Council.

ENTRY INTO FORCE : 21.12.2013. The Regulation is applicable from 01.01.2014.

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

2011/0299(COD) - 12/12/2011

The Commission presented to the Council its 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.

The Danish delegation informed the Council of its work programme in the telecommunications sector. Its work will focus in particular on the roaming regulation, the Connecting Europe Facility proposal, the public sector information directive, the ENISA regulation and the upcoming review of the **e-signature directive**.

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

2011/0299(COD) - 07/06/2012

The Council held a **public orientation debate** on a draft regulation on guidelines for trans-European telecommunications networks and took note of a presidency progress report.

Ministers focused their discussions in particular on the criteria to be used for selection of broadband deployment projects and on the types of European cross-border digital services infrastructures that could be supported.

The following issues, in particular, will require further consideration by delegations:

(1) Member State involvement, particularly in relation to the preparatory steps of project selection and the modification of the description of projects of common interest.

- Many delegations stressed that guidelines and projects of common interest, which relate to the territory of a Member State, shall require the approval of the Member State concerned.
- Many delegations were opposed to, or put a reservation against, the Commission's proposal for it to be empowered to adopt delegated acts to modify the annex. These delegations argued that, taking into account that projects of common interest which relate to the territory of a Member States shall require the approval of the Member State concerned, the modification of the list of possible projects would require the full involvement of the Member States. Some delegations questioned whether and under which conditions implementing acts would be an appropriate instrument in this regard. Other delegations argued that an approach with neither delegated acts nor implementing acts would be preferable.

(2) Role and status of the proposed expert group.

- Delegations sought more clarity on the exact role of the Expert Group, for instance with regard to the drawing up of the annual work programmes.
- Some delegations questioned the Expert Groups status as an advisory body only with some delegations looking to extend its capacity to allow a broader view on telecommunications.

(3) The contents of the annex to the proposed Connecting Europe Facility (CEF) regulation.

- Many delegations appeared to accept the annex as a framework for establishing future projects but some considered that the text should spell out in more detail which projects are envisioned and how member states could get involved in such projects.
- Some delegations expressed the view that the annex could possibly make it clearer with regard to projects in the area of broadband infrastructure which methods of intervention (financial instruments, grants or a combination thereof) could be available in which geographical areas (e.g. rural or urban areas, islands, landlocked regions).
- Other delegations would prefer a more open and flexible approach.

(4) Relations between the CEF regulation and other financial instruments.

- A large number of delegations sought clarification on how the actions under the CEF Regulation and the Telecoms Guidelines would relate to other financial instruments, such as the Structural and Cohesion Funds.
- With regard to the deployment of broadband infrastructure in less developed regions in particular, delegations questioned where the financing will come from and in which priority.

There is still a **substantial need for clarification** with regard to the processes envisioned in general for the working of the Connecting Europe Facility as well as more specific issues relating to e.g. the list of projects of common interest in the Telecoms Guidelines annex and the list of pre-identified priorities and areas of intervention in the CEF Regulation annex.

The EU funding related to this regulation is to be negotiated in the context of the CEF financing instrument, linked to the next multiannual financial framework (2014-2020). The proposal for the regulation establishing the Connecting Europe Facility was discussed in greater depth by transport ministers on the first day of the TTE Council (see above, page 9). The Commission presented this proposal in June 2011 with the aim of promoting the completion of priority energy, transport and digital infrastructures with a single fund of EUR 40 billion, of which EUR 9.2 billion are allocated to broadband networks and digital service infrastructures.

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

2011/0299(COD) - 19/10/2011

PURPOSE: to draw up guidelines for the implementation of trans-European telecommunications networks.

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

BACKGROUND: telecommunications networks and services are increasingly becoming internet-based infrastructures, with broadband networks and digital services closely interrelated. The internet is becoming the dominant platform for communication, services, and doing business. Therefore, the trans-European availability of fast Internet access and digital services in the public interest is essential for economic growth and the Single Market.

This initiative is anchored in the Europe 2020 Strategy for smart, sustainable and inclusive growth1, which put digital infrastructures at the forefront as part of the flagship initiative "Digital Agenda for Europe". It underlined the need to ensure the roll-out and take-up of broadband for all, at increasing speeds, through both fixed and wireless technologies, and to facilitate investment in the new very fast open and competitive internet networks that will be the arteries of a future economy. The EU has set itself ambitious targets in terms of broadband roll-out and take up by 2020.

The approach in this Regulation is to aim for the **removal of bottlenecks** which hinder the completion of the Digital Single Market i.e. providing connectivity to the network and access, including across borders, to an infrastructure of public digital services. The blockages in operational terms for the telecom networks, in contrast to e.g. financing a ring-road around a capital city which is essential for fluidity in a transport corridor, concern both supply-side and demand side aspects :

- for the **supply side**, the limitations relate to a strong degree of market failures and the concomitant weak business cases for investment in broadband networks and delivery of essential public interest services (e.g. eHealth, eIdentity, eProcurement and their cross-border interoperability).
- on the **demand side**, the Digital Single Market with its considerable growth potential relies on all citizens being connected to digital networks.

IMPACT ASSESSMENT: two options were analysed:

***Option 1- baseline option*:** this option foresees no EU funding to be allocated to broadband other than, potentially, through the structural funds and the continuation of the Competitiveness and Innovation Programme for digital service infrastructures in the scale of pilots only;

Option 2 – a financing tool which would complement the financing resources available under the first option: this is the line of action included in the proposal for the multiannual financial framework (MFF) released by the European Commission on 29 June 2011. The new facility will finance infrastructure projects with high EU added value, not only 'hard' infrastructure, but also 'soft and smart' infrastructure and governance structures to realise the transport "core network", the energy "priority corridors" as well as digital infrastructure. The facility would target projects with high European value added, such as cross-border interconnections or the deployment of EU-wide systems, which must be implemented by 2020. **This option was retained by the Commission.**

LEGAL BASIS: Article 172 of the Treaty on the Functioning of the European Union (TFEU) which provides a legal base for the EU intervention supporting the establishment and development of trans-European networks in the areas of transport, telecommunications and energy infrastructures.

CONTENT: the proposed Regulation will repeal and replace Decision 1336/97/EC on a series of Guidelines for trans-European telecommunications networks. It seeks to establish a series of guidelines covering the objectives and priorities envisaged for broadband networks and digital service infrastructures in the field of telecommunications in the context of the Connecting Europe Facility.

The guidelines identify in annex projects of common interest for the deployment of broadband networks and digital service infrastructures. These projects shall contribute to (i) improving the competitiveness of the European economy including small and medium sized enterprises (SMEs), (ii) promoting the interconnection and interoperability of national networks, as well as access to such networks and (iii) supporting the development of a Digital Single Market. They shall be eligible for EU financial support under the instruments available under the Regulation on Connecting Europe Facility which accompanies the proposed Regulation.

High-speed broadband: in this sector, the actions will encourage investment in networks capable of achieving, by 2020, the Digital Agenda for Europe targets of universal coverage at 30Mbps; or having at least 50% of households subscribing to speeds above 100Mbps. A balanced portfolio of 30 and 100 Mbps projects will be created and due account should also be taken of Member States' investment needs which are indicatively assessed to be up to EUR 270 billion.

Digital service infrastructure: for the digital service infrastructure, the bottlenecks in terms of service deployment within interoperable frameworks are addressed through direct grant schemes, in certain cases with high co-funding rates as there are no natural owners of a European interoperable service infrastructure.

Projects of common interest in the field of digital service infrastructures include:

- trans-European high-speed backbone connections for public administrations,
- cross– border delivery of eGovernment services based on interoperable identification and authentication (e.g. Europe-wide electronic procedures: to set up a business; for cross-border procurement, e-Justice, cross-border eHealth services);
- enabling access to public sector information, including digital resources of European heritage, data.eu and multilingual resources; safety and security (safer internet and critical service infrastructures) and
- smart energy services.

Projects of common interest may also include the operation of electronic public services implemented under other Community programs such as the ISA programme (“Interoperability solutions for European public administrations”).

BUDGETARY IMPACT: the proposal will not entail any additional cost for the EU budget. The proposal for a Regulation on guidelines for the implementation of trans-European telecommunication networks is linked to the proposal for a Regulation establishing the Connecting Europe Facility (CEF) which will provide the legislative and the financial framework. An amount of **EUR 9.2 billion**is allocated for telecommunications within the envelope of the CEF.

Financial support shall be provided in accordance with the relevant rules and procedures adopted by the Union, funding priorities and the availability of resources.

DELEGATED ACTS: the proposal contains provisions enabling the Commission to adopt delegated acts in accordance with Article 290 of the TFEU.