



12.7.2010

NOTICE TO MEMBERS

Subject: Petition 1249/2008 by Mr. Neil MacNeil (British), bearing more than 32 signatures, on unsatisfactory situation of the broadband services in the Northbay district of Barra (Western Islands, Scotland)

1. Summary of petition

The petitioner criticizes the poor quality of the broadband services in the Northbay district of Barra (Western Islands, Scotland). The petitioner challenges the results of a EU-funded project aiming to provide broadband to rural and remote parts of Scotland. According to the petitioner, the Connected Communities (ConCom) Broadband Provisions have failed to provide a reliable and competitive service to large areas of the Western Isles which prompted the residents to petition the Scottish authorities about discontinuing the implementation process. The petitioner maintains that no one in the community wanted to subscribe to ConCom. He considers that the best option for having a qualitative broadband service would be by upgrading the existing landline infrastructure that belongs to British Telecom. The petitioner criticizes the intransigence of the relevant national authorities which would insist on investing in the ConCom project despite it proving to be non-viable. He asks the European Parliament to intervene so that steps be taken to provide a viable broadband service on the island.

2. Admissibility

Declared admissible on 17 February 2009. Information requested from Commission under Rule 192(4).

3. Commission reply, received on 24 April 2009.

The concern about broadband availability in the Western Isles of Scotland is an issue which has been raised to the Commission already on several occasions.

As has been stated before, the European Commission does share the concern about broadband availability in the less-developed areas as outlined in the Communication “Bridging the Broadband Gap” of March 2006. In particular, EU structural and rural funds are available to bring broadband to scarcely-populated rural and remote areas, where the market is failing to invest in adequate infrastructure.

Over the past few years, the European Commission reviewed a number of broadband projects¹ in Scotland under state aid regulation, some of which included a degree of co-financing from the Structural Funds.

Programmes co-financed by the Structural Funds in Scotland are designed to provide business support for SMEs, to develop strategic sites and sectors, to invest in people to enter the labour market or to improve their skills, and to promote and support community economic development. An element of transport infrastructure and ICT development is also included.

For the 2000-2006 Highlands and Islands Special Transitional Programme, the Scottish Government is appointed as Managing Authority. Day-to-day operational matters are delegated to the Highlands & Islands Partnership Programme (HIPP). In accordance with Council Regulation (EC) No 1260/1999, the Managing Authority is responsible for the efficiency and correctness of the management and implementation of the programme.

The Commission’s Directorate General for Regional Policy, which deals with regional development projects, has already raised the matter with the relevant national authorities responsible for managing the Structural Funds in Scotland.

During the Annual Review meeting in October 2008, which is designed to review the main programme outcomes of the previous year, the Scottish Government had been requested to provide an update on the Connected Communities project in the Highlands and Islands. They informed the Commission that the project is delivering its objectives and has provided information on the cost of broadband provision that is consistent with British Telecom charges. The Commission was also informed that British Telecom is planning to make more sites available in early 2009.

Conclusion

The Commission will continue to monitor the programme performance towards achieving the specific objectives of the assistance. However, it is the Member State which takes responsibility in the first instance for the financial control of the assistance, ensuring that it is managed in accordance with all the applicable Community rules and that funds placed at their disposal are used in accordance with the principle of sound financial management.

4. Further Commission reply, received on 12 July 2010.

¹ See also:

http://ec.europa.eu/information_society/eeurope/i2010/docs/digital_divide/dg_comp_decision_s.doc

Following a request from the Committee on petitions, the Scottish Government replied by letter dated 24th March 2009 stating its position on the case. The petitioner replied on 7th April 2009, commenting on the information provided.

At the Petitions Committee meeting of 31 March 2009, the Commission representatives gave a brief oral explanation of the background of the petition and shared their concern about broadband availability in less developed areas of Scotland. The petitioner was also present at the meeting. After a short discussion and as it is the managing authority's responsibility to ensure the efficient management and implementation of the programme, the committee agreed to send a letter to the Scottish Authorities outlining its concern.

In 2009 the Commission continued monitoring the 2000-2006 Highlands and Islands Special Transitional Programme, with special attention paid to this particular issue.

Subsequent correspondence from both the Scottish Government and the petitioner provides no information requiring a revision of the Commission's position. Furthermore, the Commission was informed that the initial ConCom project, where ERDF funding was involved, did not extend to the home of the petitioner. A subsequent investment was made by Highlands and Islands Enterprise to extend a service to include the petitioner's property and to address some of the petitioner's concerns. This did not attract ERDF.

The 2000-2006 Highlands & Islands Operational Programme was conceived as a transitional programme. The programme aimed to achieve a key strategic legacy that would not necessarily achieve the goals of full economic regeneration on its own, but provide a strong platform for economic development policy to build on in the period after 2006. The existence of that legacy was already apparent in the mid-term review of programme performance, which was conducted in accordance with Structural Funds Regulation (EC) No 1260/1999. However, much of the achievement would be felt in the programme's combination of support for critical keystone projects, such as the UHI and broadband development. The same principles were extended into the development of the 2007-2013 operational programme for the area.

Conclusion

The Commission position remains unchanged and it continues to monitor the programme's performance towards achieving the specific objectives of the assistance. It is however the Member State that must take responsibility in the first instance for the financial control of the assistance, ensuring that it is managed in accordance with all the applicable EU rules and that funds placed at their disposal are used in accordance with the principles of sound financial management.