REPORT

on European Broadband: investing in digitally driven growth
(2010/2304(INI))

Committee on Industry, Research and Energy

Rapporteur: Niki Tzavela
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MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

on European Broadband: investing in digitally driven growth
(2010/2304(INI))

The European Parliament,

– having regard to the Commission Recommendation of 20 September 2010 on regulated access to Next Generation Access Networks (NGA)\(^1\),


– having regard to its resolution of 11 May 2011 on the Commission proposal for a decision of the European Parliament and of the Council establishing the first radio spectrum policy programme\(^2\),


– having regard to the Commission Communication of 17 September 2009 entitled ‘Community Guidelines for the application of State aid rules in relation to rapid deployment of broadband networks’\(^3\),


– having regard to the Commission Communication of 20 March 2006 entitled ‘Bridging the Broadband Gap’ (COM(2006)0129),


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\(^1\) OJ L 251, 25.9.2010, p. 35.
\(^2\) Texts adopted, P7_TA(2011)0220.
having regard to the Commission Communication of 30 April 2004 entitled ‘e-Health - making healthcare better for European citizens: An action plan for a European e-Health Area’ (COM(2004)0356),

having regard to its resolution of 15 June 2010 on the Internet of Things¹,

having regard to its resolution of 5 May 2010 on a new Digital Agenda for Europe: 2015.eu²,

having regard to its recommendation of 26 March 2009 to the Council on strengthening security and fundamental freedoms on the internet³,

having regard to its resolution of 24 September 2008 on reaping the full benefits of the digital dividend in Europe: a common approach to the use of the spectrum released by the digital switchover⁴,

having regard to its resolution of 19 June 2007 on building a European policy on broadband⁵,

having regard to its resolution of 14 February 2007 entitled ‘Towards a European policy on the radio spectrum’⁶,

having regard to its resolution of 14 March 2006 on a European information society for growth and employment⁷,

having regard to its resolution of 23 June 2005 on the information society⁸,

having regard to its resolution of 14 October 1998 on globalisation and the information society: the need for strengthened international coordination⁹,


having regard to the European Economic Recovery Plan COM(2008) 800 final,


⁴ OJ C 8E, 14.1.2010, p. 60.
⁵ OJ C 146 E, 12.6.2008, p. 87.
⁸ OJ C 133E, 8.6.2006, p. 140.
having regard to Article 189 of the Lisbon Treaty,

having regard to Rule 48 of its Rules of Procedure,

having regard to the report of the Committee on Industry, Research and Energy and the opinions of the Committee on the Internal Market and Consumer Protection, the Committee on Regional Development and the Committee on Culture and Education (A7-0221/2011),

A. whereas the EU-wide provision of fast broadband networks is of vital importance if the objectives of the EU 2020 strategy are to be achieved, in terms of promoting smart, sustainable, inclusive, territorially cohesive economic growth, improving the employment situation, strengthening Europe’s competitiveness, facilitating scientific research and innovation and thereby enabling all regions, cities, municipalities and sectors of society to benefit from the digital environment and giving them the opportunity to exploit new digital technologies for public services,

B. whereas broadband access is enabled over many platforms (copper, cable, fibre, fixed and mobile wireless, satellite, etc.), has attracted users of all kinds (such as consumers, businesses, government, public and non-profit institutions, including schools, libraries, hospitals and public-safety agencies), who use broadband for a multitude of services (e-commerce, health-care delivery, voice and video communication, entertainment, fleet management, government services, education, job training, and many more), and is also enabling machine-to-machine applications (smart electric meters and smart grids, wireless heart monitors, emergency services, alarm systems, vehicle telemetry, inventory tracking, and more),

C. whereas recognising and embracing various platforms, users and services as part of the broadband ecosystem will help ensure 100% broadband access and deliver the many societal benefits associated therewith, which will, in turn, promote 100% broadband adoption; whereas the EU’s objectives should include enabling all regions and sectors of society to benefit from the digital environment,

D. whereas sustainable infrastructure access and service competition, in conjunction with realistic, viable ‘top-down’ target setting, will make next-generation connectivity available efficiently and in line with demand,

E. whereas EU broadband policy must prepare the ground for a development where the EU can take the lead regarding broadband access and speeds, mobility, coverage and capacity; whereas global leadership in the ICT sector is crucial to the prosperity and competitiveness of the EU; whereas a European market with nearly 500 million people connected to high-speed broadband would act as a spearhead for the development of the internal market, creating a globally unique critical mass of users, exposing all regions to new opportunities and giving users increased value and the EU the capacity to be a world-leading knowledge-based economy; whereas the rapid deployment of broadband is essential to boost innovation and EU productivity, and to stimulate new SMEs and job creation in the EU;

F. whereas it is essential to bridge the digital divide and achieve broadband for all across the
EU for European added value, especially with regard to remote and rural areas, in order to ensure social and territorial cohesion,

G. whereas broadband is important for the implementation of new technological infrastructures, which are necessary for the scientific, technological and industrial leadership of the EU, such as cloud computing, super computers, the Internet of Things and smart computing environments; recalls that proper broadband access and speed are core for the development and efficient use of such innovative ICT technologies; notes furthermore that these technologies and the services they provide are meant to benefit both consumers and businesses, including SMEs;

H. whereas public actors can contribute significantly to the roll-out of broadband for all and of Next Generation Access (NGA) in unserved and underserved areas; whereas public investment should operate in such a way that it complements private investment and enhances competition; whereas investors in NGA must retain appropriate incentives to continue to invest in broadband;

I. whereas the private sector has invested hundreds of billions of euro in broadband facilities, services, applications and content over the last decade, but without all European citizens having experienced the benefits of broadband; whereas promotion of private and public investment should continue to be the primary engine of broadband growth in the EU,

J. having regard to the decision taken by the Ministerial Conference for the Union for the Mediterranean of 4 November 2008 in Marseille to reduce the digital divide between the two shores of the Mediterranean, which resulted in the BB-Med (broadband for the Mediterranean) proposal,

1. Broadband for all

1. Notes that the Communication forms just one part of a broader package, which also includes the Digital Agenda, the Innovation Union, the Radio Spectrum Policy Programme and EU and national funding programmes, with a view to creating a mutually supportive system for the efficient further development, access to, and use of, networks, whether terrestrial fixed and mobile or via satellite;

2. Notes that the concept of broadband is constantly evolving as the number of platforms has grown and the customer base and the range of uses have multiplied exponentially: broadband is now not just about internet access, nor is it limited to direct human interaction as machine-to-machine connections and applications proliferate rapidly;

3. Notes that both fixed and mobile data traffic is growing exponentially and that a number of actions, such as further harmonised spectrum allocations for wireless broadband, increased spectrum efficiency and a rapid roll out of NGA networks, will be crucial to managing this increase;

4. Considers therefore that the objective must be to establish EU global leadership in ICT infrastructure; in order to achieve this objective, 100% of basic broadband coverage must
be delivered to all Europeans by 2013, giving at least 2Mbps service to all users in rural areas and much higher speeds to users in other areas; draws the Commission’s attention to the fact that, in order to counter a digital divide, basic coverage in rural areas will need to take account of increasing transmission requirements for innovative internet services such as e-government, e-health or e-learning; takes the view that, when considering how such targets should be funded, utmost account should be taken of competition in order to avoid market distortions and to allow the market to deliver solutions in the first instance;

5. Notes that, to be on track for the 100Mbps target, in 2015 around 15% of EU households should have subscriptions with at least that speed;

6. Recalls the importance of realising the objectives of the Digital Agenda, i.e. ensuring that all EU citizens have access to broadband speeds of not less than 30Mbps by 2020 and making it possible for the EU to have the highest possible broadband speeds and capacity; underlines that, to achieve the EU2020 broadband targets, the Digital Agenda must establish benchmarks for the intermediate years 2013, 2015, and 2018, both at EU level and at national level;

7. Highlights the need to make best use of all available technologies, including mobile and satellite, to achieve broadband coverage in rural areas, mountainous regions and islands in the most cost-efficient manner, without undue burdens on consumers, Member States’ regions or the industry;

8. Notes that the future allocation of radio spectrum must pave the way for European leadership in wireless applications and new services; points out that access to low radio frequency bands, with their propagation characteristics supporting wide-area coverage, is crucial to facilitating wireless broadband coverage in rural, mountainous and island regions, allowing access to all foreseeable internet services; emphasises that Europe must remain at the forefront of scientific research and technological innovation in the field of wireless services; notes that it is essential to facilitate access to broadband infrastructures, including user equipment on the ground, in order to assist the take-up of broadband satellite internet services on an affordable basis in rural areas, mountainous and island regions, and to help users have access to all foreseeable internet services;

9. Recommends facilitating the prompt exploitation of the ‘Digital Dividend’ for new mobile broadband services through a harmonised and technology-neutral pan-EU approach, giving economies of scale and avoiding detrimental cross-border interference issues, while not interfering with existing Digital TV/HDTV reception based on international standards; emphasises the need for the EU to support projects and experiments with ‘wireless cities’;

10. Considers it essential for teaching and research institutes to have access to broadband infrastructures in order to ensure the free movement of knowledge for the purpose of preparing younger generations and making the EU competitive; calls on the Commission and the Member States to develop European and national programmes to facilitate and provide funding for access to broadband infrastructure for all teaching and research institutions by 2015; considers that by 2015 all European research and academic institutions should be connected by ultra high-speed Gbps networks, creating an intranet for the single European research area;
11. Calls on Member States to promote and extend high-speed open-access connectivity to important public infrastructure (schools, hospitals and other public institutions) located in remote areas, as a means of improving public service and anchoring high-speed connectivity in remote regions, thereby decreasing investment costs for local private distribution;

12. Suggests that the Member States be urged to implement public policies to support the introduction of new technologies and that the introduction of digital teaching methods be promoted; calls on the Commission to encourage exchanges of best practice between Member States and with countries outside the EU;

13. Recalls that the new technologies and access to high-speed connections impact positively on citizens’ education, including by creating good opportunities for distance learning particularly in the outermost regions, information, communications and recreation;

14. Underlines the need for sustained research investment within the EU in both fixed and mobile future communication technologies; calls on the Commission to continue to develop joint technology initiatives in these areas, involving universities, research institutes, device manufacturers and service and content providers; considers that these platforms provide the optimum means of developing and exploiting new technology and will give the EU a significant competitive advantage;

15. Notes that broadcasters should be able to offer a high standard of pluralist audiovisual content, using existing broadcasting platforms, including terrestrial platforms as well as broadband networks, in particular for on-demand services, provided that the broadband networks fulfil the same requirements in terms of quality of service and seek to maximise their spectrum efficiency and coverage;

16. Asks the Commission, in order to create a coherent, consistent and effective EU structure marshalling all resources, to urgently present an appropriate proposal for a strategic plan containing a single framework for all aspects of EU cyber security, to ensure full protection and resilience of network and critical information infrastructures, including minimum safety standards and certifications, a common terminology, cyber incident management and a roadmap on cyber security; takes the view that such a plan should define the contributions required from each actor, including the Commission, Member States, ENISA, Europol, Eurojust, EU and national computer emergency response teams and other relevant EU and national bodies and authorities, as well as the private sector, and also address the EU’s role and representation internationally;

17. Considers that universal service obligations could eventually become an additional incentive to the development of broadband and encourages the Commission to quickly review the scope of universal service in this respect;

18. Invites Member States, in close cooperation with all stakeholders, to set national broadband plans and adopt operational plans with concrete measures to implement the 2013 and 2020 targets set in the Digital Agenda; calls on the Commission to study these plans, to propose optimal solutions and to coordinate their implementation with the Member States;
2. Broadband for economic growth, innovation and global competitiveness

19. Considers that new high-speed networks and services are needed to foster the EU’s international competitiveness and to create high-quality employment;

20. Believes that the combination of competition and carefully selected targets, in both infrastructure and services, provides the best basis for sustainable investment, innovation and take-up; nevertheless stresses that in some cases more cooperation between stakeholders can also foster investment;

21. Considers that high-capacity broadband networks and fibre in the access networks (FTTH) are essential from the perspective of both end-users and their future needs and economic development, given the ever more extensive use of broadband applications;

22. Recommends promoting a competitive market for investment in, and utilisation of fixed and wireless broadband infrastructure; notes that a competitive market is a catalyst for additional investment and innovation by communications, applications and content providers, as well as a vital platform for the digital economy; acknowledges the fact that a robust broadband platform will connect government, individual and business users in locations on both sides of the Atlantic, and that therefore the EU and the US in particular should pursue bold agendas to promote broadband;

23. Encourages the Commission, the Body of European Regulators for Electronic Communications (BEREC) and the service providers to work to find a common approach by 2013 to strengthening the single market for business and communications across the EU;

24. Highlights, with a view to achieving competitive mobile markets, the importance of competitive and timely allocation of spectrum for wireless broadband through the Radio Spectrum Policy Programme, and calls on the Member States to make available the 800MHz band by 2013, while respecting existing services;

25. Recalls that the digital world and ICT are engines of innovation and that access to high speed broadband is therefore an essential pre-condition in all European Innovation Partnerships (EIPs), as it enhances cooperation and participation by citizens;

26. Highlights the importance of public pre-commercial procurement of R&D-based solutions for the aforementioned sectors as a means to stimulate a virtuous cycle of technological development and demand for high-speed broadband services;

27. Takes the view that the public funding earmarked for broadband services can be an effective lever to boost the competitiveness of EU regions if it is channelled into the development of up-to-date, new-generation infrastructure with a high transmission capacity in areas that have a major broadband connection deficit; believes that such areas, in particular those with a large industrial base and a high population density, could very swiftly benefit from the innovative and creative potential of new services available to individuals and businesses;

28. Considers that the extension of broadband networks, primarily in rural areas, will facilitate
better communications, particularly for persons with reduced mobility or living in isolated conditions, as well as improving access to services and encouraging the development of SMEs in rural areas, thereby helping to create new jobs and develop new services in these localities;

29. Regrets that the EUR 1 billion in funding announced in 2008 in the European economic recovery plan with reference to 100% broadband coverage by the end of 2010 has not been allocated and that this objective has not been achieved; calls on the Commission and the Member States to allocate the necessary amounts to achieve the target of ensuring 100% broadband coverage by 2013 when the current multiannual financial framework is reviewed;

30. Stresses the urgent need to establish a competitive digital single market working as a spearhead to open up the internal market for all EU citizens; calls for the establishment of a ‘one-stop-shop’ for VAT in each Member State in order to facilitate cross-border e-commerce for SMEs and entrepreneurs;

31. Maintains that the strong demand for connectivity, which simultaneously boosts the profile of the EU online economy, contributes to EU network readiness and responds to the societal changes taking place within the single market, should be backed by the appropriate funds and solid competition infrastructure needed for realisation of the European Broadband project;

32. Emphasises that broadband services are key to the competitiveness of EU industry and greatly contribute to EU economic growth, social cohesion and quality employment, as well as to the participation of all regions and social groups in digital life in the EU; believes that the successful implementation of the ‘Broadband Package’ is critical to tackling unemployment, particularly among young people, by the provision of smart, sustainable and inclusive growth in Europe as envisaged by the Europe 2020 strategy;

33. Welcomes the Commission’s initiative to convene a Digital Assembly in June 2011;

3. **Incentivising investment and competition**

34. Highlights the need for measures by Member States and the industry sector aimed at achieving broadband for all, to be focused on the demand side and to avoid distorting the market or creating an undue burden on the sector;

35. Notes that the potential risks involved in building costly next-generation broadband infrastructure are high, with long payback periods; states that regulation should not dissuade investment in this infrastructure and should ensure that all market players have sufficient incentives to invest;

36. Stresses that the cost of infrastructure investments needs to be financed by the market; notes, however, that, where open infrastructure is unlikely to be installed through market forces within a reasonable period, the broadband state aid framework and targeted use of Community funds, including through the EIB, structural funds and EAFRD, may be the most progressive complementary means of accelerating broadband roll-out; calls on the Commission in its review of the state aid guidelines on broadband to provide a stable and
consistent framework which supports competition and efficient investment in open networks and to allow the flexible allocation of EU funds within the respective programming periods;

37. Supports all measures that will help reduce the cost of civil engineering and stresses the need for innovative services to stimulate take-up; underlines the need to promote new skills and competencies to provide innovative services and to adapt to technological change, and considers that investment in new, open and competitive networks must be underpinned by measures taken by local, regional and national authorities so as to reduce costs; calls for public (national and EU) funds to be earmarked for the development of broadband communications infrastructures in isolated, sparsely populated or outlying areas which are insufficiently attractive to providers in cost-benefit terms;

38. Highlights the need for better guidance on broadband investment for local and regional authorities in order to encourage the full absorption of EU funds, as expenditure figures for the Structural Funds suggest that the regions have difficulty in absorbing the available funds and targeting them on broadband projects; considers that state aid for broadband investment should be used in synergy with structural funds to stimulate local entrepreneurship and the local economy, create local jobs and promote competition in the telecom market; believes that to make maximum use of limited public funding, whether by the Member States directly or via the EU, such funding needs to have a clear focus on those projects where it can be expected to have the maximum effect in private investment in order to further increase both coverage and capacity; emphasises the need for public funds or preferential loans, in accordance with the Commission’s guidance on state aid, which should be targeted towards future-proof, long-lasting and open infrastructures which support competition and consumer choice;

39. Stresses that actions in this area are undertaken predominantly at local level, and endorses the Commission’s efforts to develop and improve mechanisms that will enable local actors to obtain relevant information to reduce investment costs; considers that, for broadband plans to become fully operational, not only must the Commission and the Member States cooperate, but regional and local authorities must also be involved in devising the plans;

40. Recognises that regulatory certainty is needed to promote investment and address barriers in next-generation networks, and encourages the national regulatory authorities (NRAs) to pursue pro-competitive policies ensuring transparency and non-discrimination on the wholesale telecom market, which would enable all competitors to have fair access to the infrastructure; calls on Member States to comply with EU telecoms rules and on NRAs to implement the NGA recommendation; calls on the Commission to apply more elements incentivising investment within the regulatory framework and to provide stimulus to use synergies from infrastructure projects;

41. Highlights the importance of competitive markets in achieving affordable broadband, and emphasises the need for swift implementation by Member States and NRAs of the revised EU telecoms framework and the Recommendation on Next Generation Access;

42. Notes the need for clear guidelines to Member States to ensure funds are directed in a timely manner at key broadband objectives while respecting cost efficiency and proportionality of the measures;
43. Calls for the establishment of an investment-friendly framework for NGA and high-speed (mobile and satellite) wireless access that, inter alia, ensures legal certainty and promotes investment, competition and technology-neutrality, leaving technology choices to the market;

44. Calls on Member States to ensure non-discriminatory access to civil works and to facilitate access to ducts, thereby lowering the investment threshold substantially;

45. Calls on the Commission, supported by the Member States, to map unserved and underserved areas;

46. Notes that in order to maximise broadband availability and adoption, EU policy must encourage the deployment of efficient and affordable networks, applications, access equipment, services and content; encourages Member States to develop e-government, e-democracy, e-learning and e-health services, which will boost the demand for broadband;

47. Stresses that where market forces are capable of delivering competitive broadband access, government policy should promote private-sector investment and innovation by removing barriers to deployment;

48. Supports the Commission’s work with the European Investment Bank (EIB) to improve funding of fast and ultra-fast networks, and emphasises the need for such funding to be directed towards open infrastructure projects supporting a diversity of services;

49. Welcomes the Commission’s proposal to explore new financing sources and innovative financing instruments; to that end supports the creation of an EU project bonds system which, in collaboration with the EIB and guaranteed by the EU budget, will respond to the current financing gap resulting from reluctance on the part of private investors and the serious constraints on national budgets; urges the Commission, therefore, to move forward as soon as possible with concrete legislative proposals for the implementation of this alternative source of financing for major infrastructure projects carrying European added value;

50. Continues to encourage appropriate public-sector investment and organisational models, in particular involving local authorities, public-private partnerships and tax incentive schemes for the roll-out of fast and ultra-fast networks; stresses the importance of government policies being coordinated at all levels;

51. Calls on the Commission and the Member States to agree on an EU Broadband Deployment Pact with a view to coordinating national and European funding programmes and private investment more effectively, in accordance with the Commission’s State Aid Guidelines, targeting rural areas in particular, and ensuring the necessary coordination with consistent output indicators on an EU-wide scale;

52. Calls for the establishment of a single high-level EU task force with representation of all relevant stakeholders, including users and providers of electronic networks and services, NRAAs and BEREC, to assist in developing a future ICT infrastructure strategy and specific information society services;
53. Calls on the Commission to safeguard the principles of the neutrality and openness of the internet and to promote the ability of end-users to access and distribute information and run applications and services of their choice; instructs the Commission to assess whether the implementation of the revised EU telecoms framework requires specific guidance rules;

54. Calls on the Member States to establish what measures can be taken to facilitate market penetration by new operators with a view to encouraging a competitive environment;

55. Emphasises that regulatory measures taken by Members States regarding the imposition of functional separation should only be taken as an exceptional measure after an analysis of the expected impact on the regulatory authority, the undertaking, in particular its workforce and its incentives to invest in its network; this impact assessment should be discussed with all stakeholders, including the representatives of the workforce;

4. Consumer benefits

56. Notes the Commission’s intention to produce guidance on costing and non-discrimination, key principles in the EU framework, and encourages the Commission to support competition in fast and ultra-fast networks and allow all operators fair access to the infrastructure, in order to ensure a wide choice of services, fair network access rates and affordable prices for consumers, and to incentivise efficient investment and rapid switchover to fast and ultra-fast networks;

57. Calls on the Commission and the Member States to address social digital exclusion and other impediments that have kept some populations offline, particularly low-income communities and people with disabilities, and to require all relevant stakeholders to provide: training and public access to broadband services, economic assistance for the acquisition of broadband services and equipment, and incentives for the development of technology and content aimed at specific users’ needs;

58. Calls on the Commission, in order to achieve feasible interactive services and enable monitoring of the broadband targets, to specify more qualitative characteristics of broadband access, including download and upload speeds, latencies, speeds experienced by users and the characteristics needed for the efficient performance of such services; welcomes the Commission’s work on developing a methodology to measure relevant aspects of actual user experience;

59. Stresses the difference between theoretical network speeds and actual user experience since the user experience is also linked to website capacity and congestion etc; calls on the Commission in conjunction with BEREC to refine its measurements of delivered broadband speeds and adjust its targets accordingly, and calls on BEREC to develop EU guidelines to ensure that advertised broadband speeds appropriately reflect the average upload and download speeds users can actually expect and to ensure comprehensive consumer information about the services offered, in order to secure transparency on the benefits of new technology, promote comparability and enhance competition; asks BEREC to ensure that typical broadband speeds experienced by consumers are advertised fairly in the interests of transparency on the benefits of new technology for upload and download; calls on NRAs to take measures against providers that do not comply with BEREC
60. Reiterates the importance of future high-speed services that will deliver the EU’s energy efficiency and safety objectives and other communications capabilities (e.g. efficient and intelligent transport systems, and person-to-person, person-to-machine and machine-to-machine communication systems);

61. Notes that new fibre-optics networks offer consumers high-quality access at consistently higher speeds than existing technology; believes that it would be expedient to prioritise the development of fibre-optics-based broadband in areas where it represents the most economic and sustainable solution in the long term;

62. Asks the Commission to present a report annually to Parliament on broadband offerings and choice effectively available to users in the EU, as well as on progress towards implementing the framework for electronic communications and the NGA recommendation;

63. Calls on the Commission to coordinate best practices among the Member States in the field of publicly accessible, free, high-speed WiFi networks in public transport;

64. Emphasises that the development of new information and communications technologies, together with broadband internet, is a great opportunity to further improve communication and dialogue between the citizens and institutions of the European Union;

65. Calls on the Commission to come up with more detailed assessments regarding the impact that certain broadband-related technologies, in particular person-to-person, person-to-machine and machine-to-machine communication systems, could have on health; emphasises the need for the EU to constantly monitor and assess the health risks of wireless internet so that citizens are not exposed to health-damaging radiation;

5. E-Initiatives: promoting demand

66. Calls for specific measures to be taken to ensure that SMEs can fully enjoy the potential of broadband in the fields of e-commerce and e-procurement; calls on the Commission to exchange best practices and to consider taking on board a specific programme for SMEs and broadband connectivity as part of the Digital Agenda;

67. Stresses that, in order to optimise its impact and its benefits to society, broadband deployment should be coupled with demand-awareness information and educational programmes;

68. Calls on the Member States to step up efforts to address e-skills shortages at all educational levels and through lifelong education for all citizens, with a special focus on those with poor IT skills; points out that investment in broadband in the EU can only be successful if the technical investment goes hand in hand with investment in citizens’ IT skills; emphasises the role of new technologies in education and notes that technological literacy is henceforth not only an objective but also an essential tool for achieving lifelong learning and social cohesion;
69. Calls on the Member States and industry to empower people to develop new skills through comprehensive re-skilling and training programmes and to accompany technological change by active labour market policies;

70. Calls on the Member States to take heed of the Commission’s recommendations in its e-government action plan by using e-procurement, adopting an open strategy for access to public sector data, promoting electronic identity and ensuring pan-European and worldwide signature interoperability; recalls that all actions should be directed towards simplifying bureaucratic interaction with public administrations;

71. Calls on the Commission to accelerate public procurement operations using online resources and electronic invoicing (e-invoice initiative);

72. Supports initiatives such as e-health and a pan-European health information infrastructure to enhance patients’ autonomy and quality of life; states that, in view of the ageing EU population, such services should be accessible anywhere, anytime, including over mobile devices and should above all be affordable; believes that in order to implement the pan-European health information infrastructure of a patient-centred health system, the following actions need to be realised:

- implementation of EU-wide agreements between EU health authorities on standards that will enable integrated access to relevant information in the European health information infrastructure; authorities at all levels – local, national and EU – need to be involved,
- implementation of the European Health Information Infrastructure; this will entail a large-scale development effort to facilitate the integration of information kept in various locations, as well as the implementation of core patient-centred services to support patients, by providing treatment authorisation and payment, anywhere and anytime;

73. Supports innovative broadband services directed towards the maritime sector, and welcomes the discussion by the Commission and the Member States on a new e-maritime initiative building on the SafeSeaNet project, which, it is envisaged, will also address information related to logistics, customs, border control, environment, fishing operations, communications, and security and safety issues;

74. Calls on the Commission to promote the use of the latest generation of satellites as an innovative use of broadband communications in projects of European added value, including furthering the use of the Global Maritime Distress and Safety system, and the new-generation Broadband Global Area Network and maritime FleetBroadband services;

75. Recalls the need to connect the Digital Agenda with the provisions of new growth-generating services such as e-trade, e-health, e-learning, and e-banking;

76. Underlines the importance of a robust privacy framework for the EU and welcomes the ongoing review of the Data Protection Directive;

77. Instructs its President to forward this resolution to the Council and the Commission.
13.4.2011

OPINION OF THE COMMITTEE ON THE INTERNAL MARKET AND CONSUMER PROTECTION

for the Committee on Industry, Research and Energy

on European Broadband: investing in digitally driven growth
(2010/2304(INI))

Rapporteur: Malcolm Harbour

SUGGESTIONS

The Committee on the Internal Market and Consumer Protection calls on the Committee on Industry, Research and Energy, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

1. Notes that all Member States have a national broadband strategy, but only a few have fully-fledged operational plans which include the necessary set targets required to realise in full the flagship initiative for a Digital Agenda for Europe as laid out in the Europe 2020 strategy;

2. Calls on the Member States to open up network competition fully, in accordance with the new telecoms framework rules; calls on national regulators to use their powers to avoid both subsidies which distort the market and the emergence and abuse of dominant market positions, and where appropriate, to follow public procurement rules to ensure fair competition;

3. Highlights the importance of competitive markets in achieving affordable broadband, and emphasises the need for swift implementation and full enforcement by Member States and national regulatory authorities (NRAs) of the revised EU telecoms framework and the Recommendation on next generation access (NGA) networks;

4. Stresses that broadband services are essential for the competitiveness of the economy and are a prerequisite if all regions and social groups are to participate in digital life in the EU;

5. Considers that the investment risks involved in rolling out new networks can be reduced by measures to drive demand, in particular in the areas of e-procurement, e-commerce, e-governance, e-health services, interactive e-education, and low-carbon interactive
energy-saving devices;

6. Highlights the importance of public pre-commercial procurement of R&D-based solutions for the aforementioned sectors as a means to stimulate a virtuous cycle of technological development and demand for high-speed broadband services;

7. Notes that simplification and streamlining of the subsidy procedure would help to speed up the introduction of broadband technology; calls on the Commission to clarify State aid rules and to ensure that State aid is targeted at measures that stimulate or consolidate demand;

8. Calls for specific measures to be taken to ensure that SMEs can fully enjoy the potential of broadband in the fields of e-commerce and e-procurement; calls on the Commission to exchange best practices and to consider taking on board a specific programme for SMEs and broadband connectivity as part of its Digital Agenda flagship initiative;

9. Calls on Member States to promote and extend high-speed open-access connectivity to important public infrastructure (schools, hospitals and other public institutions) located in remote areas, as a means of improving public service and anchoring high-speed connectivity in remote regions, thereby decreasing investment costs for local private distribution;

10. Stresses that, in order to optimise its impact and its benefits to society, broadband deployment should be coupled with demand-awareness information and educational programmes;

11. Notes the difficulty in meeting the Europe 2020 broadband targets, given consumer, business and public-sector financial resources; calls on the Commission and the Member States to ensure the use of infrastructure by third parties, ensure non-discrimination, promote available technologies and prevent measures placing unfair burdens on consumers and business, particularly as regards universal obligations; considers that public-private partnerships and public investment, including from the structural funds, should be used where necessary to deploy broadband and enhance access to high-speed internet;

12. Calls on Member States, the Commission and the Body of European Regulators for Electronic Communications (BEREC), in consultation with the relevant public authorities, to facilitate public-private partnerships and deploy other European funding instruments, including ERDF, EAFRD and EBRD funds; welcomes the Commission’s plans to add European Investment Bank loans with low interest rates to the list of subsidy instruments;

13. Maintains that the strong demand for connectivity, which simultaneously boosts the profile of the EU online economy, contributes to EU network readiness and responds to the societal changes taking place within the single market, should be backed by the appropriate funds and solid competition infrastructure needed for realisation of the European Broadband project;

14. Acknowledges the slow absorption of monies from the structural funds for broadband infrastructure investment, and the need for guidance on the use of these funding
instruments; calls for a thorough analysis of such instruments in order to identify and remove bottlenecks that are deterring Member States and regions from using them;

15. Believes that extending broadband access to rural and remote areas, where market incentives are lower, plays an important role in geographic and social cohesion, making territories more attractive and companies more competitive; considers that public support should prioritise the roll-out of broadband infrastructure to such areas;

16. Requests the Commission and BERE to collect and collate annually data on broadband (speed and quality) specifications and the choice available to consumers and business in different Member States, as well as the progress towards implementation of the EU telecoms framework and the Recommendation on NGA;

17. Notes that new fibre-optics networks offer consumers high-quality access at consistently higher speeds than existing technology; believes that it would be expedient to prioritise the development of fibre-optics-based broadband in areas where it represents the most economic and sustainable solution in the long term; asks BERE to ensure that typical broadband speeds experienced by consumers are advertised fairly in the interests of transparency on the benefits of new technology for upload and download; calls on NRAs to take measures against providers that do not comply with BERE recommendations;

18. Notes the importance of an ambitious, forward-looking multi-annual radio spectrum policy programme in creating high-speed broadband access across Europe, delivering on the Europe 2020 goals and ensuring that Europe is a world leader in innovation and high-tech industrial development;

19. Calls for a technology-neutral approach combining fixed, wireless, satellite and spectrum technologies; calls for effective transposition of the telecoms framework, including its net neutrality provisions, in order to ensure that the roll-out of broadband does not restrict innovation;

20. Calls on the Commission to coordinate best practices among the Member States in the field of publicly accessible, free, high-speed WiFi networks in public transport;

21. Notes that the next generation of mobile telephone technology can also play a significant role in opening up broadband services, particularly to remote geographical areas; considers that, in the forthcoming allocation of new spectrum, governments and telecom regulators could link the release of spectrum to enhanced coverage obligations for mobile phone operators;

22. Underlines the need for sustained research investment within the EU in both fixed and mobile future communication technologies; calls on the Commission to continue to develop joint technology initiatives in these areas, involving universities, research institutes, device manufacturers and service and content providers; considers that these platforms provide the optimum means of developing and exploiting new technology and will give the EU a significant competitive advantage.
## RESULT OF FINAL VOTE IN COMMITTEE

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<th>13.4.2011</th>
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| Result of final vote | +: 37  
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### Members present for the final vote

### Substitute(s) present for the final vote
Ashley Fox, Maria Irigoyen Pérez, Constance Le Grip, Konstantinos Poupakis, Sylvana Rapti, Olle Schmidt, Marc Tarabella
13.4.2011

OPINION OF THE COMMITTEE ON REGIONAL DEVELOPMENT

for the Committee on Industry, Research and Energy

on European Broadband: investing in digitally driven growth
(2010/2304(INI))

Draftswoman: Sabine Verheyen

SUGGESTIONS

The Committee on Regional Development calls on the Committee on Industry, Research and Energy, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

A. whereas the EU - wide provision of fast broadband networks is of vital importance if the objectives of the EU 2020 strategy are to be achieved, in terms of promoting smart, sustainable, and inclusive, territorially cohesive economic growth, improving the employment situation, strengthening Europe’s competitiveness, facilitating scientific research and innovation and thereby enabling all regions, cities, municipalities and sectors of society to benefit from the digital environment and give them the opportunity to exploit new digital technologies for public services,

B. whereas the EU’s objectives should include enabling all regions and sectors of society to benefit from the digital environment,

1. Stresses that full tailor-made broadband coverage at affordable prices must be made a universal service, as it is essential to helping create equal living conditions and opportunities in the whole of Europe, stimulating economic activity in rural areas; and thereby contributing to action to combat the digital divide in Europe between urban and rural areas and between regions and Member States and therefore enhancing cohesion across EU regions;

2. Stresses the importance of broadband in Europe as an element of territorial cohesion and welcomes the concentration and clustering of activities in certain regions, subject to interlinking and collaboration in the context of European cooperation and development;

3. Highlights the need to make best use of complementary technologies like broadband by
satellite or Wi-Fi support networks in order to achieve economically sustainable broadband coverage in more isolated rural areas without undue burdens on consumers or the industry;

4. Digital technologies are essential to territorial cohesion, giving the outermost regions of the EU a more important role; steps must therefore be taken to overcome the difficulties encountered by regions in the field of technology and services, in terms of availability, quality and pricing, and thus to bring them closer to the EU average;

5. Points out that, in addition to measures aimed at supporting the provision of broadband networks and other network technologies, it is especially important to ensure that investments are also directed towards the development of applications and programmes for the use of the IT infrastructure, which will improve the life of citizens, support the provision of online public services and enhance the quality of public administration;

6. Notes that State aid for broadband, that is to say, the use of EU funding expressly for that purpose, is an appropriate option when broadband development cannot be shown to be economically worthwhile; given that the cost in administrative and planning terms of implementing national and European broadband support programmes is considerable; calls, therefore, on the Commission, the Member States, and regional authorities, in accordance with the ‘information society’ initiatives, to ensure that conditions for support and procedures are simplified as far as possible, in order to step up the use of European funding for the diversification of ICT services; and hence help accelerate broadband roll-out by providing all market players with sufficient incentives to invest and ensure that regions, cities and municipalities can draw on maximum financial support as rapidly as possible to foster the economic development of the areas concerned;

7. Calls on the Commission to apply more investment incentivised elements within the regulatory framework and provide stimulus to use synergies from infrastructure projects;

8. Notes that European law on aid, as it currently stands is in some respects rigid and frequently leads in practice to legal uncertainty, hampering planned investment; calls, therefore, on the Commission to examine to what extent the rules could be simplified in order to establish a more investment-friendly framework so as to promote investment and innovation and remove obstacles to broadband roll-out particularly in those areas where they would otherwise have been unprofitable; considers that the Community Guidelines for the application of State aid rules in relation to rapid deployment of broadband networks should, in addition, serve to clarify the setting up of public broadband companies and the cooperation between municipalities and public-private partnership models; calls on the Commission and the Body of European Regulators for Electronic Communications (BEREC), in consultation with public authorities, to facilitate public-private partnerships and employ other European sources of financing, not least ERDF, EIB, and EBRD funds;

9. Calls on regional and local authorities and businesses to use ERDF funding to improve broadband coverage, in particular in rural areas;

10. Supports rapid expansion of broadband infrastructure and calls on the Member States to give effect without delay to the NGA recommendation aimed at improving legal
certainty, investment, and competition; considers that regulators must ensure that all market players at any one time have sufficient incentives to enter into competition and invest;

11. Points to the fact that the geographical and natural features of some regions, in particular their hilly and difficult terrains, make land-line internet access impracticable and that new-generation wireless terrestrial services are an alternative means of achieving the broadband cover target in such regions;

12. Calls on the Commission to give particular importance to public-private partnerships and facilitate the use of structural instruments within this context;

13. Points out that the definition of basic provision will have to be adjusted in future in line with changed requirements resulting from the ever increasing transmission rates being recorded by innovative internet services such as e-government, e-health, or e-learning; calls, therefore, on the Commission, in view of the likely failure of the market to supply rural, insular and mountainous areas with NGA networks, to incorporate new organisational models, providing in particular for the involvement of local authorities, such as citizens’ networks and publicly run networks or those acquired using public funds, for the provision and financing of high-speed and ultra-high-speed networks as an option into the Community Guidelines for the application of State aid rules in relation to rapid deployment of broadband networks in order to make broadband functions accessible to all Europeans and ensure that urban and rural areas will be treated equally and coverage can extend to sparsely populated areas and to guarantee the same standards as regards quality, access, and pricing;

14. Points to the goal of establishing a predictable regulatory environment for investment and competition to promote investment in high-speed networks and technically and economically sound non-discriminatory access and cooperation opportunities;

15. Considers that, even at the current level of basic provision, the use of ‘digital dividend’ frequencies based on LTE technology will not solve the problem of gaps in NGA networks in rural areas in the long term, especially in view of the fact that radio communications may have long-term health effects; believes, therefore, that it would be appropriate to enable to mobilise all available EU, national and regional funding for ducts for NGA networks in these areas; giving priority to fibre optic-based broadband development, where this would be the most economical and sustainable solution in the long term; 16. Takes the view that the public funding earmarked for broadband services can be an effective lever to boost the competitiveness of EU regions if it is channelled into the development of up-to-date, new-generation infrastructure with a high transmission capacity in areas that have a major broadband connection deficit; believes that such areas, in particular those with a large industrial base and a high population density, could very swiftly benefit from the innovative and creative potential of the new services available to individuals and businesses;

17. Believes that steps should be taken to promote investment projects, including in the form of public-private partnerships, for the building of open networks enabling competition to be genuinely enhanced to the benefit of technological innovation and economic development in EU regions;
18. Calls for the various financial instruments brought to bear to take due account of the specific characteristics of regions, in particular those with special economic, geographical and demographic features in terms of remoteness, inherent difficulties as regards competitive markets or a lack of economies of scale;

19. Stresses that actions in this area are undertaken predominantly at local level, and endorses the Commission’s efforts to develop and improve mechanisms that will enable local actors to obtain relevant information to reduce investment costs; considers that, for broadband plans to become fully operational, not only must the Commission and the Member States cooperate, but regional and local authorities must also be involved in devising the plans;

20. Considers that the extension of broadband networks, primarily in rural areas, will facilitate better communications, particularly for persons with reduced mobility or living in isolated conditions, as well as improving access to services and encouraging the development of small and medium-sized enterprises in rural areas, thereby helping to create new jobs and develop new services in these localities;

21. Calls on the Member States to establish what measures can be taken to facilitate market penetration by new operators with a view to encouraging a competitive environment;

22. Welcomes the EU action plan for critical infrastructure protection in the field of information technology and calls for measures to improve online safety.
RESULT OF FINAL VOTE IN COMMITTEE

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| Members present for the final vote | François Alfonsi, Luis Paulo Alves, Catherine Bearder, Jean-Paul Besset, Victor Boştinaru, Alain Cadec, Tamás Deutsch, Danuta Maria Hübner, Juozas Imbrasas, Maria Irigoyen Pérez, Séan Kelly, Evgeni Kirliov, Constanze Angela Krehl, Jacek Olgierd Kurski, Petru Constantin Luhan, Elżbieta Katarzyna Łukacijewska, Ramona Nicole Mănescu, Riikka Manner, Jozef Matula, Erminia Mazzoni, Miroslav Mikolášik, Lambert van Nistelrooij, Jan Olbrycht, Wojciech Michal Olejniczak, Markus Pieper, Monika Smolková, Georgios Stavrakakis, Nuno Teixeira, Oldřich Vlasák, Kerstin Westphal, Hermann Winkler, Joachim Zeller |
| Substitute(s) present for the final vote | Karima Delli, Richard Falbr, Marek Henryk Migalski, Elisabeth Schroedter, Patrice Tirolien, Derek Vaughan, Sabine Verheyen |
22.3.2011

OPINION OF THE COMMITTEE ON CULTURE AND EDUCATION

for the Committee on Industry, Research and Energy

on European broadband: investing in digitally driven growth
(2010/2304(INI))

Rapporteur: Malika Benarab-Attou

SUGGESTIONS

The Committee on Culture and Education calls on the Committee on Industry, Research and Energy, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

1. Notes that the Commission is aiming to combat the digital divide and provide broadband for all, since this is a service of vital importance for the development of geographically remote areas, including sparsely populated, island and mountain areas, and for the improvement of digital literacy and skills;

2. Calls on the Commission to urge the Member States, in pursuance of the objectives of the Digital Agenda and once widespread broadband coverage has been achieved in Europe, to provide rural areas too with adequate fast and ultra-fast networks; with this in mind, considers that the roll-out of FTTB and FTTH should be intensified so as to avoid the creation of uneconomic transitional solutions;

3. Recalls that the new technologies and access to high-speed connections impact positively on citizens’ education, information, communications and recreation;

4. Considers that it is essential to address the barriers that are keeping part of the population offline and to engage as many stakeholders as possible to provide: (1) training and public access to broadband services, (2) economic assistance for the acquisition of broadband services and equipment, and (3) incentives for the development of technology and content aimed at specific users’ needs;

5. Takes the view that, while the roll-out of digital infrastructure should initially be market-driven and technology-neutral, there may be a need to employ European, national and
regional means of obtaining public financial support in order to guarantee standards in respect of quality, diversity of content and the democratisation of access to broadband, with special emphasis on areas in which commercial investment is unlikely to occur;

6. Notes, however, that the cost in administrative and planning terms of implementing EU subsidy programmes, particularly for SMEs and for local and regional authorities, is considerable, and that a legal uncertainty exists in practice which often inhibits planned investments; calls therefore on the Commission to examine to what extent the subsidy rules can be simplified and rendered more attractive to investors, and how better coordination can be achieved between European and national programmes;

7. Reaffirms the principle of network neutrality and takes the view that open, equal access to telecommunications infrastructure and information technology is vital to ensure social, economic and cultural progress;

8. Stresses that high-quality content must constitute a priority for the emerging broadband networks and must help to promote access to, and the sharing and dissemination of, cultural goods and services, open up spaces for creativity and expression, and foster exchanges between creative people;

9. Notes that broadcasters should be able to offer a high standard of pluralist audiovisual content, using existing broadcasting platforms, including terrestrial platforms, as well as broadband networks, in particular for on-demand services, provided that the broadband networks fulfil the same requirements in terms of quality of service and seek to maximise their spectrum efficiency and coverage;

10. Stresses, with reference to the interrelationship between the establishment and further development of mobile broadband networks and frequency policies, that European frequency policies must indubitably take the economic, social and cultural values of radio frequencies into consideration;

11. Emphasises strongly the necessity of efficient use of the available frequencies and calls for technological neutrality;

12. Emphasises therefore that the use of radio frequencies by already existing users, such as radio and PMSE, which are of great importance for the creation and promulgation of cultural provisions as well as linguistic and cultural diversity and support for the spread of opinions and media pluralism, must not be interrupted through the establishment and further development of mobile broadband networks, and must be left scope for further development;

13. Notes that, in order to offer a high standard of pluralist audiovisual content at an affordable price to the consumer, broadcasters must be able to choose between the different broadcasting platforms by taking account of technical and cost efficiency: broadband for on-demand services, and terrestrial television for the transmission of linear content to large audiences;

14. Recommends that Member States favour a policy making for equal access to content, the priority being to connect public establishments, especially schools, libraries and
universities, to broadband networks so as to encourage knowledge-sharing, as well as the promotion of cultural and linguistic diversity and the enhancement of Europe’s cultural heritage; notes, furthermore, that education and culture are not factors separated from the economy as a whole, and stresses the considerable added value created by this sector;

15. Suggests that the Member States be urged to implement public policies to support the introduction of new technologies and that the introduction of digital teaching methods be promoted; calls on the Commission to encourage exchanges of best practice between Member States and between Member States and countries outside the EU;

16. Stresses that the roll-out of digital infrastructure creates good opportunities for distance learning, particularly in the outermost regions;

17. Calls on the Commission to publish guidelines on investing in broadband networks, including on public-private partnerships, for local and regional authorities in order to promote the full use of EU resources;

18. Emphasises that the development of new information and communications technologies, together with broadband internet, is a great opportunity to further improve communication and dialogue between the citizens and institutions of the European Union.
## RESULT OF FINAL VOTE IN COMMITTEE

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<td><strong>Members present for the final vote</strong></td>
<td>Maria Badia i Cutchet, Zoltán Bagó, Malika Benarab-Attou, Lothar Bisky, Piotr Borys, Jean-Marie Cavada, Silvia Costa, Santiago Fisas Ayxela, Mary Honeyball, Cătălin Sorin Ivan, Morten Lokkegaard, Emma McClarkin, Doris Pack, Marie-Thérèse Sanchez-Schmid, Marietje Schaake, Emil Stoyanov, Hannu Takkula, Helga Trüpel, Marie-Christine Vergiat, Sabine Verheyen, Milan Zver</td>
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<td><strong>Substitute(s) present for the final vote</strong></td>
<td>Nessa Childers, Ramona Nicole Mănescu, Iosif Matula, Francisco José Millán Mon, Monika Smolková</td>
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<td><strong>Substitute(s) under Rule 187(2) present for the final vote</strong></td>
<td>Christian Engström, Miguel Angel Martínez Martínez</td>
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RESULT OF FINAL VOTE IN COMMITTEE

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