

# **Broadband for Europe using Structural Funds**

## **Working Group report and plans**

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<http://www.emobility.eu.org/>

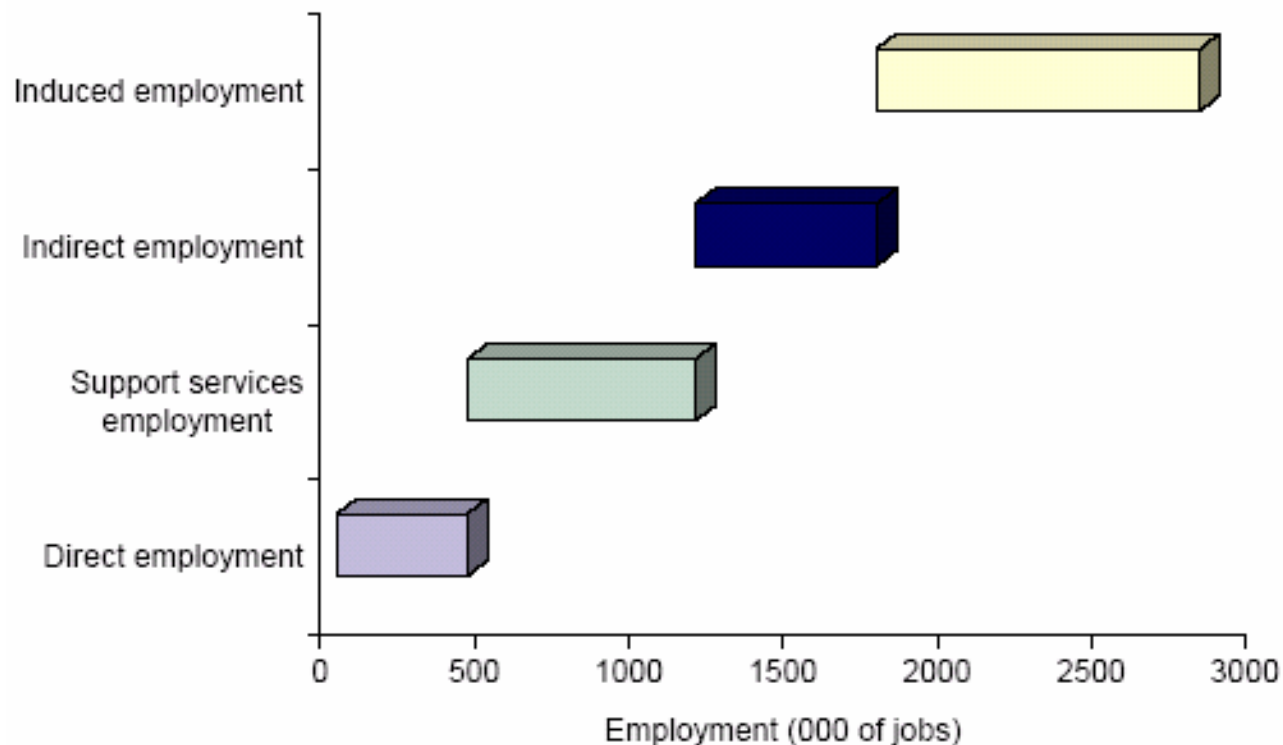
## Agenda

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- Lisbon Agenda and i2010 Initiative
- Broadband in Europe
- European cohesion policy 2007 – 2013
- eMobility “Broadband” Working Group

# Broadband technology, eMobility economic impact and situation in Europe

- 50 % of productivity gain in entire EU economy induced by ICT
- Mobile and wireless communications is contributing significantly to that growth



Sources:

- Viviane Reding: The role of ICT in innovation and growth. Lunch at "Forum de la Nouvelle Economie", Madrid, May 8, 2006.
- OVUM 2005.

# Lisbon Agenda and i2010 Initiative



- Renewed Lisbon Agenda and i2010 Initiative with following objectives
  - Completion of a **Single European Information Space** which promotes open and competitive internal market for information society and media
  - Strengthening **Innovation and Investment** in ICT research to promote growth and more and better jobs
  - Achieving an **Inclusive European Information Society** that promotes growth and jobs in a manner that is consistent with sustainable development and that prioritises better public services and quality of life
- In order to achieve **Single European Information Space** following issues to be addressed
  - **Speed:** Faster broadband services in Europe to deliver rich content such as high definition video
  - **Rich content:** Increased legal and economic certainty to encourage new services and on-line content
  - **Interoperability:** Enhancing devices and platforms that “talk to one another” and services that are portable from platform to platform
  - **Security:** Making internet safer from fraudsters, harmful content and technology failures to increase trust amongst investors and consumers

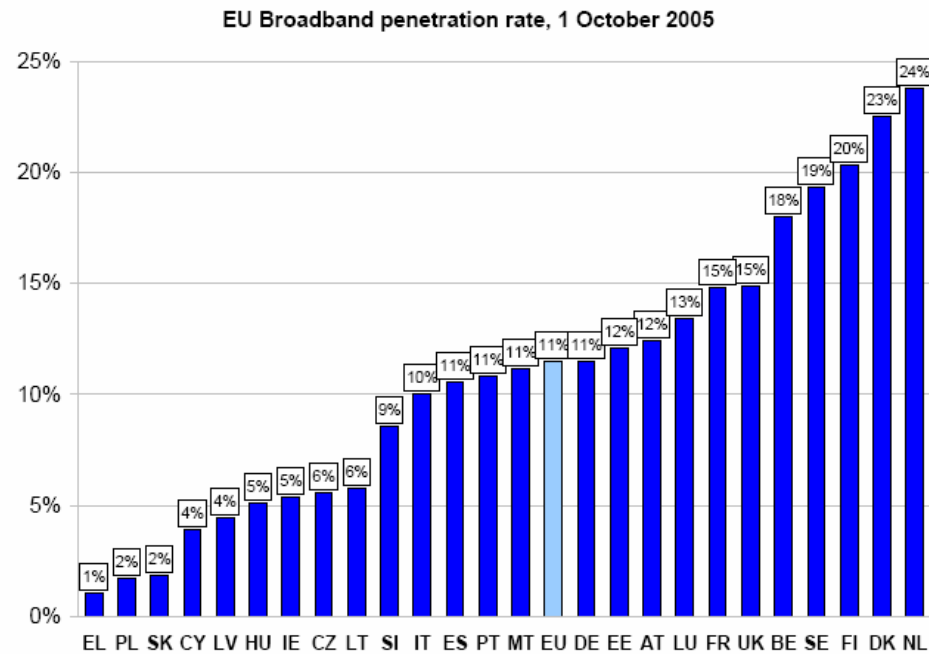
Sources:

- Commission of the European Communities: Lisbon Action Plan Incorporating EU Lisbon Programme and Recommendations for Actions to Member States for Inclusion in their National Lisbon Programmes. SEC (2005) 192, Brussels, 3.2.2005.
- Commission of the European Communities: Delivering on Growth and Jobs: A New and Integrated Economic and Employment Co-ordination Cycle in the EU. SEC (2005) 193, Brussels, 3.2.2005.
- Commission of the European Communities: i2010 – A European Information Society for growth and employment. COM(2005) 229 final, Brussels, 31.05.2005.

# EU broadband penetration rate



- i2010 Initiative of EU Commission is promoting broadband communication infrastructure in Europe
- Rural areas are lagging behind



Source: Commission services based on COCOM data

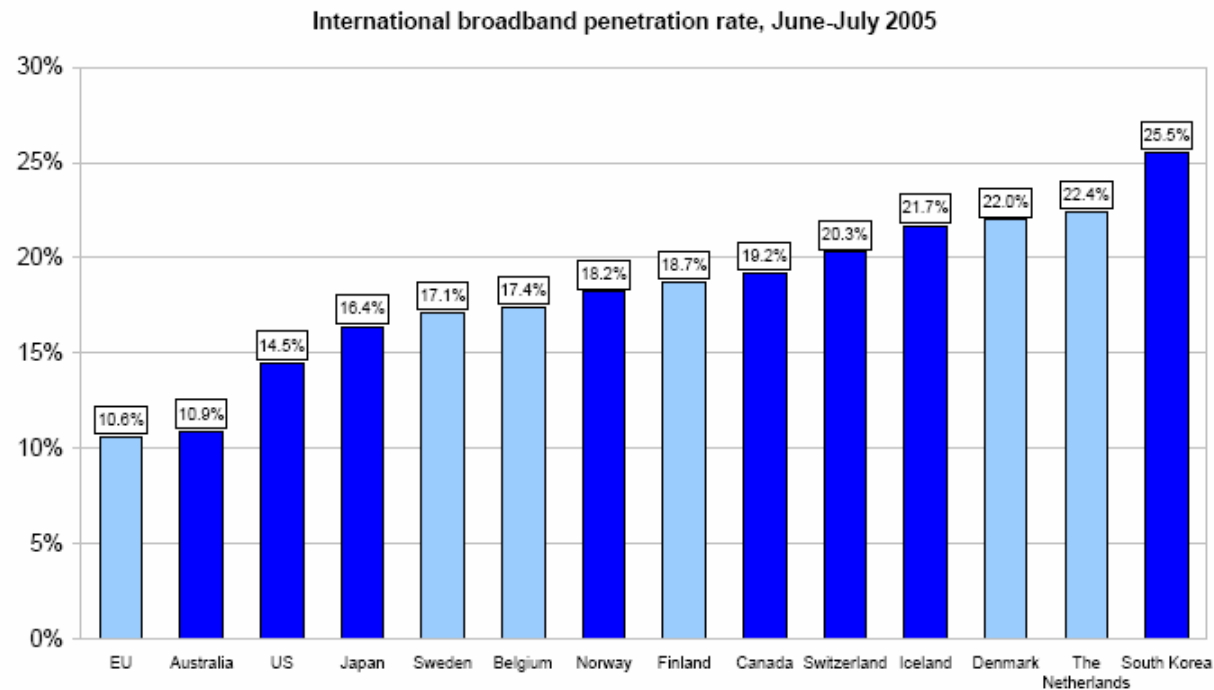
#### Sources:

- Commission of the European Communities: Bridging the Broadband Gap: Brussels, 20.3.2006.
- Commission of the European Communities: "Broadband for all": Commission mobilises all its policy instruments to bridge the broadband gap. IP/06/340, Brussels, 21 March 2006.
- Commission of the European Communities: European Electronic Communications Regulation and Markets 2005 (11th Report). COM(2006)68 final, Brussels, 20.2.2006

# International broadband penetration rate, June – July 2005



- In general, Europe is lacking behind other regions in broadband deployment Objectives



Source: Commission services based on COCOM and OECD data

#### Sources:

- Commission of the European Communities: Bridging the Broadband Gap: Brussels, 20.3.2006.
- Commission of the European Communities: "Broadband for all": Commission mobilises all its policy instruments to bridge the broadband gap. IP/06/340, Brussels, 21 March 2006.
- Commission of the European Communities: European Electronic Communications Regulation and Markets 2005 (11th Report). COM(2006)68 final, Brussels, 20.2.2006



# Ten priority actions on broad-based innovation strategy for the EU

Action 1: Establish innovation-friendly education systems

Action 2: Establish a European Institute of Technology

Action 3: Work towards a, single and attractive labour market for researchers

Action 4: Strengthen research-industry links

Action 5: Foster regional innovation through the new cohesion policy programmes

Action 6: Reform R&D and innovation state aid rules and provide better guidance for R&D tax incentives

Action 7: Enhance intellectual property rights protection (IPR)

Action 8: Digital products and services – initiative on copyright levies

Action 9: Develop a strategy for innovation friendly “lead Markets”

Action 10: Stimulate innovation through procurement

Sources: Putting knowledge into practice: A broad-based innovation strategy for the EU. Communication from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the Regions, Brussels, 13.9.2006, COM(2006) 502 final

# European cohesion policy 2007 – 2013



“More growth and jobs for all regions and cities of the European Union”

- Objectives
  - Convergence
    - Speed up the economic convergence of the less-developed regions (new Member States)
  - Regional Competitiveness and Employment
    - Strengthen regional competitiveness and attractiveness (ERDF)
    - Adapt, change and encourage the development of job markets on the basis of the European Employment Strategy (ESF)
  - European Territorial Cooperation
    - Cross-border cooperation
    - Cooperation between transnational zones
    - Networks for cooperation and the exchange of experiences

# European cohesion policy 2007 – 2013



- Instruments
  - European Regional Development Fund (ERDF)
    - Promotion of public and private investments helping to reduce regional disparities across the Union
    - Research, innovation, environmental protection, risk prevention (infrastructure investment retains an important role in least developed regions!)
  - European Social Fund (ESF)
    - Increasing adaptability of workers and enterprises
    - Enhancing access to employment and participation in the labour market
    - Reinforcing social inclusion
    - Promoting reform in the fields of employment and inclusion
  - Cohesion Fund
    - Environment and trans-European transport networks

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# European cohesion policy 2007 – 2013



- Budget
  - 308 B€ between 2007 and 2013
    - Convergence 251 B€ (~ 82%)
    - Regional Competitiveness and Employment 49 B€ (~ 16%)
    - European Territorial Cooperation 8 B€ (~ 2%)

# European cohesion policy 2007 – 2013



- Budget

**EU Cohesion Policy 2007-2013: Allocation by Objective and Member State**  
*in 2004 prices*

	CONVERGENCE OBJECTIVE			REGIONAL COMPETITIVENESS AND EMPLOYMENT OBJECTIVE		EUROPEAN TERRITORIAL COOPERATION OBJECTIVE	TOTAL
	Cohesion Fund	Convergence	Statistical Phasing out	Phasing in	Regional competitiveness and employment		
België/Belgique			579		1.268	173	2.019
Ceska Republika	7.830	15.149			373	346	23.697
Danmark					453	92	545
Deutschland		10.553	3.770		8.370	756	23.450
Eesti	1.019	1.992				47	3.058
Ellas	3.289	8.379	5.779	584		186	18.217
Espana	3.250	18.727	1.434	4.495	3.133	497	31.536
France		2.838			9.123	775	12.736
Ireland				420	261	134	815
Italia		18.867	388	879	4.761	752	25.647
Kypros	193			363		24	581
Latvija	1.363	2.647				80	4.090
Lietuva	2.034	3.965				97	6.097
Luxembourg					45	13	58
Magyarország	7.589	12.654		1.865		343	22.451
Malta	252	495				14	761
Nederland					1.477	220	1.696
Österreich			159		914	228	1.301
Polska	19.562	39.486				650	59.698
Portugal	2.722	15.240	254	407	436	88	19.147
Slovenija	1.239	2.407				93	3.739
Slovensko	3.433	6.230			399	202	10.264
Suomi-Finland				491	935	107	1.532
Sverige					1.446	236	1.682
United Kingdom		2.436	158	883	5.349	642	9.468
Bulgaria	2.015	3.873				159	6.047
Romania	5.769	11.143				404	17.317
Not allocated						392	392
<b>TOTAL</b>	<b>61.558</b>	<b>177.083</b>	<b>12.521</b>	<b>10.385</b>	<b>38.742</b>	<b>7.750</b>	<b>308.041</b>

# European cohesion policy 2007 – 2013



- Eligibility Criteria
  - Convergence
    - Regions whose per capita gross domestic product (GDP) is less than 75% of the average for EU25 (mainly new Member States) → ERDF + ESF
    - Regions whose capita GDP exceeds 75% due solely to the statistical effect of enlargement → ERDF + ESF
    - Member States whose gross national income (GNI) is below 90% of the EU25 average → ESF
  - Regional Competitiveness and Employment
    - Member States suggest a list of regions → ERDF
    - “Phasing in” regions → ESF
  - European Territorial Cooperation → ERDF
    - Border regions and greater regions of transnational cooperation

# European cohesion policy 2007 – 2013



- Regulatory framework
  - General Regulation for the implementation of the 3 cohesion instruments ERDF, ESF and the Cohesion Fund
    - ERDF Regulation
    - ESF Regulation
    - Cohesion Fund Regulation
  - Regulation establishing a European grouping of territorial cooperation (EGTC)

} **New rules**, which differentiate between objectives, eligible MS/region and type of expenditure (e.g. co-financing rates)

[http://ec.europa.eu/regional\\_policy/sources/docoffic/official/regulation/newregl0713\\_en.htm](http://ec.europa.eu/regional_policy/sources/docoffic/official/regulation/newregl0713_en.htm)

- Community Strategic Guidelines on Cohesion
  - Setting the political priorities for investments to be made
  - Basis for preparing **National Strategic Reference Frameworks** and the resulting **Operational Programmes** to be adopted by the Commission.

[http://ec.europa.eu/regional\\_policy/sources/docoffic/2007/osc/com\\_2006\\_0386\\_en.pdf](http://ec.europa.eu/regional_policy/sources/docoffic/2007/osc/com_2006_0386_en.pdf)

# European cohesion policy 2007 – 2013



- Cohesion Policy regulations and Community Strategic Guidelines for Cohesion: the set of five regulations have been agreed upon by the Council (February 2006) and by Council and EP (July 2006)
- » Next steps for Member States and Regions:
- To propose National Strategic Reference Frameworks and Operational Programmes (November 2006), which will be adopted by the Commission (2006/2007)

# European cohesion policy 2007 – 2013



## » „Encouragements“ to the ETPs”

- Commissioner Potočnik (Science & Research):

“I would strongly plead for the **Technology Platforms** to look at **opportunities** for investing in R&D and innovation in the context of the **structural funds**.”

“Given that structural funds are programmed and decided to a large extend at national level, but with European interest in mind, I believe that **Technology platforms** could usefully **draw attention** to opportunities for **investment in their sector**”
- Commissioner Reding (Information society and media):

“Europe must create a commercial environment that encourages more rapid innovation and **take up of research results**”
- Aho-Report (Independent Expert Group on R&D):

“**European technology platforms** are needed to **create** and to **take advantage** of innovation-friendly markets

# eMobility “Broadband” Working Group



- Establishment of an eMobility Working Group on “Broadband” in conjunction with Structural Funds in September 2006
  - Discussion and preparation of eMobility statements on areas, where eMobility could support activities towards broadband in Europe
  - Set up inter-platform working group “European Broadband Infostructure (EBI)”
    - Prepare joint position on the value the platforms could bring to European scale plans
      - eMobility
      - ISI
      - NEM
      - NESSI
    - Draft text for circulation to Member States for the use of Structural Funds for Telecommunications
- 👉 **Support and participation in the Working Group is welcome**

## Working Group – Draft position paper

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### “Promoting Broadband as an economic enabler in Europe using Structural Funds”

- The opportunity for Member States to use Structural Funds to promote broadband skills and infrastructure
  - Advanced telecommunications as an enabling sector for economic growth
  - Leveraging Structural Funds to achieve critical mass in market scale and international impact
  - Infrastructure deployment in low density areas
  - Fragmented broadband market
  - Regulatory environment
- Using Structural Funds in the coming budget period
  - Deployment of optical fibre networks
  - Deployment of broadband to rural areas uneconomic for commercial providers
  - Deployment of mobile and wireless networks
  - Deployment of test-beds and prototype networks
  - Development and deployment of integrated networks for security, public protection, emergency response
  - Development of applications and services on broadband infrastructure
- Conclusions

# eMobility “Broadband” Working Group – Further steps



- Preparation of position paper for the establishment of broadband for lead markets By February 2007
    - Collection of positions from ICT Technology Platforms
    - Preparation of joint position paper
  - Investigation of different technical solutions for broadband systems depending on By June 2007
    - Scenarios
    - Application areas (technology parks, training, trial systems, network deployment)
    - Economic needs and conditions
  - Evaluation of interest and interaction with EU Commission and Member States – in particular New Member States – on the use of Structural Funds for broadband systems Continuous activity during 2007
- ☞ Participation and contributions welcome