

## COUNCIL OF THE EUROPEAN UNION

Brussels, 29 May 2013

10201/13

Interinstitutional File: 2011/0299(COD)

TELECOM 145 AUDIO 65 CODEC 1250

## **PROPOSAL**

from:	Secretary-General of the European Commission,
	signed by Mr Jordi AYET PUIGARNAU, Director
dated:	28 May 2013
No Cion doc.:	COM(2013) 329 final
Subject:	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

Delegations will find attached an amended proposal from the Commission, submitted under a covering letter from Mr Jordi AYET PUIGARNAU to Mr Uwe CORSEPIUS, Secretary-General of the Council of the European Union.

Encl.: COM(2013) 329 final

10201/13 HVW/ek 1 DG E2B **EN** 



Brussels, 28.5.2013 COM(2013) 329 final

2011/0299 (COD)

## 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

(Text with EEA relevance)

EN EN

## **EXPLANATORY MEMORANDUM**

### 1. CONTEXT OF THE PROPOSAL

#### **General context**

This initiative is anchored in the Europe 2020 Strategy for smart, sustainable and inclusive growth<sup>1</sup>, which put digital infrastructures at the forefront as part of the flagship initiative "Digital Agenda for Europe"<sup>2</sup>. It underlined The Digital Agenda seeks, among other things, to deploy cross-border public online services, in order to facilitate the mobility of businesses and citizens. In particular, interoperability of public services is required where single market legislation and initiatives (such as the Services Directive or the eProcurement Action Plan) rely on the possibility for businesses to interact and do business with public administrations by electronic means and across borders. The Digital Agenda further underlines 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 are the arteries of a future modern economy. The EU has set itself ambitious targets in terms of broadband roll-out and take up by 2020.

On 29 June 2011, the Commission adopted the Communication "A Budget for Europe 2020" on the next multi-annual financial framework (MFF) (2014-2020)<sup>3</sup>, 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.

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.

### Purpose of the proposal

-

COM(2010) 2020.

<sup>&</sup>lt;sup>2</sup> COM(2010) 245.

<sup>&</sup>lt;sup>3</sup> COM(2011) 500/I final and COM(2011) 500/II final (Policy Fiches).

The purpose of this Regulation is 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 CEF.

The guidelines identify in annex projects of common interest for the deployment of broadband networks and digital service infrastructures and broadband networks. These projects shall contribute to improving the competitiveness of the European economy including small and medium sized enterprises (SMEs), promote the interconnection and interoperability of national, regional and local networks as well as access to such networks and support 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 this Regulation.

This Regulation aims at removing 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 sub-optimal market failures situation 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, businesses and administrations being connected to digital networks.

The Connecting Europe Facility aims at using innovative financial instruments to incentivise infrastructure investment by reducing investment risk and providing longer-term financing for both alternative and incumbent investors. Innovative financial instruments provide an important leverage effect on private and other public investment while still relying on market mechanisms. Where the business case for infrastructure investment is particularly weak the Connecting Europe Facility also foresees the possibility to offer co-financing via grants.

In the field of broadband networks, actions contributing to projects of common interest in the area of broadband shall support investments 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 270 billion €.

For the digital service <u>infrastructure infrastructures</u>, the bottlenecks in terms of service deployment within interoperable frameworks are addressed through <u>procurement and</u> direct grant schemes, in certain cases <u>mostly</u> with <u>high co-funding rates</u> <u>full funding of platforms</u> <u>at EU level</u>, as there are no natural owners of a European interoperable service infrastructure. Indeed, neither single Member States, nor private investors would ensure <u>service</u> deployment <u>within interoperable frameworks of cross-border services</u>. The EU added value is thus high.

Projects of common interest in the field of digital service infrastructures **give priority firstly to building blocks** as listed in the Annex 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 program ("Interoperability solutions for European public administrations"). On a yearly basis, according to the funding available, specific Digital Service Infrastructures in the annex will be identified in view to be deployed.

For broadband networks, the amount of resources available under this Regulation will be small. While the rationale for public financial support in areas where private investment is insufficient remains valid, public support will need to come primarily from other sources than CEF, in particular from national sources and from the European Structural and Investment Funds, where Information and Communication Technologies are likely to be included among the thematic objectives covered by the thematic priority concentration requirements.

However, given the key importance of broadband networks for growth and jobs, and in view of the challenges – both financial and technical – connected to public investment in the sector, this Regulation foresees a limited, enabling intervention. CEF will finance a small contribution to the setting up of financial instruments at European Union (hereafter referred to as 'Union') level, in particular in cooperation with the European Investment Bank, with the potential to facilitate the efficient use of other public as well as private resources. 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. Such contributions will be ring-fenced for use in the Member State or region concerned and could facilitate critical mass and economies of scale in project delivery. In setting a framework enabling wider contributions from business and institutional players, the proposal seeks to multiply the level of contribution to broadband projects of common interest well beyond the funding enabled through the Regulation.

Actions contributing to projects of common interest shall be eligible for EU financial support under the instruments available under the Regulation establishing the <u>CEF</u> Connecting Europe Facility<sup>4</sup>. The present proposal is therefore to be seen in conjunction with the proposal for that Regulation. The Regulation also stipulates the criteria for the identification of new projects of common interest, on the basis of the Commission's assessment of changing political priorities, technological developments or the situation in the relevant markets.

## 2. RESULTS OF CONSULTATIONS WITH THE INTERESTED PARTIES AND IMPACT ASSESSMENTS

As regards broadband rollout, numerous consultations with Member States, industry and social stakeholders have been carried out. Notably, these included a roundtable of Vice-President Kroes with CEOs from content providers, equipment makers, investors and telecoms operators from the world's leading companies such as Nokia, Alcatel Lucent, Google, Ericsson, News Corp etc, and the first Digital Agenda Assembly, which took place in

<sup>&</sup>lt;sup>4</sup> OJ C [...], [...], p. [...].

Brussels on 16th and 17th June 2011, bringing together more than 1,000 stakeholders from the private and the public sectors, as well as civil society. On these and numerous other occasions, stakeholders widely shared the Commission's assessment that the existing telecom investment model is insufficient to bring about the rollout of affordable, high-quality broadband infrastructures for all European citizens, and they welcome the Commission's plans to use targeted public investment, e.g. through the use of innovative financial instruments, to leverage the necessary infrastructure investment to support alternative and more sustainable models of investment.

The European Parliament in a draft report on the future Multi-annual Financial Framework (MFF) recognised the importance of using the budget to leverage investment in broadband.

As far as cross-border digital service infrastructures are concerned, the Commission has been working with various stakeholder groups for many years. Evaluations and expert advise on existing activities, such as Europeana (for cultural heritage) or the Safer Internet programme generally call for activities to be continued and expanded.

In light of the indicative budget cut from 9.2bn to 1bn EUR, there is a clear need to limit the scope of the programme. For digital service infrastructures, this could have be achieved either by reducing the number of services proposed originally, or by introducing a more stringent set of funding criteria. The present Commission proposal in fact does both: 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") for budgetary reasons, while one general service infrastructure has been added (see below).

In the legislative deliberations so far, the Council Working Group on Telecommunications suggested adding additional digital service infrastructures on "Electronic procedures for moving from one European country to another", "European platform for the interconnection of employment and social security services", and "Online administrative cooperation platforms". For budgetary reasons, not all are retained in the annex of the present proposal.

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 programme could either not foresee any intervention, or provide for a limited intervention seeking to leverage private and other public funds. As there will be EU funds available for broadband under the ESIF, in particular as a fourth priority concentration theme under the European Regional Development Fund, and as the use of structural funds for broadband has been a challenge, 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. Both institutions further agreed that it should be based on the

principle of technological neutrality – however, the EP introduced very ambitious target transmission speeds ("1Gbps where possible and above "), while some Member States sought to relax the Commission's original proposal linking CEF intervention to the second Digital Agenda for Europe target of 30 Mbps. 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. There were further discussions on the preferred method of intervention, i.e. grants or financial instruments (loans, guarantees, project bonds, equity). In view of the limited resources, 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.

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.

During the legislative and budget negotiations, the CEF was endorsed by numerous stakeholder organisations, such as Digital Europe, the Europeana Foundation, the Public Sector Information Alliance, Multilingual Europe Technology Alliance, the European Telecommunications Network Operators' Association, and the European Competitive Telecommunications Association, and the FTTH Council.

The <u>original</u> Impact Assessment report, <u>carried out in 2011</u>, <u>discussed discusses</u> two options. The first, baseline option <u>foresees foresaw</u> no EU funding to be allocated to broadband other than, potentially, through the <u>structural funds ESIF</u> and the continuation of the Competitiveness and Innovation Programme for digital service infrastructures in the scale of pilots only. In this scenario no critical mass or deployment of digital services would be achieved, investment in broadband would continue to be insufficient <u>and inefficiently funded</u> in many regions due to lack of competitive pressure and high commercial risk. Equally, public online services can be expected to remain under-developed and not inter-operable across borders due to fragmentation <u>or</u> of sub-optimal efforts and technical solutions, lack of critical mass, high costs for service providers and beneficiaries of services. Hence, this option would not contribute to attaining the Digital Single Market, and many Europeans would continue to miss out on digital opportunities.

The second option proposes a financing tool tools which would complement and leverage the financing resources currently available under the first option. This is the line of action included in the MFF proposal released by the European Commission on 29 June 2011, ereating a "Connecting Europe Facility" to finance infrastructure. 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. In order to maximise impact, appropriate provisions would ensure the combination of market - based instruments and EU direct support, in order to encourage the participation of specialised infrastructure investors. In the case of grants, the Commission would remain responsible for the overall planning and project selection, with the possible support of an executive agency, while project

promoters would ensure physical implementation on the ground. In the case of financial instruments, implementation will be delegated to specialised financial institutions, but the Commission will determine the eligibility. Member States will contribute to the effort by developing national plans for high speed internet in line with the broadband targets, while mapping of broadband infrastructure and services (at EU and national/regional level) will identify gaps in coverage and stimulate initiatives from a multiplicity of private and public investors. The new proposal does not fundamentally change the spirit or the methods of intervention analysed in the second option, but through more stringent eligibility criteria it reduces its scope.

A large number of cross-border digital services, implementing exchanges between European public administrations in support of EU policies, are a reality. When providing new solutions, it is important to capitalise on existing solutions implemented in the context of other European initiatives, avoid duplication of work, and ensure coordination and alignment of approaches and solutions across initiatives and policies, such as for instance the ISA programme, the Fiscalis programme and Horizon 2020.

### 3. LEGAL ELEMENTS OF THE PROPOSAL

## Legal basis

The proposed Regulation will repeal and replace Decision 1336/97 of the European Parliament and of the Council of 17 June 1997 on a series of Guidelines for trans-European telecommunications networks.

The proposed intervention will be pursuant to Article 172 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.

## Subsidiarity and proportionality

The coordinated development of a trans-European telecommunications networks to support the deployment of broadband infrastructures and promotion of services within the single European market and the economic, social and territorial cohesion requires action to be taken at Union level as the actions could not be taken individually by Member States.

The proposal complies with the proportionality principle, and stays within the scope of action in the field of the trans-European telecommunications networks, as defined in Article 170 of the Treaty on the Functioning of the European Union.

## **Choice of legal instrument**

The current Telecommunications Guidelines have been proposed and adopted as a Decision of the European Parliament and of the Council which is specifically addressed to the Member States, rendering the Guidelines binding in their entirety for all the Member States.

However, the instrument will facilitate in particular the deployment of telecommunications infrastructure and promotion of services by private entities (including operators, utilities, equipment manufacturers etc) and regional and local authorities. With more actors besides the Member States becoming involved in the planning, development and operation of digital telecommunication telecommunications networks, it is important to ensure that the

Guidelines be binding for all. The Commission has therefore chosen a Regulation as the legal instrument for this proposal.

## **Funding**

Projects of common interest shall be eligible for EU financial support under the instruments available under the Regulation establishing the <u>CEF</u> Connecting Europe Facility [XXX/20012]. Financial support shall be provided in accordance with the relevant rules and procedures adopted by the Union, funding priorities and the availability of resources.

## **Delegation of powers**

Telecommunication networks are evolving quickly and the list of projects of common interest might have to be modified in future to reflect this fast evolution. To accomplish this, it is proposed that power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission.

## **Implications for other Commission proposals**

The present modification of the Commission proposal affects another file currently in the legislative process, which is the Regulation establishing the CEF. This Regulation determines the conditions, methods and procedures for providing Union financial aid to trans-European networks in the transport, energy, and telecommunications sectors.

The necessary changes will not affect the horizontal elements of the CEF Regulation, apart from marking the Regulation as EEA relevant, in order to allow for the participation of EEA countries.

Changes in the CEF Regulation will be limited and may include the re-formulation of certain recitals to reflect the change in the intervention's focus and the adjustment or deletion of certain provisions, including Article 7.4 on eligibility and conditions for financial assistance in the field of telecommunications and Art.10.4. (b) concerning the funding rates for actions in the field of broadband. In Article 20 the delegation of power to amend the part of the annex dealing with telecommunications will no longer be necessary.

### 4. BUDGETARY IMPLICATION

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 telecommunications networks is linked to the proposal for a Regulation establishing the <u>CEF</u> Connecting Europe Facility (CEF) which will provide the legislative and the financial framework. An—The Commission proposal for a new MFF foresaw an amount of € <u>EUR</u> 9.2 billion<sup>5</sup> is allocated for telecommunications within the envelope of the CEF. The European Council conclusions of 8 February 2013 on MFF 2014-2020 for the telecommunications part of CEF set an amount at EUR 1.0 billion (in 2011 prices). 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.

\_

<sup>&</sup>lt;sup>5</sup> Figures are provided in constant 2011 prices.

## 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

(Text with EEA relevance)

## THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 172 thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national Parliaments,

Having regard to the opinion of the European Economic and Social Committee<sup>6</sup>,

Having regard to the opinion of the Committee of the Regions<sup>7</sup>,

Acting in accordance with the ordinary legislative procedure,

### Whereas:

- (1) 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.
- (2) On 17 June 2010, the European Council endorsed the Digital Agenda for Europe<sup>8</sup> which aims to chart a course to maximise the social and economic potential of information and communication technologies. It seeks to stimulate supply and demand of competitive high speed internet infrastructure and internet-based digital services in view to advance towards a true Digital Single Market, which is essential for smart, sustainable and inclusive growth.
- (3) Regulation (EU) No [.../...] of the European Parliament and of the Council of [...] establishing the Connecting Europe Facility (CEF)<sup>9</sup> determines the

-

<sup>&</sup>lt;sup>6</sup> OJ C [...], [...], p. [...].

OJ C [...], [...], p. [...].

COM(2010) 245 final/2.

<sup>9</sup> OJ [...], p. [...].

conditions, methods and procedures for providing Union financial assistance to trans-European networks in transport, energy and digital communication. Given that there are similar challenges and opportunities in the sectors covered by the CEF Regulation, there is important scope for exploiting synergies, including by combining CEF funding with other sources of funding.

- (4) A large number of cross-border digital services, implementing exchanges between European public administrations in support of EU policies are a reality. When providing new solutions, it is important to capitalise on existing solutions implemented in the context of other European initiatives, avoid duplication of work, and ensure coordination and alignment of approaches and solutions across initiatives and policies, such as for instance the ISA programme, the Fiscalis programme and Horizon 2020. Similarly, it is important that solutions comply with agreed standards, specifications and orientations, such as the European Interoperability Framework for European public services (EIF)<sup>10</sup>.
- (5) Large scale pilots between Member States and co-financed by the Competitiveness and Innovation Programme such as PEPPOL, STORK, epSOS, eCODEX or SPOCS have validated key cross border digital services in the internal market, based on common building blocks. These have already reached or are in the near future reaching the maturity level required for deployment. Existing projects of common interest have already demonstrated the clear added value of action at European level, such as in the fields of cultural heritage (Europeana), child protection (Safer Internet), social security (EESSI), while others such as in the field of consumer protection (ODR) have been proposed.
- Digital service infrastructures implemented conforming to the Decision <u>(6)</u> 922/2009/EC of the European Parliament and of the Council of 16 September 2009 on interoperability solutions for European public administrations 11 will facilitate the electronic cross-border and cross-sector interaction between European public administrations. This, in turn, will enable the provision of essential services in, inter alia, areas such as electronic identification and procurement, cross-border interconnection of business registers, interoperable electronic cross-border health services, as well as cross-border cooperation on cyber security, thereby contributing to the Digital Single Market. Such interaction between administrations will be achieved through the creation and/or enhancement of interoperable core service platforms, built on existing common building blocks and/or providing additional building blocks essential for the development of other core service platforms, and related generic services linking national infrastructures to core service platforms to deliver cross border digital services.
- (7) With regard to digital service infrastructures, building blocks shall take priority over other digital service infrastructures, since the former are a pre-condition for the later. Digital service infrastructures should, inter alia, create European added value and meet proven needs. They should be sufficiently mature for deployment, technically as well as operationally as proven in particular through successful piloting. They should be based on a concrete sustainability plan to ensure the

10

Annex II of COM(2011) 744final

Decision No 922/2009/EC of the European Parliament and of the Council on interoperability solutions for European public administrations (ISA); OJ L 260, 3.10.2009, p. 20.

- long-term operation of core service platforms beyond the CEF. Financial assistance under this Regulation should therefore wherever possible be phased out over time and funding from sources other than the CEF should be mobilised.
- EU law and/or are developing or providing building blocks, with a potential high impact on the development of pan-European public services, should be prioritised for funding, so as to support multiple digital service infrastructures and over time gradually build up a European interoperability ecosystem. In this context, legal obligations mean specific provisions requiring either developing or using digital service infrastructures, or requiring results which can only be achieved through European digital service infrastructures.
- (9) Member States should encourage local and regional authorities to be fully and effectively involved in the governance of digital service infrastructures, and ensure that projects of common interest relating to cross-border delivery of eGovernment services take into account the EIF recommendations.
- (10) In its resolution of 6 July 2011 on European Broadband: investing in digitally driven growth<sup>12</sup>, the European Parliament emphasised that broadband services are key to the competitiveness of Union industry and greatly contribute to Union economic growth, social cohesion and the creation of quality employment.
- (11) The Digital Agenda for Europe stipulates that by 2020 all Europeans should have access to internet speeds of above 30 Mbps and 50% or more of European households should subscribe to internet connections above 100 Mbps.
- the private sector should play a leading role in rolling out and modernising broadband networks, supported by a competitive and investment-friendly regulatory framework. Where private investment falls short, Member States shall undertake the necessary efforts to achieve the targets of the Digital Agenda. Public financial assistance to broadband should be limited to programmes or initiatives targeting projects which cannot be solely financed by the private sector, confirmed by an ex-ante assessment identifying market imperfections or sub-optimal investment situations.
- (13) Financial instrument(s) for broadband networks must not unduly distort competition, crowd out private investments or create disincentives on private operators to invest. In particular, they will be in compliance with Articles 101, 102, 106 and 107 of the Treaty on the Functioning of the European Union.
- (14) Since the financial resources available under CEF are limited, financial assistance should focus on the establishment of financing mechanisms at Union level to attract additional investments, promote a multiplier effect, and so facilitate the efficient use of private and other public funds for investment. This approach allows for contributions from business and institutional players well beyond the funding levels directly eligible through CEF.
- (15) The CEF support to broadband deployment should complement assistance provided under other Union programmes and initiatives, including the European

<sup>2013/</sup>C 33 E/09

Structural and Investment Funds (ESIF) in cases where an ex-ante assessment identifies market failures or sub-optimal investment situations and where thus decided by Managing Authorities. CEF financial assistance to broadband deployment should contribute to Member States' efforts both directly and by providing an investment vehicle for voluntary, ring-fenced contributions from other sources, including ESIF, thus allowing Member States to take advantage of the know-how and scale-effects of EU-managed facilities with a view to increasing the efficiency of public spending.

- (16) The Union may support the deployment of broadband networks contributing to the objectives of the Digital Agenda for Europe in all types of areas, including suburban, rural, sparsely populated and less developed regions. This includes the deployment of broadband networks to link islands, landlocked, mountainous, remote and peripheral regions, including island Member States, with the central regions of the Union and/or actions to improve reliability or performance of connections between such regions and central regions of the Union.
- with the characteristics of the actions in question. Thus, in the field of digital service infrastructures, core service platforms, which cannot be funded from other sources, should be prioritised for funding in the form of procurement or, exceptionally, grants, while generic services should be given only limited financial assistance from the CEF. Furthermore, any financial assistance from the CEF should aim at efficient use of Union's funds and, therefore, broadband networks should be supported by financial instruments, which ensure higher leverage effect than grants.
- (18) The intervention under this Regulation should aim at the achievement of synergies and interoperability between different projects of common interest described in the Annex, as well as with other infrastructures, including transport and energy infrastructures supported by the CEF, relevant research infrastructures supported inter alia by Horizon 2020 and relevant infrastructures supported by ESIF, while avoiding duplication and undue administrative burden.
- (19) Financial assistance to projects of common interest should be complemented by horizontal actions, including technical assistance, demand stimulation measures and coordination, which should aim at maximizing the impact of EU intervention.
- (20) When committing funds to the intervention in broadband networks, the Commission should take due account of the results of the evaluations of existing Union's financial instruments.
- (21) Selection of new actions to be funded under CEF, as well as their level of funding, will be done as part of an annual work programme proposed by the Commission.
- (22) The Commission should be assisted by an Expert Group of representatives of Member States which shall be consulted on and contribute to, inter alia, monitoring of the implementation of these guidelines, planning, evaluation and addressing implementation problems.

- (2) On 26 March 2010, the European Council welcomed the Commission's proposal to launch the strategy Europe 2020. One of the three priorities of Europe 2020 is smart growth through the development of an economy based on knowledge and innovation. Investments in telecommunications, notably broadband networks and digital service infrastructures, are a necessary condition for smart but also sustainable and inclusive economic growth of the Union.
- On 17 June 2010, the European Council endorsed the Digital Agenda for Europe <sup>13</sup> and called upon all institutions to engage in its full implementation. The Digital Agenda aims to chart a course to maximise the social and economic potential of information and communication technologies, in particular through the deployment of high-speed broadband networks by seeking to ensure that by 2020 all Europans have access to internet speeds of above 30 Mbps and 50% or more of European households subscribe to internet connections above 100 Mbps. The Digital Agenda aims to establish a stable legal framework to stimulate investments in an open and competitive high speed internet infrastructure and in related services; a true single market for online content and services; active support for the digitisation of Europe's rich cultural heritage, and the promotion of internet access and take-up by all, especially through support of digital literacy and accessibility. In addition, Member States should implement operational national plans for high speed internet, targetting public funding on areas not fully served by private investments in internet infratructures and promote deployment and usage of modern accessible online services.
- (4) The Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions European Broadband: investing in digitally driven growth concludes that the critical role of the internet means that the benefits for society as a whole appear to be much greater than the private incentives to invest in faster networks. Public support for this area is therefore necessary, but should not unduly distort competition.
- (5) The Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions A Budget for Europe 2020<sup>15</sup> recognises the creation of a Connecting Europe Facility in the context of the Multiannual Financial Framework in order to address the infrastructure needs in the areas of transport, energy and information and communication technologies. Synergies between these sectors as well as with other Union investment programmes are key as similar challenges emerge requiring solutions that unlock growth, combat fragmentation, reinforce cohesion, favour the use of innovative financial instruments and address market failures as well as the removal of bottlenecks which hinder the completion of the Single Market.
- (6) Regulation (EU) No [.../...] of the European Parliament and of the Council of [...] establishing the Connecting Europe Facility<sup>46</sup> determines the conditions, methods and procedures for providing Union financial aid to trans-European networks in order to support projects in the field of transport, energy and telecommunications infrastructures.

COM(2010) 245 final/2.

COM(2010) 472.

<sup>&</sup>lt;sup>15</sup> COM(2011) 500 final.

<sup>&</sup>lt;sup>16</sup> OJ [...], [...], p. [...].

- (7) Actions in the field of broadband networks will be in line with the relevant Union policies, regulation and guidance. This includes the set of rules and guidelines for the telecommunications markets and in particular the Regulatory Framework for electronic communications adopted in 2009 which provides a coherent, reliable and flexible approach to the regulation of electronic communication networks and services in fast moving markets. These rules are being implemented by national regulatory authorities and the Body of European Regulators for Electronic Communications (BEREC). The NGA Recommendation 17 adopted in 2010 aims at fostering the development of the Single Market by enhancing legal certainty and promoting investment, competition and innovation in the market for broadband services in particular in the transition to next generation access networks (NGAs).
- (8) These actions will also be in compliance with Articles 101, 102 and 106 of the Treaty on the Functioning of the European Union, as well as with the Community Guidelines for the application of State aid rules in relation to rapid deployment of broadband networks, adopted in 2009, which provide a framework for stakeholders and Member States to accelerate and extend broadband deployment. The EU guidance for NGA investment models for EU management authorities and other relevant agencies (published in October 2011) provide a step by step approach to the implementation of a range of models that ensure fair competition among all suppliers and aim at the realisation of the objectives of cohesion and rural development policies.
- (9) Within the framework of a system of open and competitive markets, the Union's intervention is necessary where market failures need to be overcome. By providing financial support and additional financing leverage to infrastructure projects the Union can contribute to the establishment and development of trans-European networks in the area of telecommunications, thus generating higher benefits in terms of market impact, administrative efficiency and resource utilisation.
- (10) Substantial economic and social benefits, which cannot be captured nor monetised by investors, are associated with higher broadband speeds. Fast and ultra-fast broadband is the key enabling infrastructure for the development and deployment of digital services, which rely on the availability, speed, reliability and resilience of the physical networks. The deployment and take-up of faster networks opens the way for innovative services exploiting higher speeds. Action at Union level is necessary to maximise the synergies and interactions between those two components of digital telecommunications networks.
- (11) The deployment of ultra-fast broadband will particularly benefit small and medium enterprises (SMEs) which often cannot benefit from web-based services such as 'cloud computing' due to inadequate connectivity and speed of existing broadband connections. This will unlock the potential for substantial productivity gains for SMEs.
- (12) By opening business opportunites, the deployment of broadband networks and digital service infrastructures will stimulate job creation in the Union. Construction of broadband networks will also have an immediate effect on employment in particular in civil engineering sector.

<sup>&</sup>lt;sup>17</sup> L 251, 25.9.2010, p. 35.

- (13) The development of broadband networks and digital service infrastructures will contribute to the Union's objective to reduce greenhouse gas emission by enabling energy-efficient solutions in many sectors of Europe's economy. This positive effect will be limited, but only to some extent, by the growing energy and resource demand related mainly to the construction of broadband networks and the operation of digital service infrastructures.
- (14) The interoperability of the broadband networks and the digital communications infrastructure associated to energy networks enables converged communications for the deployment of energy-efficient, reliable and cost-effective digital networks. Furthermore, convergence will be extended beyond connectivity to allow for the packaged provision of energy and telecom services by energy and telecom services providers respectively.
- (15) The development, deployment and long-term provision of interoperable cross-border eGovernment services enhance the functioning of the Single Market. Governments are recognised for providing public online services which contribute to increasing efficiency and effectiveness of the public and private sector
- (16) The operation of common electronic public services implemented conforming to the Decision 922/2009/EC of the European Parliament and of the Council of 16 September 2009<sup>18</sup> will aim at the availability of common services in support of the cross-border and cross-sector interaction between European public administrations.
- (17) Directive 2011/24/EU of the European Parliament and of the Council of 9 March 2011 on the application of patients' rights in cross-border healthcare <sup>19</sup> gives the legal framework for the cross-border provision of healthcare, including eHealth services, in Europe. Their deployment is expected to improve the quality of care and the patient safety, to reduce medical costs, to contribute to modernising national healthcare systems and increasing their efficiency, and to make them better adapted to the individual needs of citizens, patients, health professionals, and the challenges of an ageing society.
- (18) Increasing and preserving access to Europe's rich and diverse cultural content and data held by public sector bodies, and opening them up for reuse in full respect of copyright and related rights, will nurture creativity and spur innovation and entrepreneurship. Unhampered access to re-usable multilingual resources will help overcome language barriers, which undermine the internal market for online services and limit access to knowledge.
- (19) In the area of safety and security, an EU-wide platform for sharing resources, information systems and software tools promoting online safety will contribute to creating a safer environment for children online. It will enable centres handling hundreds of thousands of requests and alerts per year to operate across Europe. Critical Information Infrastructures will enhance the Union-wide capability for preparedness, information sharing, coordination and response to cyber security threats.
- (20) It is expected that innovative applications of commercial nature running on digital service infrastructures will emerge. Their exploration and testing can be co-financed as

OJ L 260, 3.10.2009, p. 20.

<sup>&</sup>lt;sup>19</sup> OJ L 88, 4.4.2011, p. 45.

- part of research and innovation projects in the Horizon 2020 programme and their deployment under the cohesion policy.
- (21) In order to take into account the developments in the areas of information and communication technologies, the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission in respect of amending the Annex to this Regulation. It is of particular importance that the Commission carries out appropriate consultations during its preparatory work, including at expert level. The objective of this delegation is to address new technological and market developments, emerging political priorities or opportunities for exploiting synergies between different infrastructures, including those in the fields of Transport and Energy. The scope of delegation is limited to modifying the description of projects of common interest, adding a project of common interest or removing an obsolete project of common interest according to preestablished, clear and transparent criteria.
- (22) The Commission, when preparing and drawing-up delegated acts, should ensure a simultaneous, timely and appropriate transmission of relevant documents to the European Parliament and Council.
- (23) Decision No 1336/97/EC of the European Parliament and of the Council of 17 June 1997 on a series of guidelines for trans-European telecommunications networks<sup>20</sup> covers the objectives, priorities and broad lines of measures envisaged in the trans-European networks in the area of telecommunications infrastructure. In the light of the recent developments that Decision should be replaced.
- (24) Decision No 1336/97/EC should therefore be repealed.

#### HAVE ADOPTED THIS REGULATION:

# Article 1 Subject matter

1. This Regulation lays down guidelines for the timely deployment and interoperability of projects of common interest in the field of trans-European telecommunications networks to determine those trans-European telecommunication networks that shall be supported in accordance with Regulation XXX (CEF Regulation) in their development, implementation, deployment, interconnection, and interoperability.

These guidelines provide for the objectives and priorities of projects of common interest, identify projects of common interest and set out criteria for the identification of new projects of common interest.

- 2. In particular, this Regulation provides for:
  - (a) the objectives for projects of common interest;
  - (b) the conditions under which projects of common interest may be eligible for Union financial assistance in accordance with Regulation (EU) No

OJ L 183, 11.7.1997, p. 12.

- <u>xxx/2012 [CEF regulation] in their development, implementation, deployment, interconnection, and interoperability.</u>
- (c) the criteria for the establishment of priorities for projects of common interest to receive or benefit from Union financial assistance.

## Article 2 Objectives

The projects of common interest shall:

- (1) contribute to economic growth and support the development of the Single Market resulting in the improvement of the competitiveness of the European economy, including small and medium sized enterprises (SMEs).
- (2) contribute to improvements in daily life for citizens, businesses and governments through the promotion of the interconnection and interoperability of national telecommunication networks as well as access to such networks.
- (3) stimulate Europe-wide deployment of fast and ultra-fast broadband networks which, in turn, shall facilitate the development and deployment of trans-European digital services.
- (4) facilitate sustainable deployment of trans-European digital service infrastructures, their interoperability and coordination at European level, their operation, maintenance and upgrading.
- (5) contribute to greenhouse gas emission reductions, as well as protecting and improving the environment.

# Article <u>2</u> <del>3</del> **Definitions**

- 1. For the purposes of this Regulation, the <u>definitions set out in Article 2 of Regulation (EU) No xxx/2012 (CEF Regulation) apply.</u> following definitions shall apply:
- 2. The following definitions shall also apply:
  - (a) "Telecommunication <u>Telecommunications</u> networks" means broadband networks and digital service infrastructures.
  - (b) "Digital service infrastructures" enable networked services to be delivered electronically, typically over the internet, providing trans-European interoperable services of common interest for citizens, businesses and/or governments. Digital service infrastructures are composed of core service platforms and generic services.
  - (c) "Building blocks" means reusable digital service infrastructures,

- (d) "Core service platforms" means central hubs of digital service infrastructures aiming to ensure trans-European connectivity, access and interoperability. Core service platforms shall be open to Member States and may be open to other entities.
- (e) "Generic services" means services linking one or more national infrastructure(s) to one or more core service platform(s) with a view to deliver cross border digital services.
- (f) "Broadband networks" means wired and wireless (including satellite) access networks, ancillary infrastructure and core networks capable of delivering very high speed connectivity, thereby contributing to the broadband targets of the Digital Agenda for Europe.
- (g) "Digital service infrastructures" means networked services delivered electronically, typically over the internet, providing trans-European interoperable services in the public interest and having an enabling character for citizens, businesses and/or governments.
- (h) "European added value" means the value resulting from an EU intervention which is additional to the value that would have otherwise been achieved by Member State action alone or an action by a group of Member States.

For the purposes of this Regulation, the definitions set out in Regulation XXX (CEF Regulation) shall also apply.

## Article 3 Objectives

- 1. The projects of common interest shall contribute to achieving the general objectives specified in article 3 of Regulation (EU) No xxx/2012 [CEF regulation].
- 2. In addition to the general objectives, the projects of common interest shall pursue one or more of the following specific objectives:
  - (a) economic growth and support to the completion of the Digital Single Market in support of the competitiveness of the European economy, including small and medium sized enterprises (SMEs).
  - (b) improvements in the daily life for citizens, businesses and governments through the promotion of interconnection and interoperability of national, regional and local telecommunications networks as well as access to such networks.
- 3. The following operational priorities shall contribute to the achievement of the objectives mentioned in paragraphs (1) and (2):
  - (a) <u>interoperability, connectivity, sustainable deployment, operation and upgrading of trans-European digital service infrastructures and their common building blocks, as well as coordination at European level.</u>

(b) <u>efficient flow of private and public investments to stimulate the deployment and modernisation of broadband networks in view to contribute towards achieving the broadband targets of the Digital Agenda for Europe.</u>

## Article 4 Priorities for projects of common interest

Taking into account the objectives set out in Article 2, the priorities for projects of common interest shall be:

- (a) the deployment of ultra fast broadband networks ensuring the speed of data transmission of 100 Mbps and above;
- (b) the deployment of broadband networks to link island, landlocked and peripheral regions with the central regions of the Union ensuring in those regions that speeds of data transmission are sufficient to permit broadband connectivity of 30 Mbps and above;
- (c) the support to core service platforms in the field of digital service infrastructures;
- (d) actions allowing to achieve synergies and interoperability between different projects of common interest in the field of Telecommunications, between projects of common interest concerning different types of infrastructures, including Transport and Energy, between project of common interest in the field of Telecommunications and projects supported by the Structural and Cohesion funds, as well as relevant research infrastructures.

# Article 4 5 Projects of common interest

1. Projects of common interest set out in the Annex shall contribute to the achievement of the objectives set out in Article 2.

### 1. Projects of common interest shall in particular:

- (a) aim at the creation and/or enhancement of interoperable and, whenever possible, internationally compatible core service platforms and their common building blocks, accompanied by generic services for digital service infrastructures.
- (b) provide efficient investment vehicles for broadband, attract new categories of investors and project promoters and encourage replicability of innovative projects and business models.
- 2. A project <u>Projects</u> of common interest may encompass <u>their</u> its entire cycle, including feasibility studies, implementation, continuous operation, coordination and evaluation.

- 3. Projects of common interest may be supported through horizontal actions.
- 4. <u>Projects of common interest and actions contributing to them are further</u> described in the Annex to this Regulation.
- 3. Member States and/or other entities in charge of the implementation of projects of common interest or contributing to their implementation shall take the necessary legal, administrative, technical and financial measures in compliance with the corresponding specifications of this Regulation.
- 4. The Union may facilitate the implementation of the projects of common interest through regulatory measures, where appropriate, through coordination, through support measures and through financial support to stimulate their deployment and take-up, as well as public and private investment.
- 5. Actions contributing to projects of common interest shall be eligible for EU financial support under the conditions and instruments available under the Regulation establishing the Connecting Europe Facility [REF]. Financial support shall be provided in accordance with the relevant rules and procedures adopted by the Union, funding priorities and the availability of resources.
- 6. The Commission shall be empowered to adopt delegated acts modifying the description of projects of common interest included in the Annex, adding new projects of common interest to the Annex, or removing obsolete projects of common interest from the Annex, in accordance with paragraphs 7, 8 and 9 below and in accordance with Article 8.
- 7. While adopting the delegated act referred to in paragraph 6 above, the Commission shall assess whether modifying the description of project of common interest or adding a new project of common interest responds to the needs arising from:
  - (a) new technological and market developments; or
  - (b) emerging political priorities; or
  - (c) new opportunities for exploiting synergies between different infrastructures, including those in the field of Transport and Energy.
- 8. In addition to the criteria established in paragraph 7, if the delegated act concerns adding a new project of common interest the Commission shall also assess whether such project meets cumulatively the following criteria:
  - (a) contributes to the achievement of the objectives set out in Article 2;
  - (b) is based on mature technology ready for deployment;
  - (c) demonstrates European added value.
- 9. While adopting a delegated act removing an obsolete project of common interest from Annex, the Commission shall assess whether such project no longer responds to the needs set out in paragraph 7 or no longer meets the criteria set out in paragraph 8.

## <u>Article 5</u> Methods of intervention

- 1. In the area of digital service infrastructures, core service platforms shall be implemented primarily by the Union while generic services shall be implemented by the parties connecting to the relevant core service platform.

  Investments in broadband networks are undertaken predominantly by the private sector. Public support shall be provided only where there is market failure or a sub-optimal investment situation.
- 2. Member States, including local and regional authorities, and/or other entities in charge of or contributing to the implementation of projects of common interest shall take the necessary legal, administrative, technical and financial measures in compliance with the corresponding specifications of this Regulation.
- 3. Actions contributing to projects of common interest shall be eligible for EU financial support under the conditions and instruments available under Regulation (EU) No xxx/2012 [CEF regulation]. Financial support shall be provided in accordance with the relevant rules and procedures adopted by the Union, funding priorities and availability of resources. In particular:
  - (a) Actions contributing to projects of common interest in the field of digital service infrastructures can be supported by:
    - (a) procurement and/or
    - (b) grants.
  - (b) Actions contributing to projects of common interest in the field of broadband networks can be supported by:
    - (a) financial instruments as defined in Regulation (EU) No xxx/2012 [CEF regulation], which shall be open to additional contributions from other parts of the Connecting Europe Facility, other instruments, programmes and budget lines in the Union budget, Member States, including regional and local authorities and any other investors, including private investors in accordance with Article 15.2 of Regulation (EU) No xxx/2012 [CEF regulation] and /or
    - (b) the combination of financial instruments and grants from public sources other than the CEF, whether EU or national.
  - (c) Horizontal actions shall be supported by
    - (a) procurement and/or
    - (b) grants.
- 4. Where the support from the CEF complements ESIF and other direct public support, the achievement of synergies between CEF actions and support from ESIF may be reinforced by using an appropriate coordination mechanism.

#### Article 6

## Eligibility criteria and priorities for funding

- 1. Actions contributing to projects of common interest in the field of digital service infrastructures must, to be eligible for funding, cumulatively:
  - (a) have reached sufficient maturity to be deployed, as proven in particular through successful piloting under programmes such as the Union programmes related to innovation and research,
  - (b) <u>contribute to Union policies and activities in support of the single market;</u>
  - (c) <u>create European added value and long term sustainability, where appropriate through funding sources other than CEF, as demonstrated by a feasibility and cost-benefit assessment;</u>
  - (d) comply with agreed standards, specifications and orientations for interoperability, such as the European Interoperability Framework, and capitalise on existing solutions.
- 2. Building blocks essential for, and with demonstrable prospects of being used in, the development, deployment and operation of other digital service infrastructures as listed in the annex shall be given first priority for funding.
- 3. Second priority shall be given to digital service infrastructures in support of specific provisions of EU legislation and based on existing building blocks.
- 4. On the basis of the objectives provided for in Article 3 and in function of the available budget, the work programmes may establish further eligibility and priority criteria in the field of digital service infrastructures.
- 5. Actions contributing to projects of common interest in the field of broadband networks shall cumulatively meet the following criteria in order to be eligible for funding:
  - (a) <u>make a significant contribution to the realisation of the targets of the Digital Agenda for Europe.</u>
  - (b) <u>have sufficiently mature project development and preparation stages that</u> <u>are underpinned by effective implementation mechanisms.</u>
  - (c) address market imperfections or sub-optimal investment situations.
  - (d) not lead to market distortions and crowding out of private investment
  - (e) <u>use the technology which is deemed most suitable to address the needs of the area in question taking into account geographic, social and economic factors based on objective criteria and in line with technological neutrality.</u>
  - (f) <u>deploy state of the art technology and/or be based on innovative business</u> models, and have a high potential for replicability.

- 6. The criteria mentioned in point (f) of the preceding paragraph shall not be required for project funded from additional ring-fenced contributions provided in accordance with Article 15.2 of Regulation (EU) No xxx/2012 [CEF regulation]
- 7. Eligibility criteria for horizontal actions shall be set out in the work programmes.

## Article 7-6

## Cooperation with third countries and international organisations

The Union may establish contacts, discuss, exchange information and cooperate with public authorities or any other organisations in third countries to achieve any objective pursued by these guidelines—where such cooperation gives rise to a European added value. Among other objectives, this cooperation shall seek to promote the interoperability between the trans-European telecommunication networks telecommunications networks in the Union and telecommunication telecommunications networks of third countries.

2. The Union may further establish contacts, discuss, exchange information and cooperate with international organisations and legal entities established in third countries to achieve any objective pursued by these guidelines.

# Article <u>8</u> 7 **Exchange of information, monitoring and <u>reporting review</u>**

- 1. On the basis of information received under Article 21 of the Regulation XXX establishing the <u>CEF</u> Connecting Europe Facility, Member States and the Commission shall exchange information about the progress made with the implementation of these guidelines.
- 2. The Commission shall **consult and** be assisted by an Expert Group, composed of a representative of each Member State, for monitoring of the implementation of these guidelines, assisting in the planning through the national strategies for high speed internet and mapping of infrastructures, and exchanging information. The Expert Group may also consider any other issue relating to the development of the trans-European telecommunication networks. In particular, the Expert Group shall assist the Commission in:
  - (a) monitoring the implementation of these guidelines;
  - (b) planning national plans or national strategies, where applicable;
  - (c) <u>undertaking measures to evaluate the implementation of the work</u> programmes on a financial and technical level;
  - (d) addressing existing or emerging project implementation problems.

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

- 3. In conjunction with the mid-term evaluation and the ex-post evaluation of the Regulation XXX establishing the <u>CEF</u> Connecting Europe Facility—and after consulting the Expert Group, the Commission shall publish a report on the progress in the implementation of these guidelines. That report <u>shall</u> will be submitted to the European Parliament <u>and</u> the Council, the European Economic and Social Committee and the Committee of the Regions.
- 4. In these reports the Commission shall also evaluate whether the scope of the projects of common interest continues to reflect political priorities, technological developments and innovations as well as regulatory or market and economic developments and whether, in view of such developments and the need for long-term sustainability, funding for any of the project of common interest supported should be phased out or sourced in other ways or the situation in the relevant markets. For major projects which are likely to have significant effects on the environment, these reports shall include an analysis of the environmental impact, taking into account, where appropriate climate change adaptation and mitigation needs, and disaster resilience. Such an evaluation a review may also be carried out at any other time when it is deemed appropriate.

## 5. The achievement of the sectorial objectives set out in Article 3 shall be measured ex post inter alia by:

- (a) the availability of digital service infrastructures, measured by the number of Member States connected to each digital service infrastructure.
- (b) the percentage of citizens and businesses using digital service infrastructures and the availability of such services across borders.
- (c) the volume of investments attracted in the field of broadband and the leverage effect.

## Article 8 Exercise of the delegation

- 1. The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this Article.
- 2. The delegation of power referred to in the Articles 5(6) shall be conferred on the Commission for an indeterminate period of time from the date of the entry into force of this Regulation.
- 3. The delegation of power referred to in Article 5(6) may be revoked at any time by the European Parliament or by the Council. A decision of revocation shall put an end to the delegation of the power specified in that decision. It shall take effect on the day following the publication of the decision in the Official Journal of the European Union or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.

- 4. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.
- 5. A delegated act adopted pursuant to Article 5(6) shall enter into force only if no objection has been expressed either by the European Parliament or the Council within a period of 2 months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by 2 months at the initiative of the European Parliament or the Council.

## Article 9 **Repeal**

Decision No 1336/97/EC, as amended by Decision No 1376/2002/EC, is repealed.

## Article 10 Entry into force

This Regulation shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Union*.

It shall apply from 1 January 2014.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

For the European Parliament The President For the Council
The President

## **ANNEX**

### PROJECTS OF COMMON INTEREST

### **Section 1. Digital Service Infrastructures**

Interventions in the area of digital service infrastructure generally rely on a two-layer architecture approach: core service platforms and generic services. As the core service platform is a pre-condition for establishing a digital service infrastructure, the support to core service platforms and their common building blocks shall take priority over generic services.

The core service platforms and their common building blocks address interoperability and security needs of projects of common interest. They are intended to enable digital interactions between public authorities and citizens, public authorities and businesses and organisations, or among public authorities of different Member States through standardised, cross-border, and user-friendly interaction platforms. Building block digital service infrastructures shall take priority over other digital service infrastructures, since the former are a pre-condition for the latter. The generic services provide the connection to the core service platforms and enable the national added value services to use the core service platforms. They provide gateways between national services and core service platforms and allow national public authorities and organisations, businesses and/or citizens to access the core service platform for their cross-border transactions. The quality of the services and the support for stakeholders involved in cross-border transactions shall be assured. They shall support and stimulate take-up of core service platforms.

The focus shall not be entirely on the creation of digital service infrastructures and related services but also on the governance relating to the operation of such platforms.

New core service platforms shall mainly be based on existing platforms and their building blocks and/or, when possible, shall add new building blocks.

- 1. Building blocks digital service infrastructures a priori identified to be included in the work programmes in accordance with Articles 6.1 and 6.2:
  - (a) Electronic identification and authentication: this refers to services to enable cross border recognition and validation of e-identification and e-signature.
  - (b) Electronic delivery of documents: this refers to services for the secured, traceable cross border transmission of electronic documents.
  - (c) Automated translation: this refers to machine translation engine and specialised language resources including the necessary tools and programming interfaces needed to operate the pan-European digital services in a multilingual environment.
  - (d) <u>Critical digital infrastructures support: this refers to communication</u> channels and platforms intended to enhance the EU-wide capability for

- preparedness, information sharing, coordination and response to cyber threats.
- (e) Electronic invoicing: this refers to services enabling electronic exchange of invoices.

## 2. Other digital service infrastructures a priori identified as eligible in accordance with Article 6.1:

- (a) Interoperable cross-border electronic procurement services: This refers to a set of services, which can be used by public and private-sector e-Procurement services providers to set up cross-border e-Procurement platforms. This infrastructure will enable any company in the EU to respond to public procurement procedures from any contracting authority or entity in any Member State covering pre-award and post-award electronic procurement activities, including functionalities such as electronic submission of offers, virtual company dossier, eCatalogues, eOrders and eInvoicing.
- (b) Interoperable cross border eHealth services: This refers to a platform, which enables the interaction between citizens/patients and health care providers, institution-to-institution and organization-to-organization transmission of data, or peer-to-peer communication between citizens/patients and/or health professionals and institutions. The services shall comprise cross border access to electronic health records and electronic prescription services as well as remote health/assisted living teleservices, etc.
- (c) European Platform for the interconnection of European business registers: This refers to a platform, which provides a set of central tools and services enabling business registers in all Member States to exchange information on registered businesses, their branches, mergers and windups. It shall also provide a multi-country and multilingual search service for users using a Central Access Point accessible via the e-Justice portal.
- (d) Access to re-usable public sector information: This refers to a platform for the single access point to multilingual (EU official languages) datasets held by public bodies in the EU at European, national, regional and local levels; query and visualisation tools of the data sets; assurance that the available datasets are properly anonymised, licensed and where applicable priced to be published, redistributed and reused, including a data provenance audit trail.
- (e) Electronic procedures for setting up and running a business in another European country: This service will allow the dealing of all necessary administrative procedures electronically across borders through Points of Single Contact. This service is a requirement in the Directive 2006/123/EC on services in the internal market.
- (f) Access to digital resources of European heritage: This refers to the core service platform based on the current Europeana portal. The platform will provide a single access point to European cultural heritage content at item

level, a set of interface specifications to interact with the infrastructure (search for data, download data), support for the metadata adaptation and ingestion of new content, as well as information on conditions for reuse of the content accessible through the infrastructure.

- (g) Safer internet service infrastructure: This refers to the platform for acquiring, operating and maintaining shared computing facilities, databases and software tools for the Safer Internet Centres (SICs) in the Member States. Back-office operations to handle reporting of sex abuse content are also included as well as the link with police authorities including international organisations such as Interpol, and when appropriate, the handling of the take down of this content by the relevant web sites. This will be supported by common databases.
- (h) Interoperable cross-border online services. This refers to platforms, which shall facilitate interoperability and cooperation between Member States in areas of common interest, particularly with a view to improving the functioning of the Single Market, such as eJustice, which will enable the online cross-border access of citizens, businesses, organisations and legal practitioners to legal means/documents and judicial procedures, Online Dispute Resolution (ODR) which will enable online resolution of cross-border disputes between consumers and merchants and Electronic Exchange of Social Security Information (EESSI) which will help social security bodies across the EU exchange information more rapidly and securely.

### Section 2. Broadband networks

### 1. The scope of actions

Actions shall consist in particular of one or more of the following components:

- (a) The deployment of passive physical infrastructure, active physical infrastructure or the combination of the two and ancillary infrastructure elements, complete with services necessary to operate such infrastructure;
- (b) Associated facilities and associated services, such as building wiring, antennae, towers and other supporting constructions, ducts, conduits, masts, manholes, and cabinets;
- (c) Exploitation of 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.
- 2. Contribution to the achievement of the targets of the Digital Agenda for Europe.

All projects financially supported under this Regulation shall significantly contribute to the achievement of the targets of the Digital Agenda for Europe.

(a) Actions funded directly by the Union shall:

- (a) be based on state-of-the art technology, either wired or wireless, capable of delivering very high-speed broadband services, thus meeting demand for applications which require high bandwidth, or
- (b) <u>be based on innovative business models and/or attract new categories</u> <u>of project promoters or new categories of investors, or</u>
- (c) <u>have a high potential for replicability, thus allowing achieving broader impact on the market due to their demonstration effect.</u>
- (b) Actions funded from additional ring-fenced contributions provided in accordance with Article 15.2 of Regulation (EU) No xxxx/2012 [CEF regulation] shall bring significant new capabilities to the market in terms of broadband service availability, speeds and capacity. Projects which provide speeds of data transmission of less than 30 Mbps should ensure the increase of speeds to at least 30 Mbps over time.

## 3. Project assessment to establish optimal funding structures

The implementation of actions shall be based on a comprehensive project assessment. Such a project assessment shall cover, inter alia, market conditions including information on existing and/or planned infrastructure, regulatory obligations on project promoters, as well as commercial and marketing strategies. In particular, the project assessment shall establish whether the programme:

- (a) <u>is necessary to address market imperfections or sub-optimal investment</u> situations,
- (b) <u>does not lead to market distortions and crowding out of private</u> investment.

These criteria shall be established primarily on the basis of the revenue potential and the level of risk associated with a project and the type of geographical area covered by an action.

## 4. Modalities for funding

- (a) Projects of common interest in the field of broadband shall be funded through financial instruments. The budget allocated to these instruments shall be sufficient, but shall not exceed, the amount which is necessary to establish a fully operational intervention and to achieve a minimum efficient instrument size.
- (b) Subject to the rules of the Financial Regulation, Regulation (EU) No xxxx/2012 [CEF regulation] and Regulations (EU) No xxxx (2013) [all the ESIF regulations], the financial instruments mentioned in point (a) may be combined with additional contributions from:
  - (a) other parts of the Connecting Europe Facility,

- (b) other instruments, programmes and budget lines in the Union budget;
- (c) Member States, including regional and local authorities, that decide to contribute own resources or resources available from ESIF. ESIF contributions will be geographically ring-fenced to ensure that they are spent within a Member State or a region which provides a contribution.
- (d) any other investors, including private investors.
- (c) Financial instruments mentioned in points (a) to (b) may also be combined with grants by Member States, including regional and local authorities, that wish to contribute own resources or resources available from ESIF, provided that:
  - (a) <u>an action in question meets all criteria for funding under this Regulation, and</u>
  - (b) relevant state-aid clearance has been obtained.

## **Section 3. Horizontal actions**

The deployment of trans-European telecommunications networks that will help to remove the bottlenecks existing in the digital single market shall be accompanied by studies and programme support actions. These actions may consist of:

- (a) <u>Technical assistance to prepare or support implementation actions in their deployment, governance and addressing existing or emerging implementation problems.</u>
- (b) <u>Actions to stimulate existing demand or create new demand for digital</u> service Infrastructures.
- (c) Coordination of Union support under this Regulation with the support from all other available sources, while avoiding duplication of infrastructure and preventing the displacement of private investments.

The projects of common interest shall aim for the removal of bottlenecks which hinder the completion of the Single Market i.e. providing connectivity to the network and access, including across borders, to digital service infrastructures.

The deployment and enhancement of trans-European telecommunication networks (broadband networks and digital service infrastructures) shall contribute to fostering economic growth, creating jobs and achieving a vibrant digital single market. In particular, their deployment will grant faster access to the internet, bring about information technology enabled improvements in daily life for citizens, including children and young persons, businesses and governments, increase interoperability and facilitate the alignment or convergence to commonly agreed standards.

Section 1. Horizontal priorities

The deployment of trans-European telecommunication networks that will help to remove the bottlenecks existing in the digital single market shall be accompanied by studies and programme support actions. They are:

(a) Innovative management, mapping & services. Technical assistance measures, where necessary for deployment and governance, shall include project and investment planning and feasibility studies, in support of investment measures and financial instruments. Mapping of pan-European broadband infrastructure will develop an on-going detailed physical surveying and documentation of relevant sites, analysis of rights of way, assessments of potential for upgrading existing facilities, etc. It should follow the principles of the Directive 2007/2/EC (INSPIRE Directive) and related standardisation activities. Technical assistance measures may also support replication of successful investment and deployment models.

These actions may also include climate proofing to assess the climate related risks and ensure disaster resilience of infrastructure, in compliance with relevant requirements set out in EU or national legislation.

(b) Support actions and other technical support measures. These actions are needed to prepare or support the implementation of projects of common interest or accelerate their take-up. In the field of digital services, support actions shall also stimulate and promote the take-up of new digital service infrastructures that may become necessary or useful based on technological developments, changes in the relevant markets or emerging political priorities.

### Section 2. Broadband networks

All broadband investments within the territory of the Union expand the network capacity and bring about benefits to all the potential users, including those in Member States other than the country of the investment. Investment in these networks will bring about more competition and more innovation in the economy, will deliver more efficient and effective public services, contribute to the EU goals on a low carbon economy and to the overall EU competitiveness and productivity.

Investment in broadband infrastructure has been undertaken predominantly by private investors and it is expected that this will remain the case. However, the achievement of the Digital Agenda targets will require investment in areas for which there is not a clear business case or where a business case may need to be enhanced within the time frame of the targets. The following types of areas can be characterized on the basis of the likely investment:

Sub-urban/medium density areas are typically served with medium speed connections but tend to lack higher speeds. Where it is demonstrated that the business case for investments in advanced technologies is insufficient for private investors in the short run, financial support could generate profitable investment over the longer term by closing the viability gap and stimulate competition.

Rural and low density areas are typically served with low speed connections and in some cases even not served at all. The business case for investment is unlikely to be viable and the European targets are unlikely to be reached by 2020. Investment in

these areas needs higher financial support, provided by grants, possibly in combination with financial instruments. Such areas will include remote and sparsely populated regions where investment costs are either very high or where income is low. The support from the Connecting Europe Facility in these areas is likely to complement available cohesion funds or rural development and other direct public support.

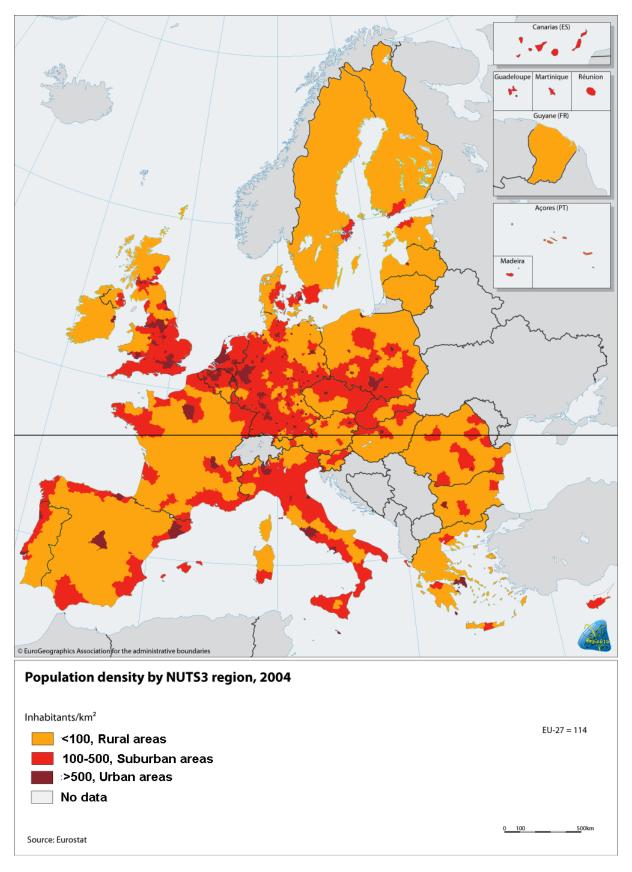
High density/urban areas—with the exception of some low income regions—are typically well served with medium to fast speed connections, often provided by competitive offerings of cable and telecom operators. Yet because of this relatively satisfactory situation the market incentives to invest in very high speed networks such as fibre to the home are limited. Thus financial support may be also envisaged to investments in urban areas with dense populations which do not attract sufficient investment despite societal benefits it would generate, provided that it is in full compliance with Articles 101, 102 and 106 of the Treaty on the Functioning of the European Union, as well as, if relevant, with the Community Guidelines for the application of state aid rules in relation to rapid deployment of broadband networks.

In less developed regions, the support to the deployment of broadband networks should be provided primarily through the instruments of Structural and Cohesion funds. Grants and / or financial instruments from the Connecting Europe Facility may complement such support where necessary to achieve the objectives of this Regulation. The achievement of synergies between the CEF actions in those regions and the support from the Structural and Cohesion Funds may be reinforced by using an appropriate coordination mechanism.<sup>21</sup>

The classification of regions to the above categories is indicatively provided by the map below.

\_

As set out in Article 11 (e) of the Regulation of the European Parliament and of the Council laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund covered by the Common Strategic Framework and laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing Regulation (EC) No 1083/2006. COM(2011) 615 final



Actions contributing to the project of common interest in the field of broadband networks shall constitute a balanced portfolio including actions contributing to both the 30Mbps and the 100Mbps Digital Agenda targets, covering suburban and rural areas in particular, as well as areas across the European Union.

Actions contributing to the project of common interest in the area of broadband networks, irrespective of the technology used, shall:

- (a) Support investments in broadband networks capable of achieving the Digital Agenda 2020 target of universal coverage at 30Mbps; or
- (b) Support investments in broadband networks capable of achieving the Digital Agenda 2020 target and of having at least 50% of households subscribing to speeds above 100Mbps;
- (c) Comply with applicable law, in particular with competition law

and shall consist in particular of one or more of the following actions:

- (a) The deployment of passive physical infrastructure or the deployment of combined passive and active physical infrastructure and ancillary infrastructure elements, complete with services necessary to operate such infrastructure;
- (b) Associated facilities and associated services, such as building wiring, antennae, towers and other supporting constructions, ducts, conduits, masts, manholes, and cabinets;
- (c) Exploitation of 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.

The deployment of broadband networks to connect island, landlocked and peripheral regions with central regions of the Union, including where necessary submarine cables, will be supported where it is essential to ensure access by isolated communities to broadband at 30 Mbps and above. This support should complement other funds, whether EU or national, available for this purpose.

For the avoidance of doubt, services providing, or exercising editorial control over, content transmitted using electronic communications networks and services and information society services as defined in Article 1 of Directive 98/34/EC, which do not consist wholly or mainly in the conveyance of signals on electronic communications networks, are not covered by the scope of the actions contributing to the project of common interest in the field of broadband networks.

Beneficiaries of EU support for the project of common interest in the area of broadband include, but are not limited to:

- (a) Telecom operators (incumbent, whether investing directly or through a subsidiary or new-entrant) launching investments in fast and ultra fast broadband networks.
- (b) Utility companies (e.g. water, sewage, energy, transport), which are expected to invest in passive broadband networks, either alone or in partnership with operators.
- (c) Regional decision makers, including municipalities, who may establish concessions for broadband infrastructures. Equipment providers may be

interested in such an arrangement, via the creation of a special purpose company.

(d) Partnerships between several operators active in wired and wireless markets to build new generation of infrastructures.

In building the portfolio due account shall be taken of Member States' investment needs in terms of the number of households to be connected with the support of the Connecting Europe Facility.

In addition, high speed connections to public internet access points, notably in public facilities, such as schools, hospitals, local government offices and libraries, shall also be supported.

## Section3. Digital Service Infrastructures

The implementation of digital service infrastructures shall contribute to the realisation of digital single market by removing existing bottlenecks in terms of service deployment. This will be achieved through the creation and/or enhancement of interoperable digital service infrastructure platforms, accompanied by essential basic digital service infrastructures. It shall rely on a two-layer approach:

- (1) Core service platforms are the central element(s) or hub(s) of the digital service infrastructures essential to ensure trans-European connectivity, access and interoperability. This may also encompass physical equipment, such as servers, dedicated networks and software tools. Core service platforms are open to entities in all Member States.
- (2) Generic services provide the functionality and content of digital service infrastructures. They may be interconnected through a core service platform.

The projects of common interest in the field of digital service infrastructures are the following:

Trans-European high-speed backbone connections for public administrations

A public trans-European backbone service infrastructure will provide very high speed and connectivity between public institutions of the EU in areas such as public administration, culture, education and health. This backbone infrastructure will support public services of European value through controlled quality of services and secure access. It will therefore guarantee a digital continuum of public service provisioning for the greater benefit of citizens, businesses and administrations. It will allow demand aggregation for connectivity, reaching critical mass and reducing costs.

### Core service platform:

The infrastructure will be based on the existing Internet backbone and where necessary new networks will be deployed. Connections will be made directly or through regionally- or nationally-managed infrastructures. In particular it will provide connectivity for other trans-European services inter alia those mentioned in this Annex. This infrastructure will be fully integrated in the Internet as a key

capacity for trans-European public service and will support the adoption of emerging standards (e.g. Internet protocols such as IPv6<sup>22</sup>). Dedicated underlying infrastructure for connecting public administrations may be considered if necessary for security reasons.

#### Generic services:

The integration of the core platform into the European public services will be facilitated by the deployment of generic services: authorisation, authentication, interdomain security and bandwidth on demand, federation of services, mobility management, quality control and performance control, integration of national infrastructures.

Interoperable 'cloud computing' service will provide the backbone infrastructure functionality on which clouds for trans-European public services can be offered. This includes network-type of trans-European services such as video-conference, virtualised storage and supporting computing intensive applications, including those related to other projects of common interest.

### Cross-border delivery of eGovernment services

eGovernment refers to the digital interaction between public authorities and citizens, public authorities and businesses and organisations, and among public authorities of different countries. Standardised, cross-border, and user-friendly interaction platforms will generate efficiency gains both throughout the economy and in the public sector and will contribute to the Single Market.

## Core service platform:

Interoperable electronic identification and authentication across Europe. A set of connected and secured authentication servers and protocols that ensure interoperability of the variety of authentication and identification and authorization systems that exist in Europe will be deployed. This platform will enable citizens and businesses to access online services when needed for example to study, work, travel, get health care or do business abroad. It will constitute the core layer for all those digital services for which electronic identification and authentication are needed: e.g. electronic procurement, online health services, standardised business reporting, electronic exchange of judicial information, trans-European online company registration, e-Government services for businesses, including communication between business registers relating to cross-border mergers and foreign branches. This platform may also use resources and tools of the multilingual core platform.

### Generic services:

(a) Electronic procedures for setting up and running a business in another European country: This service will allow dealing with all necessary administrative procedures electronically across borders through Points of Single Contact. This service is also a requirement the Directive 2006/123/EC on services in the internal market.

Reference to ipv6 communication: COM(2008)313 advancing the Internet, action plan for the deployment of Internet Protocol version 6 (IPv6) in Europe.

- (b) Interoperable cross-border electronic procurement services: This service will enable any company in the EU to respond to European public tenders from any Member State covering pre-award and post-award electronic procurement activities, integrating activities such as Electronic Submission of offers, Virtual Company Dossier, eCatalogues, eOrders and eInvoices.
- (c) Interoperable cross-border e-Justice services: This service will enable the online cross-border access of citizens, businesses, organisations and legal practitioners to legal means/documents and judicial procedures. It will enable the online cross border interaction (via online data and document exchange) between legal authorities in different Member States and improve with this the ability to process cross border legal cases more efficiently;
- (d) Interoperable cross border eHealth services: These services will enable the interaction between citizens/patients and health care providers, institution-to-institution and organization-to-organization transmission of data, or peer-to-peer communication between citizens/patients and/or health professionals and institutions. The infrastructure to be deployed will comply with the principles of data protection as set out, in particular, in Directives 95/46/EC and 2002/58/EC, as well as with international and national ethical rules related to the use of patient health records and other personal data.

The services will comprise cross border access to electronic health records and electronic prescription services as well as remote health/assisted living teleservices, cross border multi lingual semantic services linked to the multilingual core platform, access to social security information building on the EESSI (Electronic Exchange of Social Security Information) infrastructure, etc.

(e) European Platform for the interconnection of European business registers: This facility will provide a set of central tools and services enabling business registers in all Member States to exchange information on registered businesses, their branches, mergers and wind-ups. It will also provide a multi-country and multilingual search service for users using a Central Access Point accessible via the e-Justice portal.

Enabling access to public sector information and multilingual services

Access to digital resources of European heritage

The objective of this infrastructure is to make available large collections of European cultural resources in digital form and foster their re-use by third parties, in full compliance with copyright and related rights.

### Core service platform:

The development of the core service platform will build on the current Europeana portal. The platform which requires the development, operations and administration of distributed computing, data storage facilities and software will provide a single access point to European cultural heritage content at item level, a set of interface specifications to interact with the infrastructure (search for data, download data), support for the metadata adaptation and ingestion of new content, as

well as information on conditions for reuse of the content accessible through the infrastructure.

It will also provide the means for establishing an interaction with content providers, users (citizens accessing the portal) and re-users (creative industries), for the promotion of the platform, coordination of related networks and information exchange.

#### Generic services:

- (a) Aggregation of content held by cultural institutions and private content holders in the Member States
- (b) Crowd-sourcing facilities encouraging interactivity and enabling users to make an active contribution to the site
- (c) User-friendly services for the portal addressing issues such as search and browsing improvements as well as cross-language access
- (d) Exchange of rights information and licensing infrastructures;
- (e) Competence centres on digitisation and preservation of digital cultural heritage
- (f) Content repositories for cultural institutions and user-generated content and their long-term preservation

Access to re-usable public sector information

This digital service infrastructure will enable access for re-use to disclosable information held by the public sector in the EU.

### Core service platform:

Distributed computing, data storage and software facilities will provide: single access point to multilingual (all EU official languages) datasets held by public bodies in the EU at European, national, regional and local level; query and visualisation tools of the data sets; assurance that the available datasets are licensed to be published and redistributed, including a data provenance audit trail; a set of application programming interfaces for software clients to interact with the infrastructure (search for data, gather statistics, download data) for the development of third-party applications. It shall also allow for collection and publication of statistics about the operation of the portal, the availability of data and applications and the way in which they are used.

### Generic services:

Gradual extension of the access to all datasets held and made public by virtually all public administrations within the EU, including multilingual search, which will be achieved by the following:

- (a) aggregation of international/EU/national/regional/local datasets;
- (b) interoperability of datasets, including legal and licensing issues, to enable better re-use;

- (c) interface to open data infrastructures in third countries;
- (d) data repositories and long-term preservation services.

### Multilingual access to online services

This service infrastructure will enable any current and future online service providers to offer their content and services in the widest range of EU languages in the most cost-effective way.

### Core service platform:

The platform will enable acquiring, maintaining and making available large collections of live language data and reusable language processing tools. It will cover all EU languages and will comply with the relevant standards and agreed service and legal requirements. The platform will allow for flexible addition, curation and refinement of language data and tools by contributors, and ensure easy, fair and secure access and repurposing of such resources by organisations offering or developing language enabled services. The platform will also support cooperation and interworking with similar initiatives and data centres, existing or forthcoming, within and outside the EU.

### Generic services:

The platform will be populated with a broad range of reusable data and software resources, covering all EU languages. It shall assemble, harmonise and integrate such data and software elements within a distributed service infrastructure. It shall make available and in some areas develop or extend data and software resources to be used as building blocks to develop, customise and deliver multilingual services or multilingual gateways to online services.

#### Safety and security

#### Safer internet service infrastructure

The support will provide integrated and interoperable services at European level, based on shared awareness, resources, tools and practices and aimed at empowering children, their parents and carers, and teachers to make the best use of the Internet.

### Core service platform:

The core service platform will allow for acquiring, operating and maintaining shared computing facilities, databases and software tools for the Safer Internet Centres (SICs) in the Member States, as well as back-office operations to handle the reporting on sex abuse content including the link with policy authorities including international organisations such as Interpol, and when appropriate, the handling of the take down of this content by the relevant web sites. This will be supported by common databases.

### Generic services:

- (a) Help-lines for children, parents and carers on the best means for kids to use the Internet avoiding threats from harmful and illegal contents and behaviours, and the supporting back-office infrastructure.
- (b) Hotlines for reporting on illegal child sex-abuse content on the Internet
- (c) Tools to ensure access to age-appropriate content and services,
- (d) Software that allows easy and fast reporting of illegal content and its takedown, as well as reporting of grooming and bullying.
- (e) software systems that allow better identification of (not reported) child sexual abuse content on the internet as well as technologies to support police investigations, especially with a view to identifying child victims, perpetrators and commercial trading of such content.

#### Critical Information Infrastructures

Communication channels and platforms will be developed and deployed in order to enhance the EU-wide capability for preparedness, information sharing, coordination and response.

### Core service platform:

The core service platform will consist of a network of National/Governmental Computer Emergency Response Teams (CERTs) based on a minimum set of baseline capabilities. The network will provide the backbone of a European Information Sharing and Alert System (EISAS) for EU citizens and SMEs.

#### Generic services:

- (a) Proactive services technology watch and dissemination and sharing of security-related information; security assessments; providing guidelines on security configuration; providing intrusion detection services;
- (b) Reactive services incident handling and response; issuing alerts and warnings; vulnerability analysis and handling, artefact handling (proving high-quality alerts on new malware and other artefacts).

Deployment of information and communication technology solutions for intelligent energy networks and for the provision of Smart Energy Services

Smart energy services use modern information and communication technologies to meet the needs of citizens (who can be producers as well as consumers of energy), energy providers and public authorities. Smart energy services cover the interaction between citizens and energy providers, organization-to-organization data transmission, and peer-to-peer communication between citizens. They open up opportunities for existing and new actors in both the telecoms and the energy markets (e.g. Energy Service Companies ESCOs). They can also enable companies and citizens to trace the greenhouse gas emissions of their purchase decisions.

#### Core Service Platforms

Communications infrastructure, typically deployed by utilities in partnership with telecom operators, as well as the necessary IT hardware to be embedded in energy components (e.g. substations). They also include the core services that enable monitoring of assets, control for power management, automation and data management and communication between the different actors (service providers, network operators and other utilities, consumers, etc).

### Generic Services:

Generic Services will be typically delivered by a wide range of new and innovative actors, such as energy service providers, ESCOs, energy aggregators facilitating especially the entry of different types of local SMEs and preventing monopolisation of the retail market.

They will make available the functionality for customers to manage their energy demand, their renewable energy sources and their storage capacity, with the aim of optimising their energy use, reducing energy bills and greenhouse emissions, while ensuring data privacy and security.

- (a) Smart metering infrastructure to measure and communicate information on energy consumption. Generic Services also include customer premises energy management equipment, i.e. IT hardware devices associated to home area networks that are connected to the smart meter
- (b) Software agents able to decide when to buy/sell energy, when to switch on/off appliances in function of price signals from the energy provider, weather forecast information, data management and communication, control and automation devices and their networked solutions.