

COUNCIL OF THE EUROPEAN UNION

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NOTE

from:	Presidency
to:	Delegations
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 - Information from the Presidency

1. Following two informal trialogues with the European Parliament on 2 October and 5 November, the Coreper endorsed on 8 November the deal reached on new guidelines for the deployment and interoperability of telecommunications infrastructure projects of common interest in the field of trans-European telecommunications networks (TEN-Tele). The new regulation lays down the criteria on the basis of which actions in this area are eligible for EU financial assistance and sets the priorities for funding. The regulation covers projects of common interest in the area of digital service infrastructures and broadband networks which meet the general objective of contributing to growth in line with the Europe 2020 strategy as well as a set of other conditions.

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- 2. <u>EU funding</u>: such projects may be eligible for assistance from the Connecting Europe Facility (CEF), the future funding instrument for the trans-European networks (TEN) in the fields of transport, energy and telecommunications. The ceiling set by the February European Council for the telecommunications sector is EUR 1 billion; the final figure is to be determined in the light of the outcome concerning the multiannual financial framework for 2014-2020.
- 3. Eligibility criteria: to be eligible for funding, actions in the field of digital service infrastructures must, inter alia, be ready for deployment, contribute to EU single market policies and have a long-term sustainability strategy. Criteria for actions in the area of broadband networks include making a significant contribution to the realisation of the targets of the Europe 2020 flagship initiative, Digital Agenda for Europe. According to those targets, all Europeans should have access to internet speeds above 30 Mbps and at least 50% of European households should subscribe to internet connections above 100 Mbps. Given the rapid developments in this area, consideration might be given to reviewing those targets within the framework of the evaluation of the Digital Agenda.
- 4. <u>Priorities for funding of digital service infrastructures</u>: specific digital service infrastructures will be selected to be funded from CEF and their level of funding will be determined on an annual basis. The first priority for funding will be given to reusable digital service infrastructures ("building blocks") which provide essential elements for the creation and operation of a range of digital services. These first-priority infrastructures include: electronic identification and authentication; secure, traceable electronic delivery of documents; automated translation for pan-European digital services; critical digital infrastructure support to enhance EU-wide cyber-preparedness; secure electronic invoicing. Access to digital resources of European heritage provided by the Europeana portal and the infrastructure underpinning the member states' Safer Internet Centres are eligible for funding contributing to uninterrupted service.

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- 5. Funding for broadband networks: under the TEN-Tele guidelines, broadband networks will receive the minimum funding required for cost-effective interventions, the amount being set at 15% of the budget. This contribution is intended to attract investment from the private sector, from public sources other than the CEF, such as national sources and the European Structural and Investment Funds, and from institutional players such as the European Investment Bank. At least one third of the broadband projects receiving financial support under the TEN-Tele regulation shall aim at speeds above 100Mbps. The percentage of broadband funding and the share of high-speed broadband projects may be revised following the regulation's mid-term evaluation.
- 6. <u>Next steps</u>: the agreed text stills needs to be formally approved by the Parliament, whose vote in plenary is expected to take place in the months ahead, and by the Council, which is due to take its decision after the vote in Parliament.

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