

Use of EU funds for network developments

State of play on the Digital Decade: discussion in the Council are ongoing. The French Presidency is progressing fast. In Parliament, Martina Dlabajová (RE) aims to present draft opinion end March. Vote for a mandate for trilogues is expected by the end of May.

Main messages

- The COVID-19 pandemic has **underlined the need to accelerate our transition to an effective digital society** that delivers to its citizens and business.
- The draft **Declaration on Digital Rights and Principles** supports **the European way** to solidarity and inclusion, ensuring the freedom of choice online, fostering participation in the digital public space, increasing safety, security and empowerment of individuals, and promoting the sustainability of the digital future.
- The Digital Decade promotes a renewed digital ambition for **the EU to be digitally sovereign** in an open and interconnected world.
- In her Speech on the State of the Union of September 2021, President von der Leyen identified digital as the **"make-or-break" issue** for the coming decades. This coincided with publication of the proposal for a **Policy Programme "the Path to the Digital Decade"**.
- In the **Digital Decade Policy Programme**, we have set 16 concrete targets around four capital points for fibre, 5G, edge-cloud, quantum and microelectronics (including semi-conductors), e-Government and digital skills.
- The Policy Programme also introduces a new governance mechanism that will rely on:
 - **national strategic roadmaps**, on the means that Member States will use to contribute to the targets;
 - **a new annual policy cycle** including an annual progress report on the "State of the Digital Decade" with recommended actions and policies addressed to Member States;
 - **a collaborative and collective implementation and enforcement mechanism**, where Member States and the Commission will discuss proposed policies and actions, including Multi Country Projects.
- **The Digital Decade infrastructure targets build on the 2025 ones** and continue the focus, in particular, on sustainable and "future proof" 5G and fibre network infrastructures that can accommodate **exponential growths in data traffic**. We aim to have
 - gigabit connectivity for every office and every household in Europe;
 - 5G mobile coverage of all populated areas in the EU by 2030.
- **In order to support the goals, we have already taken policy, regulatory and investment actions at EU level.** For instance the European Electronic Communications Code, which sets clear rules applicable across the Union – i.e. provisions on spectrum, network sharing, the Regulation of small-area wireless access points, as well as the ongoing review of the Broadband Cost Reduction Directive (BCRD).

Recovery and resilience Facility (RFF)

- The RFF allows the Commission to raise funds to help Member States implement reforms and investments. **27% of the investments** in national plans contribute to **digital transition**, exceeding the required 20% for digital.

Invest EU

- Mobilising private resources could be done under the new **InvestEU programme**, which in particular will allow the European Investment Bank and National Promotional Banks to make use of the EU guarantee and leverage public resources by attracting additional resources from the private sector in so-called **blended finance** schemes.

Connecting Broadband Europe Fund (CEBF)

- We have had a very successful experience in the field of digital connectivity with the **Connecting Europe Broadband Fund (CEBF)**, launched in June 2018 and having reached total capital of EUR 555 million, of which EUR 160 million were notably raised from six private sector institutional “Limited Partners” (investors).

Connecting Europe Facility (CEF) Digital

- CEF Digital may contribute to **blending operations** to deploy high performance infrastructure, including fibre and 5G networks, as well as strategic backbone infrastructures on market terms and in line with EU cybersecurity policies.
- The CEF Regulation, worth EUR 33.71 billion was adopted last June 14 2021 to fund the development of high-performing, sustainable infrastructure in the fields of transport, digital and energy facilitating cross-border connections, promoting cohesion and sustainability and strengthening competitiveness through infrastructure investment.
- With EUR 2 billion budget, CEF Digital is the first programme under the Multiannual framework 2021-2027 directly managed by the European Commission, to support:
 - 5G systems deployment along transport paths for connected and automated mobility (CAM) including safety and non-safety services. Around 1 billion EUR
 - 5G communities that enable 5G use cases for public authorities and providers of Services of General Interest. 80 million EUR

Defensive

What are the results of the study on the investment community in the field of digital infrastructure?

- The Commission has supervised a study that lays out several ways to foster greater investments in digital infrastructure in the future:
- The set-up of the European Innovation Council by the EU Commission on how to associate EU broadband investors.
- An “EU Broadband Investment Advisory Committee” to share views on the EU broadband investments.
- There are ways to generate at an EU level fruitful connections between project promoters and investors:
 - to develop a **specific broadband investment portal** as the entry point for investors, project promoters and public authorities to the InvestEU portal and the InvestEU Advisory Hub;
 - to set-up an **annual investor conference** networking between private investors, public authorities and project promoters;
 - to develop **investment-readiness trainings** inside the ‘*Broadband Academy*’ initiative through the Broadband Competence Offices.
- The development of regular networking events at a national level could be instrumental to trigger and to accelerate investment in Member States.

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