Telecom infrastructure: groundwork for EU economy of the future

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The EU has set its 2030 ambitions in terms of egovernance, digital businesses and skills, which need to be supported by qualitative telecom infrastructure. This is the goal of the Gigabit Infrastructure Act.

The Digital Decade Targets are a set of goals aiming at empowering EU business and people in "human-centred, sustainable and more prosperous digital future" reads the Commission website.

These goals range from egovernance (100% of key public services online), to businesses (75% of EU companies using cloud or AI), and skills (20 million ICT specialists), with the Commission pursuing these ambitions through a set of regulatory tools.

One of these is the regulation called the Gigabit Infrastructure Act.

Member of the European Parliament and rapporteur of the text Alin Mituta said that “the objective of this act is to ensure that, by 2030, all EU households should have access to fixed gigabit networks and all populated areas, including rural areas, have 5G coverage so no one is left behind”.

Yet, even with broad public and private consensus that the Digital Decade Target should be met by 2030 in the EU, as this regulation approaches interinstitutional negotiations, better known as trilogues, debates are still keeping on emerging in finding the right balance in accelerating telecom infrastructure deployment.
EU high speed internet: Commission, Parliament press states for bolder decision

By Théophane Hartmann | Euractiv.com

The Gigabit Infrastructure Act (GIA) is an EU legislative proposal that aims to provide every European household with gigabit and 5G connectivity by 2030 through harmonising the telecom infrastructure industry.

"What is absolutely essential in this proposal to work is to have short deadlines, keep the tacit approval," Kamila Kloc told an event organised by Euractiv. Kloc, the Director of the Digital Decade and Connectivity Department at the Commission, also said that regarding in-house wiring, the Commission "stayed quite firm that it is the best future-proof solution".

Emilio Dávila, a digital transformation expert at the permanent representation of Spain to the EU, explained that member states were "needing a text that is agile", leaving leeway for member states when implementing the regulation.

Spain currently holds the rotating presidency of the Council of the EU.

Tacit approval

"Tacit approval" is a principle whereby, after a set period, the absence of an answer from an administrative authority is considered a formal approval.

Alin Mituța, an EU lawmaker and Parliament’s rapporteur for the Gigabit Infrastructure Act, explained that this "tacit approval" principle for permit-granting procedures regarding telecom infrastructures was supported by the Parliament and the Commission.

"In order to speed up the deployment of the network, we clearly need very quick procedures, and the tacit approval goes in this direction," said Mituța.

He added that the Parliament text envisaged carve-outs in countries where the "tacit approval" principle is unconstitutional or in contradiction with national or legal frameworks.

Mieke de Regt, the counsellor for digital & telecoms at Belgium’s presidency of the Council of the EU, explained that the text voted by the European Parliament on 19 September was "definitely something whereby, after a set period, the tacit approval goes in this direction," said Mituța, explaining that the legislation was "the centerpiece of the economy of tomorrow."

Yet, she alluded to the importance of hybrid technology solutions for rural areas where fibre deployment would not be economically viable.

Fibre rollout

Leo-Geert van den Berg, the executive director of technology at VodafoneZiggo, a Dutch communications operator, urged the Commission during the debate to continue its "technological neutrality approach." VodafoneZiggo advocates for a "technologically neutral" regulation that does not put the emphasis on a particular technology for very high capacity network infrastructure rollout.

It deployed coaxial cables around the Netherlands and sees the mention of fibre as a threat to their business model.

Kloc replied to van den Berg that "technological neutrality was "enshrined in the definition" of the regulation and that the switch from cable networks to fibre networks was happening by itself in the telecom infrastructure market.

Mituța went a step further and stated that fibre was the most advanced technology, and therefore should be installed for in-building infrastructures if the EU wanted to reach high-speed connectivity by 2030.

Stakeholders’ view on the GIA

Mituța said the Gigabit Infrastructure Act "is a very important piece of legislation because we talk very much about AI, we talk about data economy but all of this is not possible without having the necessary infrastructure", explaining that the legislation was "the centerpiece of the economy of tomorrow".

Panellists agreed with the rapporteur’s view, while Masselos concluded that "the European Union will be in a leadership position worldwide" if, thanks to this legislation, it reached its connectivity targets by 2030.

This article follows the Euractiv-organised policy debate "Gigabit Infrastructure Act: A global leadership opportunity for the EU?" supported by GIGAEurope.
Bringing EU Up to Gigabit Speed as It Innovates, Rebrands & Leads

A dvanced digital applications rely on high-quality internet service. In healthcare, for instance, the potentially transformative impacts of virtual reality can only be realised if connected to ultra-fast, low-latency networks. In the automotive space, the latest vehicle security and infotainment features require seamless interoperability. The same applies to many other emerging digital solutions.

Increasingly, European businesses across sectors and industries are adopting cloud computing services. Eurostat reports a rise in uptake from 34% in 2020 to 41% in 2021, but these services require more bandwidth (volume of information that can be sent over a network) to function properly. In essence, Gigabit-capable connectivity is critical to ensuring European citizens and businesses can benefit from digital innovations of the future. Without sufficient network capabilities, some innovations may pass Europe by.

The European Commission’s Gigabit Infrastructure Act proposal, along with its aim to eliminate overly burdensome administrative procedures, was long awaited. It is an opportunity to accelerate the process of granting permits, which would help connectivity providers to deploy high-speed network infrastructure sooner. When crafting Europe’s digital agenda, the European Commission rightly selected the policy instrument, a Regulation, to streamline rules between different countries. The framework aims to ensure that Europe has the connectivity infrastructure to achieve the fundamental task of bringing secure, high-quality internet service to homes and businesses across Europe – while reducing the time and costs of doing so. During his intervention, Ali Mituwa MEP (Rapporteur for the Gigabit Infrastructure Act, European Parliament) added that, “We speak very much about AI and connectivity, but digital economy, but none of this is possible without having the necessary infrastructure. The Gigabit Infrastructure Act is really the centrepiece of the digital economy that we are trying to build in the European Union and the economy of tomorrow.”

Embracing the reality that quality connectivity cannot be taken for granted, the EU’s focus on upgrading digital policies gives connectivity the attention that it deserves. Emilio Davila (Digital Transformation Seconded Expert, Responsible for the GIA, Permanent Representation of Spain to the European Union) commented, “The digital economy is one of the pillars of our Presidency of the Council. In this challenging world that we have now, we believe that digital transformation technologies are really key to the EU having a leadership position in the global context.”

Upgrading the continent’s connectivity infrastructure, which supports and showcases its innovations, should be a top priority. A few technical amendments to the Act that harmonise legislation while giving Member States the flexibility to apply proven best practices, would allow operators more timely access to publicly owned networks and non-network facilities. Explicitly endorsing a technology-neutral approach was large, in line with other EU legislation like the Electronic Communications Code, is instrumental to spurring investment in network deployment and infrastructure upgrades. Reaching the targets in time for 2030 requires a mix of technologies and connectivity providers’ ability to leverage all current capabilities.

The connectivity industry is investing, innovating, and testing to ensure that Europe has the foundation to support the digital solutions of the future. Industry expert, Leo-Geert Van Den Berg (Interim CTO – Executive Director Technology, VodafoneZiggo) said, “The European telecoms industry is continuously investing in the capacity and quality of their networks to make them future-ready. In the Netherlands, we have been able to meet one of the most difficult Digital Decade 2030 goals of reaching nationwide Gigabit coverage. We have this in place since December 2022 – and we are very proud of that.”

As the co-legislators prepare to start final negotiations on the draft text, there is a need to keep the fundamental aims of the GIA in mind. It should be a policy tool that helps to surmount investment challenges, reduce the cost and time of bringing Gigabit connectivity to citizens, and minimise barriers to users’ uptake and access to very high-capacity networks. This will ensure that Europe’s policy landscape keeps pace with digital innovations.
A digitally-engaged EU culture

EU businesses and citizens are at the heart of the digital ecosystem. However, the Digital Decade Report reveals that 46% of Europeans, particularly older people, still lack basic digital skills, hampering their use of digital technologies for everyday tasks and exposing them to harmful online practices. Based on current trends, only 55% of the population would have at least basic digital skills by 2030, significantly lower than the 80% target.

Europe also faces a shortage of digital experts who can develop cutting-edge technologies for the benefit of all citizens. The State of the Digital Decade Report shows insufficient progress in the EU target for ICT specialists. This calls for a multi-dimensional and inclusive action plan, that builds on momentum from the Year of Skills, with scaled digital literacy initiatives and dynamic mechanisms for tracking progress.

The forthcoming Digital Networks Act offers a unique opportunity to further proof EU connectivity policy to deliver the greatest value for European society – in support of the EU’s overarching ambitions: technology/leadership, competitiveness, climate neutrality, and resilience.
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