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The EU's Electronic Communications Framework

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Ministers, Excellencies, Ladies and Gentlemen,

Let me first thank you for your invitation to participate in the first Kuwait Global Forum which I see as an opportunity to learn from each other and to enhance the existing cooperation between the Gulf Cooperation Council and the EU, in the framework of the cooperation agreement in place since 1988. Indeed, we could do good work together to foster development and growth in our respective regions, especially through the promotion of cooperative projects in specific areas such as ICT research.

Information and Communications Technologies play a vital role in the EU Lisbon strategy for growth and employment.

This situation is not specific to Europe and ICTs also play an important role in advancing the economies of the Gulf Region Countries.

I2010 Strategy

DG INFSO is very proud to lead the EU policy in ICT through the *i2010 - A European Information Society for growth and employment"* initiative. This initiative, adopted by the European Commission in June 2005, provides a comprehensive framework for an ICT strategy which both the Commission and the Member States have been implementing with overall positive results and increasing confidence in the ability to develop and deploy ICT applications to our economic and social advantage.

Since its launch, we have made good progress in implementing this ambitious programme. Besides the regulatory review and the roaming

regulation which I will discuss later, our proposal for an Audiovisual Media Services Directive is on track for final adoption by the European Parliament and the Council. The Commission has promoted better and efficient use of radio spectrum and proposed comprehensive approaches to RFID and mobile TV.

Digital inclusion has grown more important. Many of the actions proposed in 2005 have developed into full policy strands, such as the Intelligent Car or the Ageing Well in the Information Society initiatives. There is now guidance on eAccessibility and on bridging the broadband gap. The action plans on eGovernment and eHealth are being implemented actively, as is the Riga Declaration on eInclusion.

A single market for Telecommunications

Having open, transparent, stable and predictable regulatory frameworks for electronic communications is essential to the strategy. For this reason, we have dedicated a lot of effort to creating a single market for electronic communications. Building on the liberalisation of telecom services and networks in the late 1990s, the regulatory framework has been further adapted to the convergence between services, networks and technologies. And the Commission has just recently adopted the proposals for a further deep reform, to make sure it keeps pace with technological and market developments. The proposals aim at strengthening users' rights, boosting competition and overcoming fragmentation of mobile, broadband and other electronic communication markets in 27 countries.

The roaming regulation is an example of what can be done by the EU for its citizens and for the development of a single market in telecommunications. Consumers and businesses faced very high prices

for making and receiving calls while using roaming services when using their mobile phones abroad. Due to the cross-border nature of the service, roaming was beyond the national regulators' jurisdiction. The Roaming Regulation, which entered into force in June 2007, was agreed by the European Parliament and the European Council in record time. The lowering of roaming charges is a now win-win situation: consumers benefit from cheaper prices and mobile operators also stand to gain, as customers are likely to use their phones more when abroad.

Research and innovation

The importance of ICT to economic and social change is reflected in R&D and innovation budgets worldwide. The single largest budget item under the current EU Research Framework Programme, FP7, goes to collaboration between the industry and academia to shape the technological development in ICT. ICT is also one of three technological priorities in the EU's Competitiveness & Innovation Programme.

By 2013, annual EU financial contributions to ICT research and innovation will amount to €1.7 billion for R&D, €150 million for ICT innovation and around €2 billion for nationally defined Information Society projects in the context of the EU's regional policy. And since the EU supports only part of these actions' costs; the total mobilised investment will be much higher.

Programme is organised along three technical and four societal challenges:

Network and service infrastructures

Cognitive Systems, Interactions Robotics

Components, systems engineering

And

Digital libraries and content,

healthcare,

ICT for mobility and

ICT for Independent Living.

In this context, let me mention the Joint Technology Initiatives, new Commission proposals supported by the European Parliament to pool industry, Member States and Commission resources into targeted research programme.

The two following Europe–wide public private research partnerships will be launched in 2008:

1. ARTEMIS (Advanced Research and Technology for Embedded Intelligence and Systems) which will address the invisible computers (embedded systems) that today run all machines from cars, plane and phones from energy networks and factories to washing machine

2. ENIAC (European Nano-electronic Initiative Advisory Council) will target the very high level of miniaturisation required for the next generations of nano-electronics components.

It is too early to say what may change as a result of the EU's 2009 budget review, but the shift towards spending that support competitiveness and innovation will certainly be confirmed, if not reinforced.

Despite a 75% increase in EU-level investment in research by 2013, already agreed, with Member States' R&D expenditures below 2% of GDP, Europe is still far from the budgets allocated by its main competitors.

The private sector is fortunately doing its bit. Recent UK figures show that ICT accounts for nearly one third of all R&D carried out by industry. EU ICT companies invest as intensively in R&D as their US and Asian counterparts but because the EU sector is smaller, the total effort is smaller.

<u>Conclusions</u>

Ladies and gentlemen,

In the last three years there have also been developments not fully anticipated when i2010 was designed. What is increasingly important is the role of users as creators and consumers of content and services. Rapid technological changes are transforming our networks and posing new challenges for policy makers. Finally, many of our efforts at the EU level still stop at national borders. To make sure that i2010 remains a valid policy framework until 2010, a mid-term review of the initiative is currently underway with results expected in March next year

In my speech, I was asked to provide you with an overview of our activities to promote future exchanges and information. As President Barroso has announced this morning, the EC wishes to take forward our cooperation with the Gulf Countries in a large number of areas.

To this end, a new financial instrument (Industrialised and High-Income Countries Instrument, ICI) has been made available by DG RELEX since the beginning of this year to work with high-income countries like the GCC to help us promote cooperation and partnerships between economic, academic and scientific actors; stimulate bilateral trade, investment flows and economic partnerships; promote education and training programmes and intellectual exchanges and promote cooperative projects in research, science and technology, energy, transport and environmental matters. The projects resulting from the first call for proposals – on EU-GCC public diplomacy and outreach – should be operational as of May 2008. Further priorities concern business cooperation and the creation of people-to-people links through cooperation in the field of education.

Commission services will use this new Instrument to strengthen our collaboration and exchange of knowledge and best practices.

To be effective, international cooperation must be a genuine win-win situation. It also means getting to know each other better. This 1st Global Forum is laying a solid foundation towards that goal.

Thank you for your attention.