

**Opening Session:**  
***Broadband as a Fourth utility – the view from***  
***Wales' Member of the EU Committee of the Regions***  
**Cllr Bob Bright -- Wednesday 14<sup>th</sup> October, 2009**  
*(Check against delivery)*

Ladies and Gentlemen. I would like to thank John Davies for hosting this OPEN DAYS / WALES FORUM ON EUROPE joint event on Delivering Broadband to Rural Europe. As a member of the Committee of the Regions, I sit on a 344 strong political assembly that provides local and regional authorities with a voice at the heart of the European Union. Since its creation in 1994, the CoR has had an opportunity to comment on a wide and increasing range of policy areas with implications for us at the local or regional level. About three quarters of all EU legislation is implemented at local or regional level and I believe that it makes eminent sense for local and regional representatives to have their say in the development of any new EU laws.

In February of this year I was responsible for the Committee's opinion on the future re drafting of the 2002 Directive on Universal Service Obligation.

Our key messages from local/regional government included

- The fact that the Universal Service Directive should include Broadband in future and provide for a safety net for functional and open broadband access across all urban and rural areas.

- That broadband is an essential service and EU competition rules should see it as being as vital to modern life as other utility services – increasingly the fourth utility!
- That future universal service agreements between regulators and industry allow exceptions under state aid rules to permit public financing of broadband in rural areas with a discernable and quantifiable market failure.
- Without prescribing any harmonised download speeds at the EU level, it is vital that the EUs includes scope for national regulators to better monitor and secure a functional and accessible broadband across all urban and rural areas.
- And that final broadband should be treated as a smart investment in the current economic climate.

Universal Service Directive certainly is not the only means available to us for achieving this competitive, sustainable and equitable vision.

As local and regional authorities we should press for a better understanding of ALL the tools and mechanisms that can allow us to help deliver an affordable broadband access in areas of market failure. I believe that local and regional authorities have a key role in the future provision of broadband particularly in areas of market failure by:

- Intervening financially where private sector returns are limited
- in providing leadership on pilot projects that trial new technology
- in developing new approaches of citizen-centred public e-services that are efficient and effective

- applying the state aid rules to their projects
- using procurement and aggregation schemes to strike a critical mass
- using eGovernment and especially eInclusion strategies to aggregate demand and pass benefits directly onto our rural areas.

Now in the 21<sup>st</sup> century, another revolution is with us, that of the Broadband internet and Next Generation Access. Broadband services are increasingly being treated as the 4<sup>th</sup> utility after water, electricity and gas. Increasingly, they are affecting peoples' decisions in locating their homes and their businesses with significant implications for economic growth, sustainability and employment of our rural areas.

But there are still many uncertainties about how superfast broadband will develop. What technologies will win out? What will be their uptake?

John mentioned the Structural Funds and their shift eastward with the new Europe. Post 2013 we will find ourselves being required to use less funding in a more targeted way across Wales. I therefore believe that securing equitable access to these technologies for our rural areas will play a key role future EU Convergence or Transitional Programmes.

I am therefore pleased to see existing EU programmes in Wales being modified to recognised ICT as a basis for sustaining quality of life in rural areas both from an infrastructure perspective and an uptake one;

I am though concerned by the fact that the Convergence programme has only recognised this recently and time is not on our side ERDF will

have to be committed by 2013 and the additional funds afforded to the Rural Development Programme even sooner;

Our strategy and action is now crucial and I believe we should be looking to pilot different technologies in different local areas that can inform the big picture? Time is of the essence;

We need to agree direction and not get too hung-up on TECHNOLOGY FUNDAMENTALISM and above all we must be bold;

Since taking up my post on the Committee of the Regions, I believe that Wales has an extremely high profile both in Europe and in Brussels. We should now capitalise on this and demonstrate leadership to other peripheral rural areas across the EU and not be afraid to benchmark ourselves against others;

Last year, the Community Broadband Network represented by Malcolm Corbett proposed a National Framework for Local Action, including mechanisms for establishing technical standards for local projects – the so called INCA and COST initiatives referred to in Digital Britain. Both this and EU developments underway could have a significant boost for small scale initiatives across Europe that build a network and avoid problems with inter operability. Recalling the words of Francesco Caio, the UK Government's chief adviser recently – He said "Networks that have traditionally been associated with big companies may see a major shift to local communities being the owners of their own networks and picking the service providers they want to go on it." I look forward to us all working together and wish today's conference every success.

Thank you for your attention.