

Telecom Italia Group's responses to the public consultation on the challenges of 2010

Telecom Italia Group welcomes the current debate launched by the Commission on the challenges of 2010, in the light of the review process of the Lisbon Agenda and of the Action Plan for eEurope beyond 2005.

As pointed out by the Study of Price Waterhouse Coopers "Rethinking the European ICT Agenda" (August 2004), and by the Report from the High Level Group chaired by Wim Kok (November 2004), the role of ICT is crucial to the growth of the European economy. Therefore, Telecom Italia Group considers fundamental the European Commission, while working on the new eEurope Action Plan, to give a strong message to the Spring Council about the key role of the ICT sector within the revision of the Lisbon Agenda.

With respect to the main strategies to be possibly put in place for the eEurope beyond 2005 program, first of all Telecom Italia Group considers necessary to give continuity to the current policies of eEurope 2005 in order to maintain the targets of the current action plan:

- Policies for a further broadband development in Europe, also through measures which encourage consumers to use digital technologies, in respect of competition principles;
- Promotion of ePolicies, such as eGovernment, eHealth, eLearning, eTransport.

Furthermore, we propose the following priorities among the 8 clusters included in the Commission Communication on challenges for a European Information Society beyond 2005:

- ICT as a key industrial sector
- Content and services
- Public Services

Here below the detailed answers to the specific questions by the Commission.

1.

During the eEurope period (2000 – 2005), several developments have changed the context of Information Society at EU level:

1) Political: new constitutional treaty, enlargement to an EU 25, increasing role of the local public authorities, increasing risk for the EU to miss the Lisbon objective of becoming the most competitive knowledge-based economy by 2010, consensus on recognition the prime importance of societal, cohesion and citizenships objectives at EU

level that ICTs have played a major role in recent competitiveness developments and will be an important drivers of societal changes...

2) Technological: nanotechnologies, convergence, mobility, 3G, Ipv6, new generation of computers and networks, ambient intelligent scenarios...

3) Regulatory: a regulatory framework in electronic communication networks, directives on e-commerce and on e-signatures...

4) Social: the Information society becomes a reality in the European Union with massive deployment of ICTs amongst individuals, households and enterprises.

According to you, what are the main technological, economical and societal developments that public authorities have to take into account while preparing the Information Society policy initiative for the next five years?

- Technological:
 - fixed operators will roll out next generation networks and therefore incur significant investment over the next few years.
 - platform competition will become stronger both for voice services (between fixed and mobile operators) and for broadband services (DSL, cable, satellite, fiber, 3G, etc).
- Economic:
 - the global economy is increasingly competitive, with new players taking advantage of low cost and skilled workforce; in this context, ICT is a key enabler to increase productivity and therefore long term growth.
- Societal:
 - a rapidly ageing population in the EU, associated with limited workforce mobility, requires an intervention in order to increase workforce participation and to reduce the costs of delivery public services.

2.

The Communication on challenges for a European Information Society beyond 2005 gives an indication of the main areas where EU level policy on ICT can make a difference and to that effect, proposes 8 clusters. These issues are identified on the basis of three main criteria: to be the most important issues; to be areas where the public sector can make a difference; and to be issues where there is an added value in addressing them at EU level.

Do you agree with these 8 clusters as the most relevant and comprehensive for the strategy up to 2010? Do you identify others? What would be your Top 3 priority clusters and why?

The 8 clusters of the Commission Communication “Challenge for the European Information Society beyond 2005” (November 19, 2004) are a good starting point for the discussion on the topics of the eEurope Action Plan beyond 2005.

Therefore, the following main priority clusters could be discussed:

- ICT as a key industrial sector

The ICT industry is a rapidly growing sector (8% of EU GDP), with a significant share of total investment (almost 20% of total investment in 2001) and a high contribution to labour productivity growth (40%, between '95 and 2000).

In an increasingly integrated environment, the ambitious objective “to make the EU the world's most dynamic and competitive economy” can not be achieved if appropriate pro-ICT policies are not implemented.

The Council Resolution of on the Future of ICT (December 10, 2004) states that development of network must be reached “*to ensure a consistent and effective regulatory environment for electronic communications stimulating competition, investment and innovation*”, and “*to support , taking into account the principle of technological neutrality, the wider use and availability of broadband in particular by promoting competing platforms and interoperable networks*”.

The development of the services of the Information Society should be realized by promoting platforms competition, investments and new technologies and services.

- Content and services

The delivery of content through different platforms should be one of the priorities of the New eEurope Action Plan. Both the Commission communication and the Council resolution stressed the central role of the availability of content. The Council deems important “*to promote the development and distribution of rich and creative content... to remove, where appropriate, barriers for the availability of content on different platforms [...]*”. To this respect, also the study of PriceWaterHouseCoopers highlights the availability of content through the vision of “*any content, anytime, anywhere, any platform*”.

Institutions and industries should cooperate to foster the development of on line content and to create a level playing field for all distribution platforms, facilitating the availability of content also for the New Media. The use of open and interoperable Digital Rights Managements should be encouraged, taking into full account the effects of the rapid convergence of networks and services. In particular, convergence will in most cases make the delivery mechanism (network) of content less relevant for the end user than it is today, and DRMs will play a pivotal role in managing the rights on contents delivered.

In this respect, attention should be paid to the potential conflict between the principle of technological neutrality (enshrined in the European legal framework) and the intent of content owners to maximise their revenues through the fragmentation of rights on the different platforms.

Also, new forms of use of contents – such as the sale of entire tv programming for redistribution on new media – should be analyzed by the Commission, in view of their implications for the development of new business models (but without jeopardising the clear distinction made by the EU between broadcasting services and services of the Information Society).

The European Commission should continue to monitor the market to ensure that no artificial barriers, such as exclusivities or holds back, are erected. It is important to prevent that the commercial agreements on rights include exclusivities, hold back clauses or bundling of rights. Indeed, bundling different types of rights (i.e. by country, by platform, by format), which allows right owners to resell them several times, could hamper the development of new services and create barriers in trading rights.

- Public Services

ICT improves the quality of public services both by automating existing services and by changing the way services are delivered. Attractive public services can act as a stimulus for ICT usage and investment.

The size of the public sector is significant in Europe and it is expected to grow, as a result of demographic trends: an overall productivity gain requires improvements in public sector productivity and, therefore, investment in ICT by the public sector.

3.

Whatever the architecture of the new initiative will be, actions will be undertaken by the public authorities at both European and national level.

In each of your top 3 priority areas, what are the priority actions to be launched by national policy agendas or by EU level initiatives (regulation, legislation, pilot projects, raising awareness, exchange of best practices)?

- ICT as a key industrial sector

The policy environment should recognize the ICT contribution to the economy and that productivity is one of the main drivers of long term growth. Therefore policy makers should encourage innovation and technological change, promote investment by manufacturers and operators, support organizational change and end-user investment, e.g. by providing financial incentives to end-users such as the contribution to new broadband subscribers granted by the Italian government.

- Content and services

Refer to paragraph 2.

- Public Services

- implement initiatives for e-Government, eHealth, eLearning;
- best practice and benchmarking progress within EU;
- promote complementary organizational changes in government.

4.

This public consultation is managed online. We would like to put contributions on our website in order to keep the debate alive during the consultation, and offer stakeholders to comment or to respond.

Please indicate if you agree to your contribution being published on our website?

Yes.