

30 November 2016

Reasoned opinion from the Riksdag

The Riksdag considers that the Commission's Proposal for a Regulation of the European Parliament and of the Council amending Regulations (EU) No. 1316/2013 and (EU) No. 283/2014 as regards the promotion of Internet connectivity in local communities has a positive purpose, i.e., to promote high-quality wireless connectivity in places of central importance for society. Like the Commission, the Riksdag considers that access to connectivity is vital, especially for local communities, as it contributes to participation and therefore fulfils an important democratic function. Furthermore, the Riksdag considers that digital developments should be embraced so that local authorities and companies are given the opportunity to develop a greater supply of digital services, applications and products that can benefit users and customers.

As regards the proposal's compatibility with the principles of subsidiarity and proportionality, however, the Riksdag considers that it is difficult to assess the correctness of the Commission's justification. The Riksdag questions the Commission's choice not to carry out an impact assessment of the long-term effects and the scope of the proposed measures. In the opinion of the Riksdag it is not enough to merely rely on the impact assessment and the public consultation carried out in connection with the consideration of the separate legislative proposal on the establishment of a European Electronic Communications Code and the Communication on a European Gigabit Society. As the proposal is time-limited, the Riksdag considers that the Commission would have needed to further examine the long-term effects on future funding needs. Like the Government, the Riksdag also questions whether the allocated funds, and implicitly the proposal, can fulfil the purpose of a single market for electronic communications, as referred to by the Commission in its subsidiarity assessment.

The Riksdag also considers that the Commission's assumption that the proposal will not have a negative impact on competition should be further examined. The proposal means that it is possible for bodies with a public assignment to receive

financial support in order to fund projects in places where there is already mobile coverage via subscriptions from market actors. According to the Commission, the limited size of the intervention is proportionate to the objective. However, the Riksdag is afraid that the support, if used excessively, could potentially distort competition and have a negative impact on the market actors' willingness to invest. In this context, the Riksdag would also like to stress that competitive conditions and broadband coverage differ among the various member states. For the proposal to be considered compliant with the principle of proportionality, the Riksdag considers that the Commission would need to prepare a detailed impact assessment which takes into account the varying market conditions in the member states.

Since the proposal is unclear on certain points, owing to the lack of a long-term impact assessment, for example, about the effects of the proposal on competition and future funding needs, and therefore gives rise to misgivings about the Commission's justifications, the Riksdag finds that it does not comply with the principles of subsidiarity and proportionality.