

Conferência Ministerial da EU sobre Comunicações Electrónicas

Praga, 17 de Fevereiro de 2009

Intervenção do MOPTC

Dear President, Czech Minister Martin Říman

Dear Commissioner Viviane Reding

Dear Colleagues

I would like to answer to three questions raised by de Presidency.

1. What instruments should the Member States consider for the encouragement of investment in electronic communications?

First of all, I believe that we must separate the tools available to governments from the tools available to national regulatory authorities.

So, in one hand, in the case of tools available to governments, I can think of some examples built on the experience of the Portuguese Government.

Firstly, instruments to promote demand for broadband services, which in turn encourage investment in the provision of these services. For example, in Portugal, the Government has already announced, by a Resolution of Ministers Council of 30 July 2008, its plans for 2009, to connect, through next generation networks (NGNs), the entire network of public hospitals and health centres and all public institutions of higher education and polytechnics and the public network of museums and libraries. By 2010 all primary and secondary schools will be linked to next generation networks as well as all public justice services.

The Government has, thus, made the promotion of investment in NGN a strategic priority for the country.

Secondly, instruments to encourage direct investment. A protocol was signed between the Government and 4 operators on NGN, which is naturally open to the participation of other investors who wish to sign up. Under this protocol the operators are committed to bring forward to 2009 the allocation of resources needed to connect 1.5 million users to a fibre optic network, working with the Government and with the

national regulatory authority in the identification of existing barriers to investment in next generation networks, and actively disseminating the benefits of broadband.

Still as regards direct investment, one of the State's tasks is to coordinate EU funds allocated to our country. The Government is also committed to putting conditions in place for a line of credit of at least €800m to be available to all investors in NGNs.

Thirdly, the elimination of horizontal and vertical barriers to networks, including access to ducts. It is important not to forget that the definition of rules by legislative power takes a leading role here, as has been recognized by several bodies, such as the OECD.

This is the case, for example, of the rules that would bring about the reduction or elimination of horizontal and vertical barriers to the installation of optical fibre, taking into account the weight of the construction costs in the development of NGN, which has been estimated as being between 50% and 80% of total cost.

On the other hand, we have to take into account the instruments available to national regulatory authorities.

First of all, to ensure, as far as possible, a regulatory predictable environment, given the market dynamics.

Secondly, to promote the conditions for a level playing field in the market by imposing obligations on entities with significant market power. Accordingly, it falls to the regulator to create conditions for healthy competition and the strengthening of investment in the sector, particularly in networks which allow access to innovative services (broadband). Note should also be made in this respect of ANACOM's recent decision on markets 4 and 5, specifically the deregulation of broadband access wholesale markets (market 5), where the dominant operators have allowed the presence of other operators to be present and to offer competing services over their networks, in some areas.

2. What should be the role of the European Commission regarding the coordination of those instruments?

The role of the Commission depends, a great deal, on the instruments under discussion.

With respect to public investment, Portugal welcomes the Commission proposals for investment in projects of broadband Internet and aimed at instilling in the short term, a stimulus for the European economy.

We believe that the Commission intention to provide 1000 million euros of funds not applied to the Community budget for the expansion

and upgrading of high speed Internet in communities poorly served is very positive.

With respect to regulatory instruments, I draw your attention to the need to speed up the adoption of the new regulatory framework together with some regulatory measures like the Next Generation Networks Recommendation and the Recommendation on Termination Rates. This will promote regulatory predictability that could be the basis for new investments, for safeguarding competition and fostering the rapid deployment of NGNs.

3. Where would you see the right balance between a harmonised regulatory approach and the specific national conditions?

The current balance between harmonization and subsidiarity achieved by the current regulatory framework should be essentially preserved. At the same time we could support a reinforcement of existing structures, namely the European Regulators Group, and enhanced Commission powers, like the power to give reasoned opinions on national remedies, but not to veto them, or the legislative initiatives on spectrum policy.