Personal data

Meeting with TIM [redacted]

Scene setter

Topics TIM intends to raise:

- Introduce the [redacted] (CV at the end of the briefing)
- Tim investment plan – network separation
- Services: enterprise and consumer (market very competitive – may raise consolidation)

TIM may briefly raise also

- Fair share
- Industrial projects (ipcei cloud)
- Metaverse
- Impact of inflation

[redacted]

Commercial interests pursuant to Art 4(2) first indent

- [redacted]

- [redacted]

Main messages

Digital decade

- The contribution of the private sector and especially of telecom operators will be essential for the realisation of the European "Digital Decade targets". [redacted]

Commercial interests pursuant to Art 4(2) first indent

- Progress on digital infrastructure and especially connectivity is an unavoidable prerequisite for the digitalisation of businesses and public services. The Digital Decade targets aim to increase the connectivity ambitions of 2025 to the objectives of the Gigabit society of 2030. At the end of the decade, we want to achieve gigabit connectivity for all businesses and households in the EU and 5G mobile coverage of all populated areas in the Union, including in rural areas.

- Cutting-edge European capabilities require a critical mass of funding and alignment of all actors including private stakeholders. Multinational projects are an important element of this framework. These large-scale projects should pool investments from EU funding resources, including under the Recovery and Resilience Facility, as well as from Member States and private investors, to ensure greater and targeted digital investments to make the European economy more competitive, resilient and less fragmented.

- Telecom operator are a crucial element of this Policy Programme and it is important that any new measures and investment plans continue to be aligned with the Digital Decade targets and EU policy programmes.

- To support the ambitious connectivity targets, the Commission has set out a pro-investment regulatory framework in the European Electronic Communications Code, the 2020 Relevant Markets Recommendation and the Connectivity Toolbox.

- Also, a number of upcoming initiatives such as the review of the Broadband Cost Reduction Directive and of the Access Recommendations are aimed at setting the right conditions for timely and more efficient network deployment that supports operators

[redacted]

Commercial interests pursuant to Art 4(2) first indent

- [redacted]

Commercial interests pursuant to Art 4(2) first indent

[redacted]

Commercial interests pursuant to Art 4(2) first indent

[redacted]

Personal data

Basis (CAB BRETON/1743) - Meeting with TIM [redacted]
22/09/2022, 10:00

Commercial interests pursuant to Art 4(2) first indent

[redacted]

OTTs contribution to telcos' network costs

Background

Commercial interests pursuant to Article 4(2) first indent

- [redacted]

- In January 2022, the Commission proposed a Declaration on digital rights and principles, which contains a commitment to "*developing adequate frameworks so that all market actors benefiting from the digital transformation assume their social responsibilities and make a fair and proportionate contribution to the costs of public goods, services and infrastructures, for the benefit of all Europeans*". A similar statement was included in a recital of the Digital Decade Policy Programme that was politically agreed by co-legislators in July 2022.

Commercial interests pursuant to Art 4(2) first indent

- [redacted]

Defensives

When will the Commission publish a proposal on fair share?

- The topic of a potential need for a "fair contribution" to network costs by OTT players is complex and deserves proper reflection. Any decision should be made by understanding the underlying facts and figures. The Commission is engaging in an open dialogue with all stakeholders.

Ongoing decision-making process pursuant to Art 4(3) first subpara

- [redacted]

- [redacted]

In what direction is the Commission going on the fair share discussions?

- The Commission services are currently looking into the topic but it is too early to announce any plans or timelines today.

[redacted]

Ongoing decision-making process pursuant to Art 4(3) first subpara

[redacted]

IPCEI on Next Generation Cloud Infrastructure and Services

- The Commission welcomes the recent pre-notification of **the Important Project of Common European Interest on Next Generation Cloud Infrastructure and Services (IPCEI-CIS)**.

- **12 Member States** (Germany, France, Italy, Spain, Latvia, Hungary, Poland, Slovenia, Belgium, Luxembourg, The Netherlands and Czech Republic) and **159 industrial participants** will take part into this IPCEI.

Ongoing decision-making process pursuant to Art 4(2) first subpara

- An expected total of **€ 5,2 billion of public and private investments** will be dedicated to it [redacted].

- The IPCEI-CIS aims at developing and first industrially deploying a fundamentally new, innovative, secure and sustainable data processing production process spanning across the EU. It will develop and deploy breakthrough technological cloud and edge computing advanced capabilities and very high added value industrial services.

- The IPCEI-CIS will contribute to existing European initiatives, in particular to the European Green Deal, the European Industrial Strategy, the Digital Compass and directly to the implementation of **the High Impact Project of the European Strategy for Data.**

- Over the past 15 months, the Commission has fully appreciated the serious **efforts of Italy** to shape the industrial design of the IPCEI-CIS; as one of the four first Member States initiating this process along with France, Germany and Spain.

Ongoing decision-making process pursuant to Art 4(2) first subpara

- [redacted]

Commercial interests pursuant to art 4(2) first indent

- [redacted]

Decision-making process

[redacted]

- [redacted]

- [redacted]

[redacted]

Decision-making process

- [redacted]

- [redacted]

- [redacted]

- [redacted]

  - [redacted]

  - [redacted]

  - [redacted]

Metaverse

Defensives

Question

Q: What is the Commission's position in relation to metaverse?

- A: The SOTEU announced an initiative on the metaverse. This initiative will be based on 3 axes: people, values and rules, the technology block and the connectivity infrastructure. We are going to launch a vast engagement process on the metaverse with all relevant stakeholders as well as a wide consultation with citizens and civil society. We intend to open a broad consultation on the metaverse by the first quarter of next year.

For the first block, people, values and rules:

- The new virtual environment must embed European values from the outset. Metaverses will be human-centric trustworthy, safe and ethical.
- It is vital to ensure that data generated through the use of metaverses stay in the EU and can be used by our industries.
- We should also prevent market concentration issues. That will ensure a healthy diversity of providers of metaverses. Interoperability rules can also be a driver of innovation and quality in this area.

For the second block, technology is key.

- The Commission has been investing in technology through its various programmes, in particular Horizon Europe. We are stepping up our efforts by funding dedicated actions for Extended Reality technologies, for advanced hardware and in digital twins.
- It is also crucial to consolidate the ecosystem. This is why, on the very day after the Speech of the President, I launched **the EU VR/AR Industrial Coalition** that brings together stakeholders from key metaverse technologies.

For the third block, resilient connectivity is essential.

Background

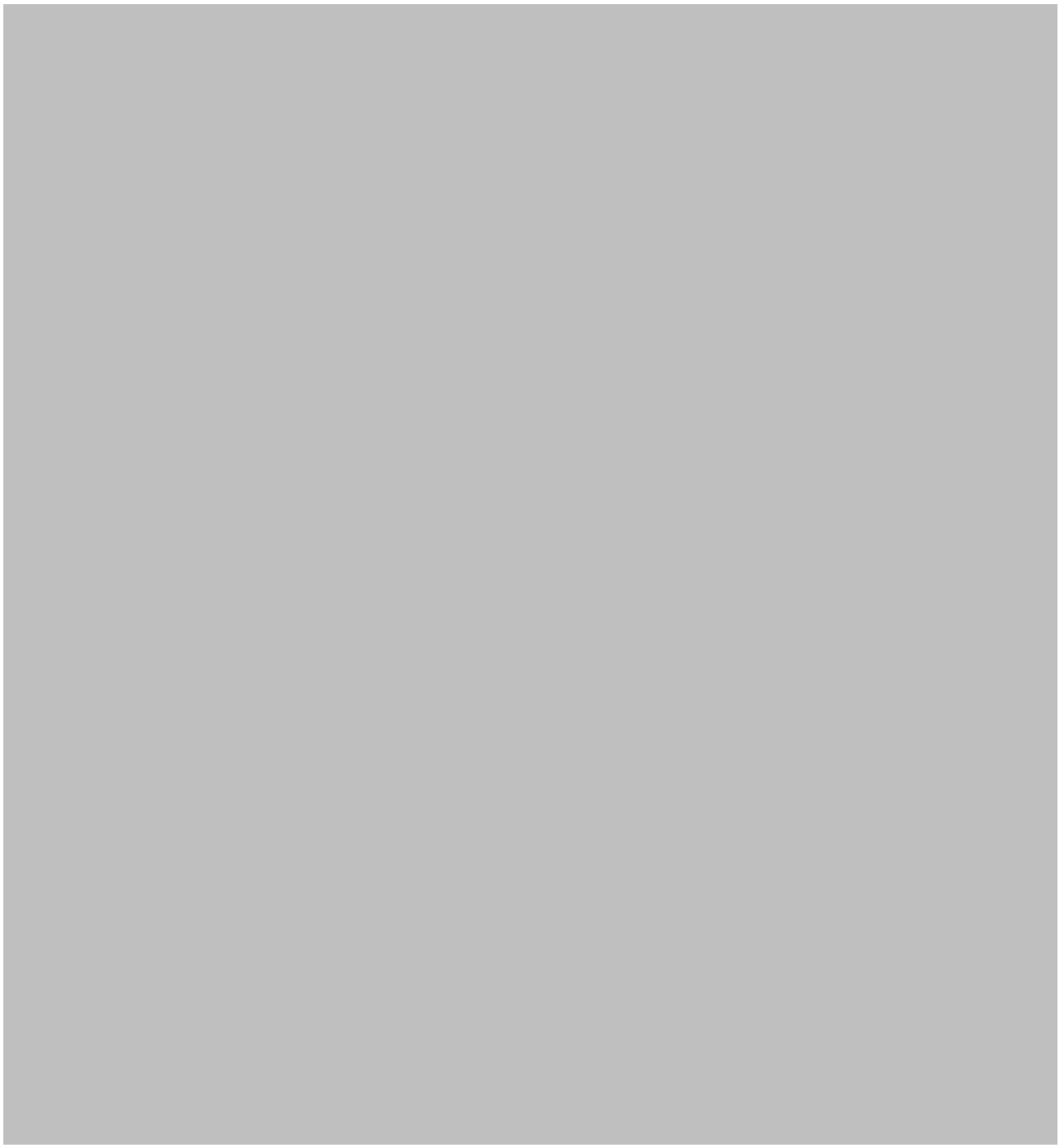
The metaverse and European telcos

- The metaverse has huge business potential for telecommunication companies, who can offer new services on the market and increase their operational efficiency. Opportunities for telecom companies in the metaverse are also related to investing in emerging metaverse platforms.
- However, telecom operators will face some key challenges in relation to infrastructure (data centres, IT equipment, cloud infrastructure) but also physical networks (antennas, towers, cable, etc). This is because of the extremely high demands of the metaverse in terms of bandwidth and latency as well as the overall increase of data usage.

TIM and the metaverse

- TIM created the Jovaverse initiative within its eXtended Reality proprietary platform. The *Jovaverse* is a virtual, immersive and interactive environment, where fans of Jovanotti singer can enjoy a unique multimedia experience using an Oculus model viewer.

CV



Contact(s) – briefing contribution: **(DG CNECT.B.2)**

(DG CNECT.B.1)

CNECT.E.2

(DG CNECT.G.2)