

GREECE

Rural revitalisation

Location

Nationwide

Programming period

2014 – 2020

Priority

P6 – Social inclusion & local
development

Measure

M7 – Basic services & village
renewal

Funding (EUR)

Total budget 139 506 050

EAFRD 29 751 969

National/Reg. 7 437 992

Private 38 654 662

ERDF 63 661 427

Project duration

2014 – 2019

Project promoter

Information Society S.A.
(beneficiary) & General
Secretariat for Telecomm/s
and Post (GSTP) at the
Ministry of Digital Policy,
Telecomm/s and Media

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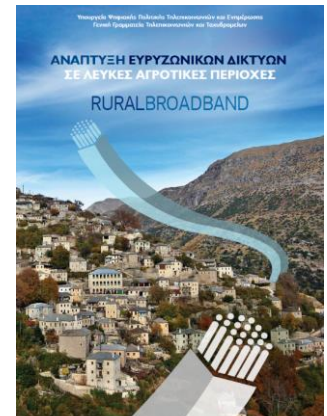
Website

www.nga.gov.gr

The Rural Broadband project is a national intervention to close the digital divide in remote and sparsely populated rural 'white areas'.

Summary

'White areas' are areas of Europe that are identified as having no current internet infrastructure. They are usually remote, mountainous, island or peripheral regions. Unfortunately the broadening digital divide can have a negative impact on local business and social activities in these areas. In order to specifically target these sparsely populated areas of Greece, the rural broadband project focuses on the development of access networks, the installation of backhauling networks that connect local access networks with regional concentration points, as well as concentration/termination points in locations where multiple network operators (retail ISPs) already exist.



The project promoters are the private company Information Society S.A. and the General Secretariat for Telecommunications and Post (GSTP) of the Greek Ministry of Digital Policy, Telecommunications and Media.

Results

The project developed a broadband infrastructure network that covers rural white areas located in the northern (19 prefectures), central (15 prefectures) and southern (17 prefectures) regions of Greece.

It covered almost 45% of the Greek territory in terms of geographical coverage.

It provided connectivity to 5077 villages/settlements in mountainous and insular rural areas, populated by approximately 525 287 residents.

16 000 households have now been connected to a high capacity broadband network in former rural white areas.

Lessons & Recommendations

- ❑ Cooperation of different kind of stakeholders such as the central government, the municipalities in rural areas of the country and the telecom and construction industries contributed to the success of the project.
- ❑ Regional and local level involvement is essential for the implementation of this kind of project in remote and mountainous areas (e.g. provision of the appropriate construction permits).
- ❑ Closing the digital divide in remote and sparsely populated white areas reduces the distances between the cities and the small villages and contributes to the improvement of quality of life.

Context

The rural broadband project intends to close the 'broadband gap' between white areas in Greece, either mountainous or insular, and the rest of the country where broadband services are already being offered. It is estimated that an increase of about 8% in broadband penetration will have a positive effect on increasing economic growth by 1.2% in these areas.

As a result of a detailed procedure, 5491 villages were identified as white areas with a population of 612 643, this comprises:

- 76.9% of all residential departments in rural areas ('white', 'grey' and 'black' ones),
- 40.5% of all residential departments in Greece,
- 45.1% of the rural area's overall population, and
- 5.7% of the total population in Greece.

The project focused on building infrastructure for broadband networks at predefined regional points, in order to provide the full bundle for wholesale access and services.

Objectives

The project aims to provide sufficient broadband coverage in remote, sparsely populated white areas, in order to close the digital divide and contribute to the EU's Digital Agenda 2020 goals. This includes promoting infrastructure penetration targets of 20% in the short term and up to 35% in the medium term and providing a basis for a gradual increase to 30 mbps for each prospective customer.

Activities

The project is being implemented as a public-private partnership. The Greek territory has been divided into three areas (lots). For each lot, the tender process was executed as an international open type of public tender awarding the contract to the most economically advantageous offer. The total budget was 161M EUR (44.5M, 60M, 56.5 M for the three lots).

The public private partnership will be operational for 17 years. The public authority keeps ownership of the passive infrastructure, the external firm holds usage rights for 15 years post completion of the implementation period.

Financing from the European Agricultural Fund for Rural Development (EAFRD) corresponds to 29% of the project's budget and targets 40 disadvantaged mountainous and island areas in the regions of Central Macedonia, Central

Greece, the South Aegean and Piraeus in the Region of Attica.

In the context of a public-private partnership (PPP), the public sector contributed the largest part of the project funding while the private entities were responsible for operations and the demand risk; i.e. the potential for a loss due to a gap between forecast and actual demand.

The application of fibre technology was selected as the most promising for delivering high-speed broadband services and for supporting a long term plan for future network, and subsequently service upgrades (future-proofing infrastructure). It would also ensure relatively low operational costs compared to other options. The optical fibre lines allow for transmission rates of up to several Gbps, supporting the future delivery of EU gigabit ambition targets for 2025.

Main Results

Direct benefits:

The infrastructure covers almost 45% of the Greek territory in terms of geographical coverage, and 5077 villages/settlements in rural mountainous and insular areas with approximately 525 287 residents.

Broadband high-capacity network coverage delivers benefits including:

- Universal access: Broadband networks are always active and available for 24/7 usage.
- Enhanced multimedia services and the use of adequate digital applications. High speed broadband enables instant access to online video content, gaming and interactive applications for home entertainment and communication from other multimedia resources.
- Web browsing, use of e-mail and other online applications and activities can increase labour productivity.
- Broadband networks enable real-time communication through e-mail, instant messaging, Voice-over-Internet Protocol (VoIP) and more, enabling businesses to communicate with suppliers, customers and international business partners more frequently and at a lower cost.
- Qualitative digital services increase public sector productivity, such as e-government, e-health and e-skills, available both to the citizens and to enterprises.
- 16 000 households have connected to broadband high capacity networks.

The extension of broadband networks to rural areas provides new opportunities for the agricultural sector such as the development of precision farming, qualitative and quantitative improvement of agricultural production and the use of big data for climate and agriculture. Access to broadband also fosters small-business growth, contributes to teleworking, provides instant access to crop market prices, enables rural businesses to compete more effectively in world markets and increases overall productivity and sustainability in additional areas such as culture and tourism.

The project benefited three different categories of end-users: individuals/residential users, who are expected to be the main type of customer, business users, the enterprises in rural white areas and the public sector, which is a major consumer of broadband services.

Networking value:

There are a number of key stakeholders involved in the project:

- The General Secretariat for Telecommunications and Post (GSTP) of the Ministry of Digital Policy, Telecommunications and Media is the owner of the project.
- Information Society S.A. is the contracting authority or public partner, which represents the public sector in the PPP scheme.
- The National Regulatory Authority (NRA) of Greece for Post and Telecommunications (EETT) monitors and audits the application of wholesale services provision, particularly regarding its compliance with the national and European legal and regulatory framework that governs electronic communications.
- The bidders (meaning the legal entities that participated in the contract awarding process) and those who have been awarded the contract for each specific lot.
- The legal entity that has been established by the selected bidder to undertake the role of the private part in the PPP in each lot.
- External auditors: The person or legal entity proposed by the private partner and approved by the public partner, to undertake the role of independent auditor.

- Financing entities: Certain financial institutions or other legal entities linked to the private partner, that are committed to providing external financing during the operational period.
- Insurance Agencies: The entities that insure the project's assets against specific risks.



Transferability:

The project has been designed and implemented according to the Guidelines of the European Commission on High-Speed Broadband Investment.

The Rural Broadband project won the European Broadband Awards 2017 in the third category, titled 'Territorial cohesion in remote and rural areas', organised by the Directorate General for Communications Networks, Content and Technology.

The project has been uploaded to the publicly accessible Broadband Europe good practice database.

Synergies with other EU policies:

This initiative is financed by different EU funds (EAFRD, ERDF) as well as national funds. The initiative contributes to the goals of different pieces of EU policy:

- Digital Agenda for Europe's objectives to deliver sustainable economic and social benefits from a digital single market based on fast and ultrafast internet.
- Europe 2020 Strategy for smart, sustainable and inclusive growth that fosters a high-employment economy delivering social and territorial cohesion.
- 'The Connectivity for a European Gigabit Society', broadband targets for 2025.

Additional sources of information

www.nga.gov.gr/index.php/development-of-broadband-networks-in-white-rural-areas-rural-broadband/?lang=en <https://ec.europa.eu/digital-single-market/en/content/broadband-network-development-white-rural-areas-greece>
www.youtube.com/watch?time_continue=8&v=e3oWPu-w8Ro
https://ec.europa.eu/regional_policy/sources/docgener/panorama/pdf/mag64/mag64_en.pdf

*This project has been categorised under 'Rural Revitalisation' by the nominating National Rural Network