



Broadband Investment in rural areas

A new momentum

ENRD Seminar SMART VILLAGES

on 22nd May 2018

**at Albert Borschette Congress Center,
Brussels**

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Fixed internet connection



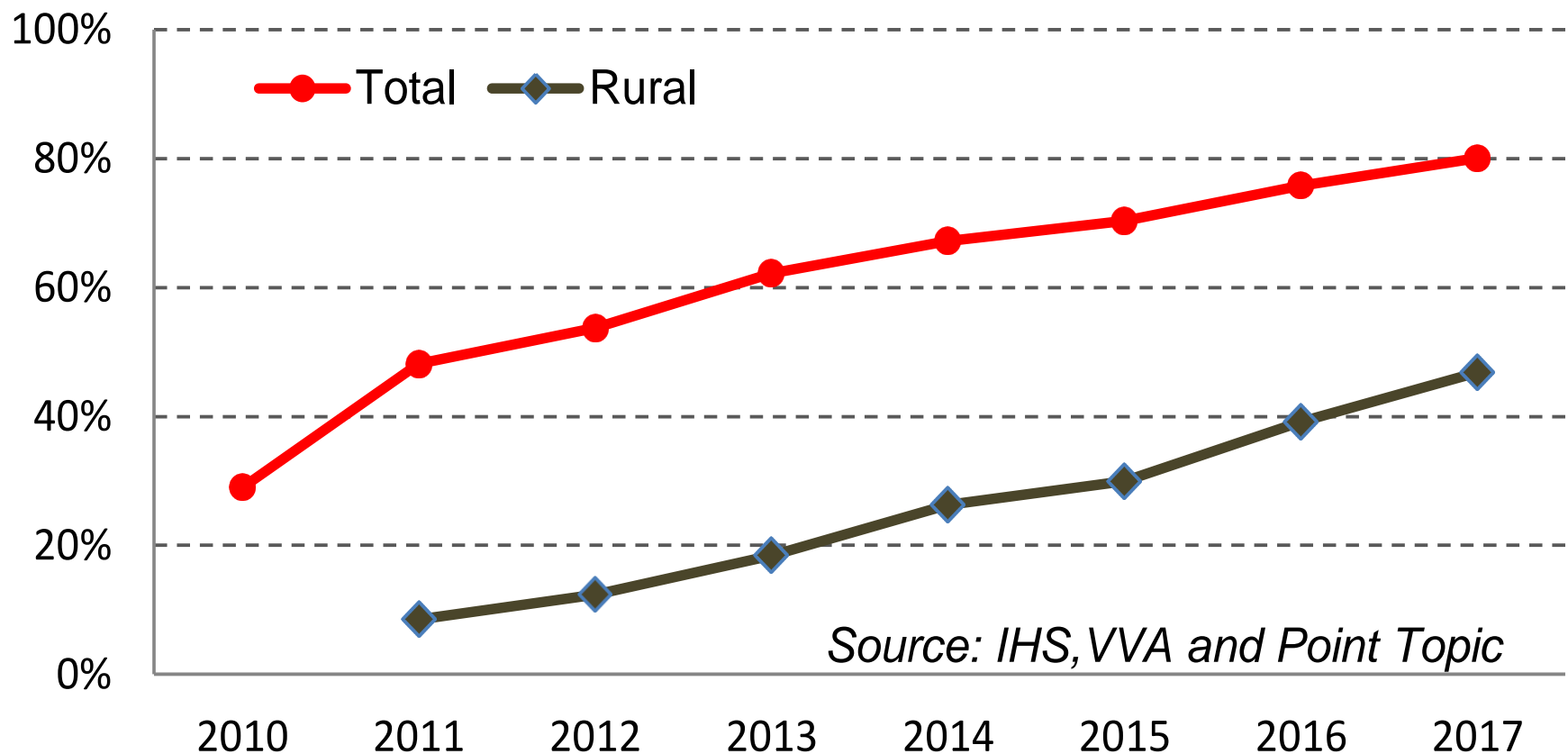
- In 2017, **80%** of European households had access to a **fast fixed internet connection (NGA)**
- But this goes down to **47%** for households in rural areas
- **Ultrafast broadband** (Fibre to the Premises and Docsis 3.0 cable) is available in **58%** of EU households
- Some MS are amongst **global leaders in very high capacity** while others have focused on **incremental upgrades**

4G mobile coverage

- In 2017, the EU average of **4G mobile coverage** is **98%** but **90%** for households in rural areas

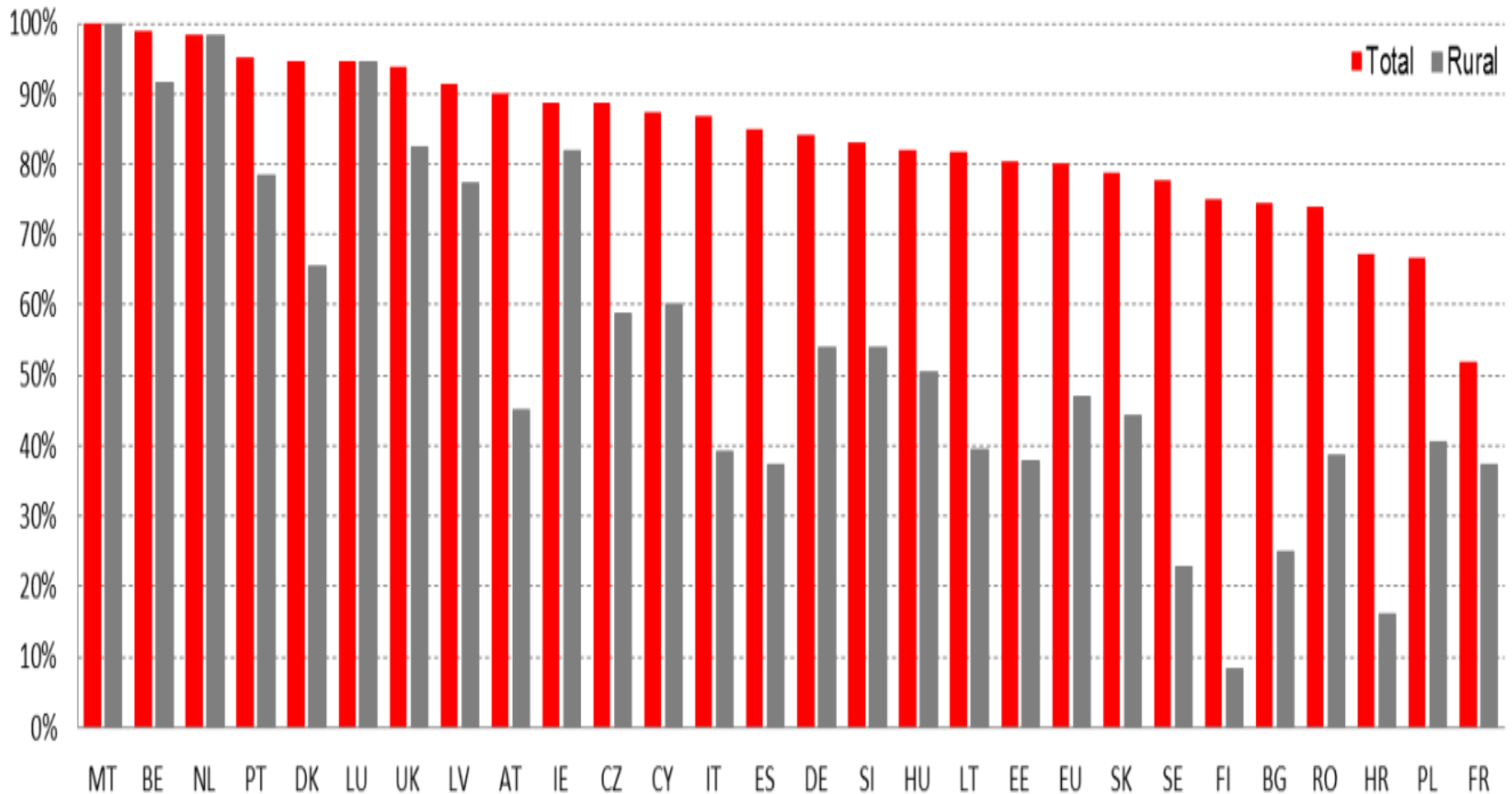


Next Generation Access (NGA) broadband coverage in the EU, 2010-2017



Ranking of NGA coverage total versus rural

Next Generation Access (FTTP, VDSL and Docsis 3.0 cable) coverage, June 2017



Source: IHS and Point Topic

September 2016: A multi-faceted strategy (I)

- ❑ **Policy.** A common vision and **strategic objectives**, which we call for the European Council and the European Parliament to endorse.
- ❑ **Regulation.** Creating an **investment friendly regulatory environment**:
 - ❑ Proposal for a European **Electronic Communications Code**;
 - ❑ **Cost Reduction Directive** for broadband deployment.
- ❑ **Funding.** Complementing existing funding (ESIF, EFSi...) and facilitating implementation:
 - ❑ Launch of a new **Connecting Europe Broadband Fund (CEBF) in 2018**;
 - ❑ Voucher scheme to support **free connectivity in public spaces (WiFi4EU initiative; first call May 2018)**;
 - ❑ **State Aid's "step change"** assessment taking new connectivity goals into account.

September 2016: A multi-faceted strategy (II)

□ **Support.** Establishment of

- A number of communication tools: e.g. **Broadband Europe website** with online **Guide to High-Speed Broadband Investment**, monthly **Broadband Newsletter** (over 7400 subscribers), yearly **B-Days** conference with stakeholders and a **European Broadband Awards** competition
- The **network of Broadband Competence Offices (BCO)** and launch of a participatory **Broadband Platform with the Committee of the Regions.**

□ **Planning.**

- Launch of the **5G Action Plan** to foster European industrial leadership
- Study on **National Broadband Plans** published on 13 March 2017
- **Call on MS to review and update National Broadband Plans by end 2018**

Mutually supportive elements, harvesting commitment and providing longer-term reference point for policy makers, market players, regulators and investors.

Towards a "European Gigabit Society"

3 strategic connectivity objectives for 2025

- 1. All main socio-economic drivers** should have **access to gigabit connectivity**: schools, business parks, universities, research centres, hospitals, etc.
- 2. All urban areas and major roads and railways** should have **uninterrupted 5G coverage**; 5G should be commercially available in at least one major city in each EU Member State by 2020
- 3. All European households**, rural or urban, should have access to connectivity offering a **download speed of at least 100 Mbps**, upgradable to gigabit speed

**National
Broadband
Plans**

Review and
Update

**Investment gap
of € 155 billion
over 10 years**

**Post-2020
Multi-Financial
Framework
(MFF)**

Fin

Financial support

Several complementary sources

Structural and Investment Funds (ESIF)

- European Regional Development Fund (ERDF)
- European Agricultural Fund for Rural Development (EAFRD)
- **€ 6 billion for digital networks**

Connecting Europe Facility (CEF) – Telecoms strand

- **EUR 17.5 million** commitment under the **CEF Debt Instrument** reserved for broadband
- Connecting Europe Broadband Fund (CEBF) with an expected leverage of **€ 1-1.7 billion** 
- **WiFi4EU** initiative **€ 120 million for equipment** 

European Fund for Strategic Investments (EFSI)

- An initiative launched to help **overcome the current investment gap** in the EU by **mobilising private financing** for strategic investments
- As of Dec. 2017, EUR 2.38 bn EFSI guarantee having unlocked **total related EFSI investments of EUR 8.43 billion** into pure broadband projects

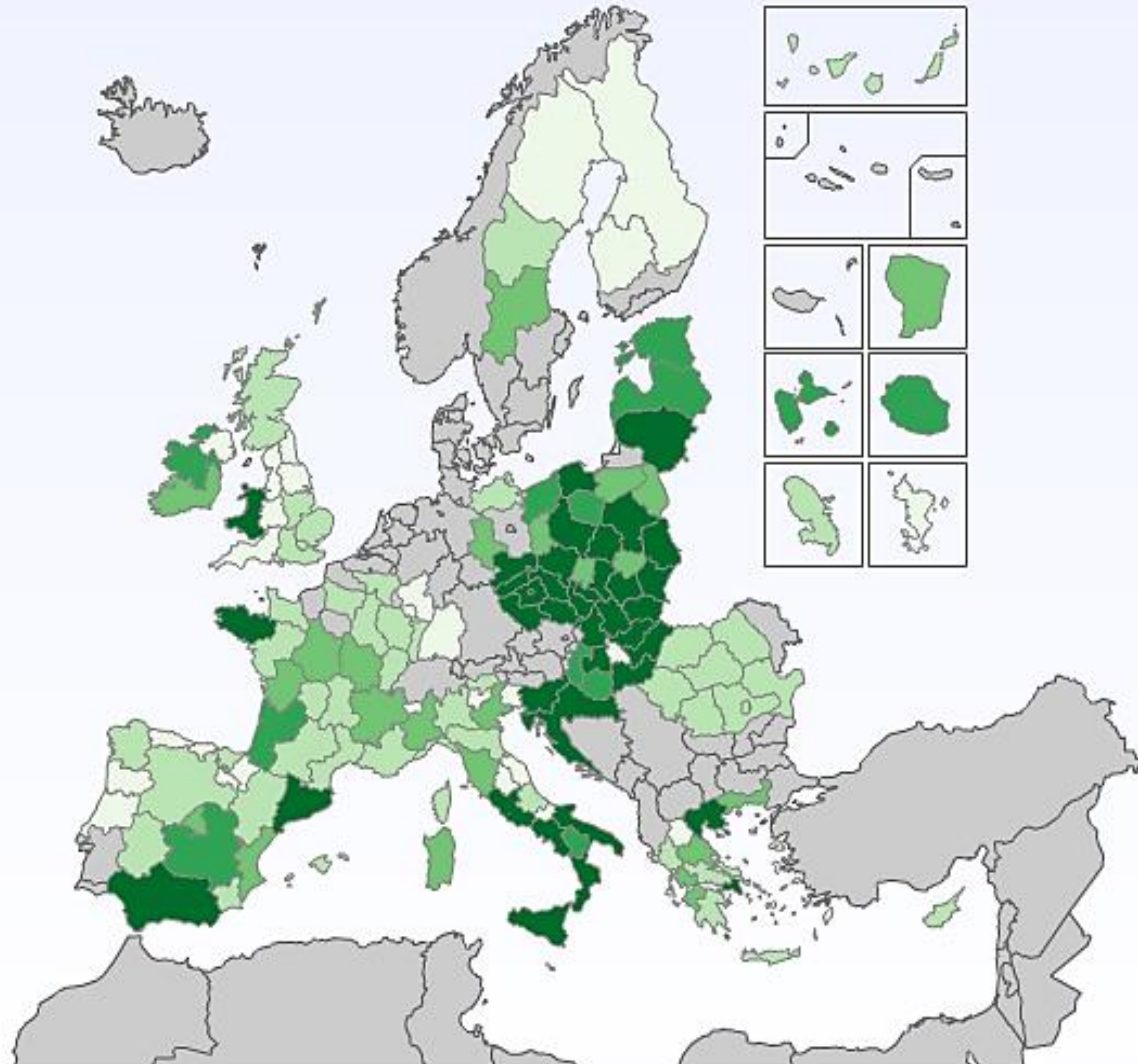
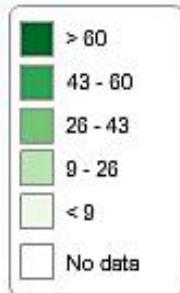
Europe 2020 Project Bond instrument
Axione Infrastructures EUR 189.1 million in bond finance

European Investment Bank loans

€6 Billion in Structural and Investment Funds (ESIF)

- European Regional Development Fund (ERDF): **€ 5.149 billion for digital networks**
- European Agricultural Fund for Rural Development (EAFRD): **€922 million for ICT in rural development**

Million €





Broadband Competence Offices (BCO) Network

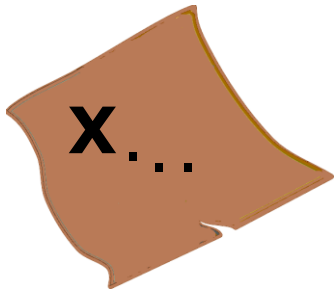
- ✓ **Member States have been invited to designate BCOs**
 - ❑ ***Contact points* informing and giving advice to citizens and businesses on broadband.**
 - ❑ **They provide *technical support* to representatives of local and regional authorities** on ways to plan and invest effectively in broadband networks.
 - ❑ **BCOs can therefore contribute to support ERDF/EAFRD/EFSI and CEBF broadband investment: 77 ERDF OPs and 42 RDPs, of which 27 National and 82 regional**
 - ❑ **They are set up at NATIONAL and REGIONAL level**
- ✓ **Launch of the Network was: 20 November 2017 (Broadband-Days conference)**

Mapping broadband services: towards an EU integrated platform

<https://www.broadbandmapping.eu/>

Mapping

The ongoing **Broadband mapping project** (SMART 2014/0016) will:



- **Develop a methodology to aggregate existing measurements of quality of service (QoS) broadband connectivity data** collected by data providers (NRAs and MS Ministries).
- **Create a public portal for the (GIS) mapping** this information at least at NUTS3 level;
- **Support BEREC discussion on methodologies to measure QoS** through an expert portal accessible to data providers (including BEREC Members and Ministries).

President Juncker's State of the Union speech (September 2016): **Promote free Wi-Fi connections in the main centres of community life**

Support Wi-Fi equipment in public spaces (public administrations, libraries, parks, town squares, etc.) to

- **allow all Europeans experience the benefits of the Gigabit Society**, in line with the DSM connectivity objectives;
- **encourage and promote innovative digital services** developed locally: eGov, eHealth, eTourism, etc.



COMMISSION PRIORITY

Digital Single Market



Direct impact on EU citizens and communities



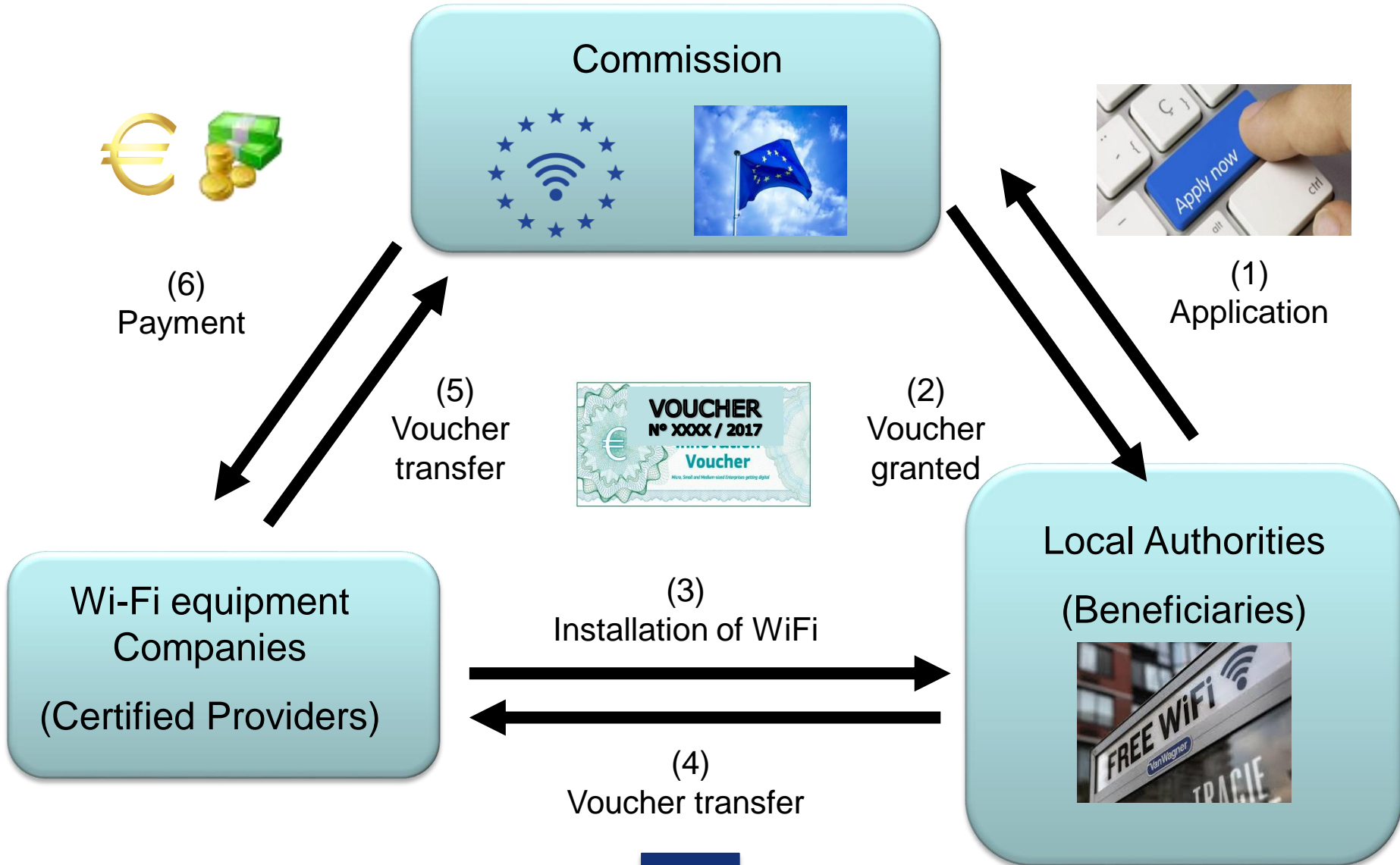
Investing
€ 120 million by 2020



Connecting
6.000-8.000 communities



Providing a single authentication
system across Europe



Expected timeline

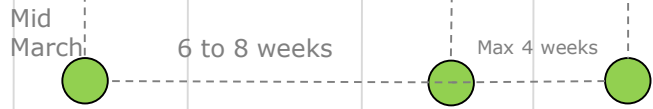


Q1 2018	Q2 2018	Q3 2018	Q4 2018
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Registration phase:

- Municipalities
- Wi-Fi installation Companies

Call's launch:
"First come, first served"





An important momentum...

- WiFi4EU
- Regulatory developments (implementation of cost reduction Directive, eCode review)
- ESIF implementation – new MFF
- CEF Broadband Fund on track
- New tools ("Action Plan") and new platforms ("BCO network") to inform, share and advise

**... a key condition for the success of
Broadband Deployment and the Digital Single
Market**