EXECUTIVE SUMMARY

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by:

IHS Markit™ POINT topic
This study was carried out for the European Commission by

IHS Markit Ltd.
25 Ropemaker Street
London EC2Y 9LY
United Kingdom
http://ihs.technology.com

Point Topic
Innovation Warehouse,
1 East Poultry Avenue
London EC1M 3JQ
United Kingdom

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- The Broadband Coverage in Europe study is designed to monitor the progress of EU Member States toward their specific broadband coverage objectives – namely: ‘Universal Broadband Coverage with speeds at least 30 Mbps by 2020’ and ‘Broadband Coverage of 50% of households with speeds at least 100 Mbps by 2020’.

- In 2016, DG Connect selected IHS Markit in partnership with Point Topic to run the three-year project. The research team surveyed NRAs and telecommunications groups across each participating state to compile the requisite information. Both IHS Markit as well as Point Topic have previously conducted the broadband coverage research. Point Topic was the incumbent provider introducing the original research methodology in the period 2010-2012. IHS Markit (in cooperation with VVA) delivered the study from 2013-2015 and adopted similar data collection and analysis methods to those implemented by Point Topic in order to ensure comparability of datasets for the purposes of time-series assessment.

- The collected data reflects the situation at the end of June 2017 compared to the situation at the end of June 2016. In editions of the study prior to 2015, the collected data reflected the situation at the end-of-year (i.e. end of December). The timeline of the data collection for the 2015 edition of the BCE study was moved forward in order to align reporting of the broadband coverage data with the publications of the Digital Economy and Society Index and the European Semester related country assessments.

- This report covers 31 countries across Europe – the EU28, plus Norway, Iceland and Switzerland, and analyses the availability of nine broadband access technologies (DSL, VDSL, cable modem, DOCSIS 3.0, FTTP, WiMAX, HSPA, LTE and satellite) across each market, at national and rural levels. In addition, three combination categories indicating the availability of one or more forms of broadband coverage are also published. These cover overall fixed and mobile broadband availability, fixed broadband availability and next generation access (NGA) availability. In 2017, DG Connect also requested a fourth combination coverage category to be estimated on a national level, establishing overall coverage of FTTP and DOCSIS 3.0 technologies.

- The collected data shows that over 219 million EU households (99.9%) had access to at least one of the main fixed or mobile broadband access technologies at the end of June 2017 (excluding satellite). Due to the growth in the number of EU households during the period, the percentage of homes passed by broadband increased by less than 0.1 percentage points.
Nevertheless, 880,000 additional households had access to broadband services compared to the end of June 2016.

- By mid-2017, fixed broadband services reached 97.4% of EU households. During the period, fixed broadband coverage expanded by 860,000 households, with 214 million EU households reached by fixed broadband access technologies at the end of June 2017.

- Next generation access services (VDSL, DOCSIS 3.0 and FTTP) reached 80.1% of EU households by mid-2017. This equates to a 4.3 percentage point increase, or 9.9 million additional households, compared to the end of June 2016. In total, 176 million households had access to next generation broadband in mid-2017.

- Rural broadband coverage continued to be lower than national coverage across EU Member States. Although 92.4% of rural EU homes were passed by at least one fixed broadband technology in mid-2017, less than 50% (46.9%) had access to high-speed next generation services.

Satellite broadband remained the most pervasive technology in Europe in terms of overall coverage. However, satellite coverage is still limited in the Baltic countries and is absent in Iceland.

By mid-2017, DSL remained the dominant fixed access technology in the EU28, passing 94.1% of homes. This equates to a decline of 0.2 percentage points compared to mid-2016, as household growth exceeded DSL deployment. Cable networks continued to be the second most widespread fixed access technology, reaching 45.1% of EU households. Following a decline in the previous year, WiMAX coverage improved slightly by 0.2 percentage points in the twelve months to mid-2017, reaching 18.0% of EU households.

At the end of June 2017, VDSL services reached 53.4% of EU households, an increase of 5.2 percentage points during the twelve-month period. As a result, VDSL was the fastest growing fixed broadband technology for the sixth consecutive year and remained the key driver of NGA coverage growth across the EU.

FTTP service availability continued to increase at a similar rate as in the previous year, rising by 3.4 percentage points to pass 26.8% of EU homes at the end of June 2017. This constituted slower growth compared to VDSL networks, but was considerably higher than the growth in DOCSIS 3.0 availability, which expanded by 0.8 percentage points to reach 44.7% of EU households.
For the first time, HSPA coverage did not exceed LTE coverage in the EU28, with both mobile technologies covering 97.9% of EU households. In the twelve months to mid-2017, LTE availability improved by 1.9 percentage points, whilst the proportion of EU households reached by HSPA networks reduced by 0.1 percentage points as EU household growth exceeded the deployment of HSPA networks.

Examining rural broadband coverage, there was a difference of 5.0 percentage points between the availability of fixed broadband services at a total level (97.4%) and at a rural level (92.4%). The gap was much wider in terms of NGA technologies, as NGA networks passed 46.9% of rural EU homes, 33.2 percentage points less than total NGA coverage. Nevertheless, the gap between rural and national coverage, for both fixed and NGA technologies, is narrowing compared to previous editions of the study, supported by increasing investment in rural broadband.

VDSL coverage continued to expand more quickly than other fixed broadband technologies in rural areas. Rural VDSL availability increased by 5.9 percentage points in the twelve months to mid-2017, passing 32.5% of rural EU homes. Growth in rural VDSL services highlights the
investment by operators, in particular incumbent operators, to upgrade existing DSL networks in rural areas.

- Examining mobile broadband technologies, the availability of LTE networks improved by 10.1 percentage points, reaching 89.9% of rural EU households by mid-2017. Consequently, LTE coverage is nearly as widespread as rural HSPA services (92.4%), which saw a 0.2 percentage point increase in coverage over the twelve months to the end of June 2017.

- Out of the 31 study countries, 26 countries registered fixed broadband coverage of above 95.0%, while 19 countries had fixed broadband coverage above the EU28 average (97.5%). Several countries registered complete fixed broadband coverage including Malta, the Netherlands, France, Cyprus, Luxembourg and the United Kingdom. In four countries (Estonia, Slovakia, Romania and Poland), fixed broadband availability was below 90% of households.

- As in 2016, Malta was the only country to report complete coverage for NGA technologies, while Switzerland, Belgium, the Netherlands, Iceland and Portugal all reported NGA coverage levels above 95%.
Out of the 31 study countries, 22 countries reported NGA coverage above the EU28 average (80.1%). At 49.6%, Greece remained the lowest ranked nation in terms of the proportion of homes passed by NGA networks. Moreover, five other countries (Bulgaria, Romania, Croatia, Poland and France) registered NGA availability of below 75% of households in mid-2017.

Looking at mobile broadband technologies, LTE coverage reached at least 99% of households in 13 study countries, with Cyprus the only country to report coverage of less than 90%. In relation to HSPA networks, Germany (91.5%) and Slovakia (92.3%) remained the only two countries to record HSPA coverage levels below 95%.