Forthcoming EU Digital Agenda
and EU Broadband Strategy: issues at stake

European Network for Rural Development and ICT in rural areas"

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Centre Albert Borschette, Room: 2D

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Public consultation on Post i2010 EU policy

- **Public consultation on the "Priorities for a new strategy for a European Information Society" :**

- **4 August 2009 until 12 October 2009. (EN, FR, DE, IT, ES, PL).**

- **Almost 1000 responses:**

  - 843 responses to the online public consultation

  - 127 position papers by stakeholders.

  - [When consulted in 2004 on what was to become i2010, we had 70 responses.]

- **65% of the respondents were individual citizens;**

- **35% of the respondents replied on behalf of an organisation.**

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- **Openness of the internet** is considered to be the key policy priority (90%).

  - **Citizens top priorities**
    - open standards, net neutrality (non discrimination of data/services) , and interoperability/open standards.

  - **Organisations top priorities:**
    - open standards, interoperability/portability of services and end-to-end connectivity.

  - **Issues for the global scene:**
    - Openness of the internet
    - internet free of censorship and traffic restrictions,
    - global standards,
    - security,
    - protection of critical infrastructure

The need for increased broadband deployment and early investment in NGN:

- Issue is seen as very relevant for **increased productivity, economic growth**, and meeting the global demand in **internet traffic.**

- Public sector investment in **passive telecom infrastructures** (civil engineering: ducts, masts, dark fibre) seen as a key action by 88% of respondents

- complemented by **stimulation of private sector** action in developing **new network services** (active layer of network)

- market opening and transparency received a high level of support

European right of access to the internet:

- respondents consider the most useful targets

    - non-discrimination of services,

    - transparency,

    - speed.

- Most of the citizens are against targets being differentiated between Member States

- the majority of organisation is in favour of differentiation.

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Making copyright law more flexible

- **Proposed mechanisms to promote <u>access to digital content</u>:**

  - Promoting alternative <u>open licensing schemes</u>
  - Easing the complexity of <u>copyright management</u>

Different views:

- Citizens focus on alternative <u>open licensing schemes</u>

- Organisations focus on <u>easing the complexity of copyright management.</u>

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- **The top three most important user rights :**

For organisations:

1. managing online privacy,

2. universal access to the internet,

3. interoperability of services.

For citizens:

1. net neutrality,

2. managing online privacy

3. universal access to the internet

- **65% citizens and 53% of organisations see EU regulation as a way to enforce user rights.**

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- **Strategic areas for ICT research:**

  - energy & environment,

  - software products and services

  - education and culture.

  - Europe was considered to a world leader in energy & environment and education & culture,

  - But our position in software & services is at risk.

  - Other top areas of risk were network technologies and web services.

Call for a better integration of digital inclusion into social inclusion policies are:

- Promoting exchange of **good practices**
- **Monitor and benchmark** national actions at EU level.
- The third most important step for citizens is the **redistributing and restructuring of competences** in **public authorities**,
- Organisation prefer focusing on the need for more **integrated policies**.

Stimulating **investments in low-carbon infrastructure** are:

- regulatory changes,

- Public funding: EU, National, regional/local etc.

- Market mechanisms.

A clear case of cost/benefit analysis is demanded.

Need to focus on:

- Lack of knowledge and costs.

- Lack of visibility of the ecological footprint that daily consumption patterns have:

- Little data, no clear information to consumer

- Call for more information on **how to green one's footprint**: (e: guiding purchase of products and services).

- **Costs of new business models** are still perceived to be higher.

EU Broadband Strategy: BB Challenges ahead (1)

High speed broadband for Europe

Context:

- **Increase of users and in internet traffic**: By 2011, internet traffic is predicted to increase 10 fold over its 2006 level
- **Internet freedom to choose**: nee to maintain internet open, transparent and neutral
- The EU lags behind its major competitors in the development of NGA

Challenges

- **Higher Speeds & Better Quality**: Upgrading legacy infrastructures is difficult to finance:
- **Current business case is weak: positive effects expected from faster communications not captured by the prices consumers are currently willing to pay.**
- how to **encourage investment in NGA** infrastructures by all different actors.

EU action:

- State aid rule for public support to broadband and NGA
- New Regulatory Framework: focus on open up market and avoid new monopolies
- Recommendations guiding investment in NGA: first half of 2010

European Broadband portal: (http://www.broadband-europe.eu/Pages/Home.aspx)

Checklist of actions for Public Authorities considering Broadband Interventions in Under-served Territories

EU Broadband Strategy: Challenges ahead (2)

wireless web

Context:

- In 2009, the number of mobile subscribers surpassed 4 billion

- 3G services with nearly 500 million subscribers worldwide

Challenges:

- Need for a seamless fixed-wireless web

- High speed **wireless broadband** particularly important in **remote regions, rural and mountainous areas**.

- Need for a co-ordinated approach by Member States to allocate high quality **spectrum** including digital dividend for wireless broadband

Broadband for All

Context:

- BB is still unavailable to 7% of Europeans and to 23% of the rural population
- Urban-rural gap in coverage
- Risk of less developed regions falling behind
- Several Member States have put 100% targets in their national broadband strategies. UK, Finland, France etc

Challenges:

- Targets for coverage, speeds (upload/download), penetration, etc.?
- If so, set at which level? EU, National, regional?
- Monitoring of progress: which benchmarking indicators?
- Inclusion of BB as US?: an on-going discussion, if so how?
- Mapping of infrastructure
- Public support for BB: The role of public authorities and public utilities
- Synergy between infrastructures

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www.broadband-europe.eu

Study on the development of the Information Society in EU Rural and Cohesion policies
- Main findings -

- Doubling of IS investment from 2000-2006 to 2007-2013

- ERDF is by far the most important SF funding source for IS, although some evidence indicates that other SF are increasingly being used in the current period

- Variation in types of IS expenditure:
  - In AT, CZ, IE, IT, LV PL: 'hard infrastructure', Security and Safe Trans-mission
  - CY, EE, ES, MT and SK, 'soft infrastructure' of Services for the Citizen.
  - FI, HU, NL and UK, 'soft infrastructure' of Services for SMEs

- Shift from 'hard' to 'soft' infrastructure between 2000-2006 and 2007-2013

- More investment in eGovernment and Services for the Citizen and for SMEs in 2007-2013

- Marked shift eastwards in investment for 2007-2013

- Remote rural regions invest most per capita but less in absolute terms

- Low and very low GDP per capita regions invest most per capita

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Percentage of regions with high IS SF spend per capita by level of rurality
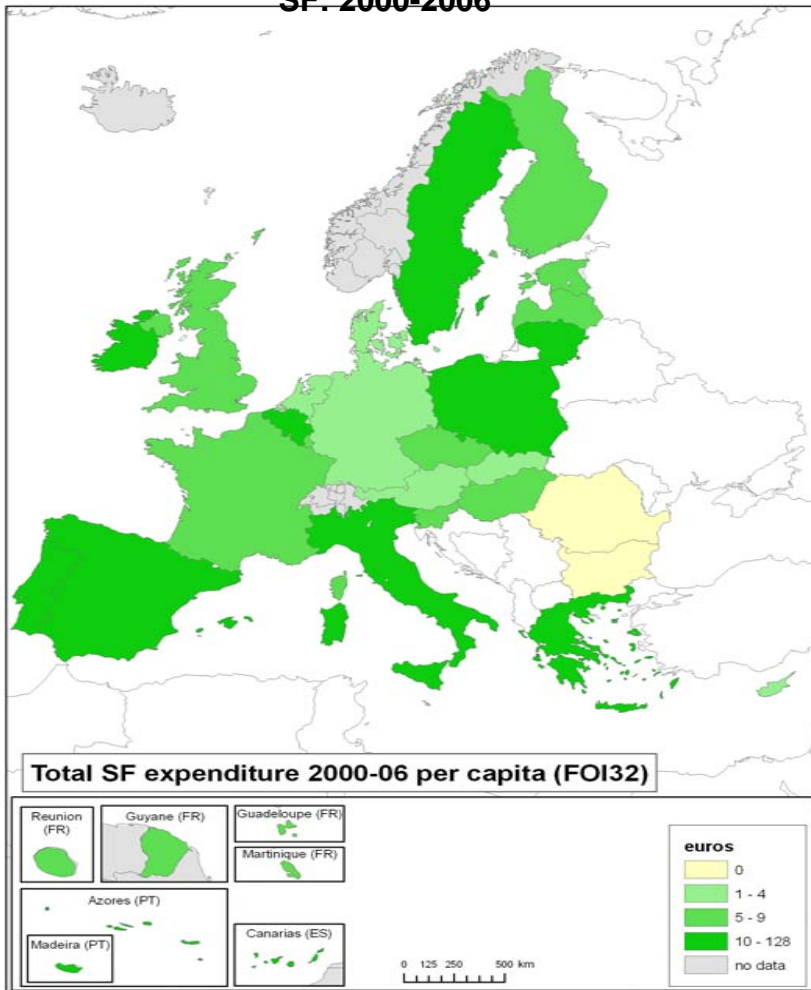## (2000-2006 Period)

Rurality index	Total number of regions	Number of regions with high IS spend per capita	Share of regions with high IS SF spend per capita
Urban	406	91	22%
Intermediate, close to city	401	121	30%
Rural, close to a city	237	83	35%
Intermediate, remote	18	12	67%
Rural, remote	130	91	70%

(Source: CURDS using SWECO planned expenditure data)

REGIONS

B3

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SF: 2000-2006

SF: 2007-2013

Total SF expenditure 2000-06 per capita (FOI32)

Reunion (FR) | Guyane (FR) | Guadeloupe (FR)
Martinique (FR)
Azores (PT)
Madeira (PT) | Canarias (ES)

0 125 250   500 km

euros
- 0
- 1 - 4
- 5 - 9
- 10 - 128
- no data

Total SF expenditure 2007-13 per capita (COE 10-15)

Reunion (FR) | Guyane (FR) | Guadeloupe (FR)
Martinique (FR)
Azores (PT)
Madeira (PT) | Canarias (ES)

0 125 250   500 km

euros
- 2 - 10
- 11 - 65
- 66 - 216
- no data

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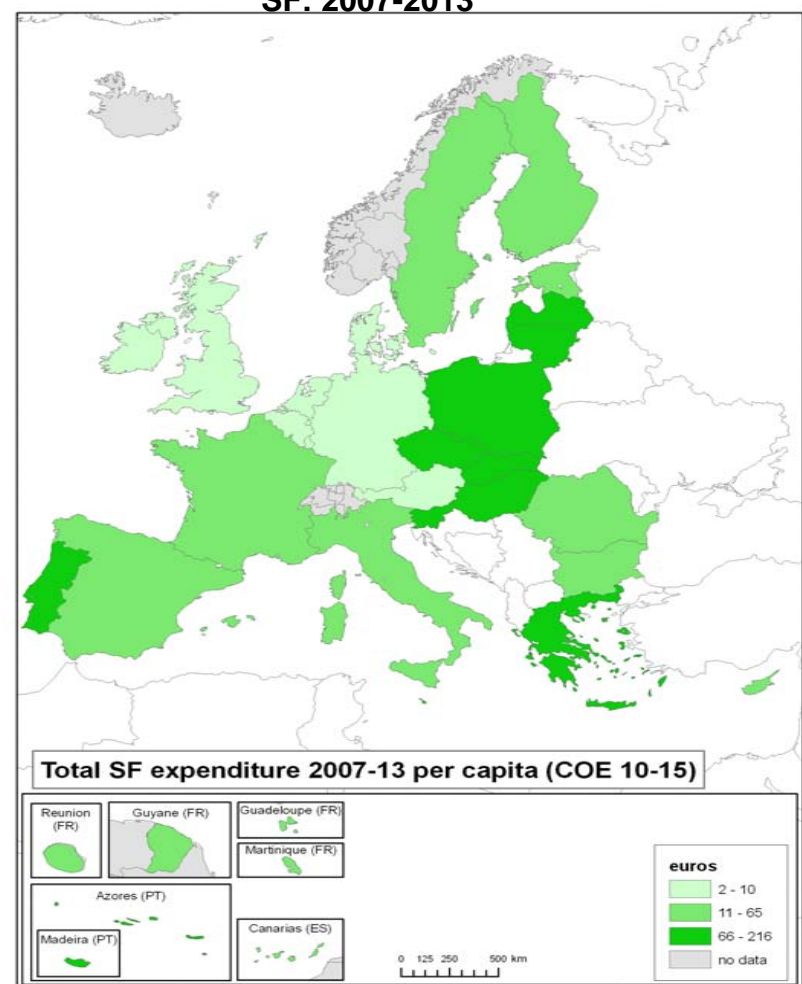
	General regional barriers (99)	Specifically rural development barriers (61)
Lack of resources and low absorption capacity (49: 38+11)	**lack of social capital,** expertise as well funding itself	Mainly **capacity and awareness**
Spatial digital divide (46: 26+20)	Ensuring broadband coverage	**Market failure** in providing adequate infrastructure and services
Lack of leadership and vision (38:21+17)	no clear strategy is developed; addressing a diversity of needs; difficulties of coordination between central and regional authorities.	**Lack of trust** that rural needs are actually being addressed, **resistance to initiatives** arising from concerns about the uncertainty and the risks involved. Seems to stem from the **weaker capacity and lower level of expertise in rural areas.**
Operational issues (27: 14+13	Particularly the burden of too much bureaucracy	The operation of economic and financial mechanisms

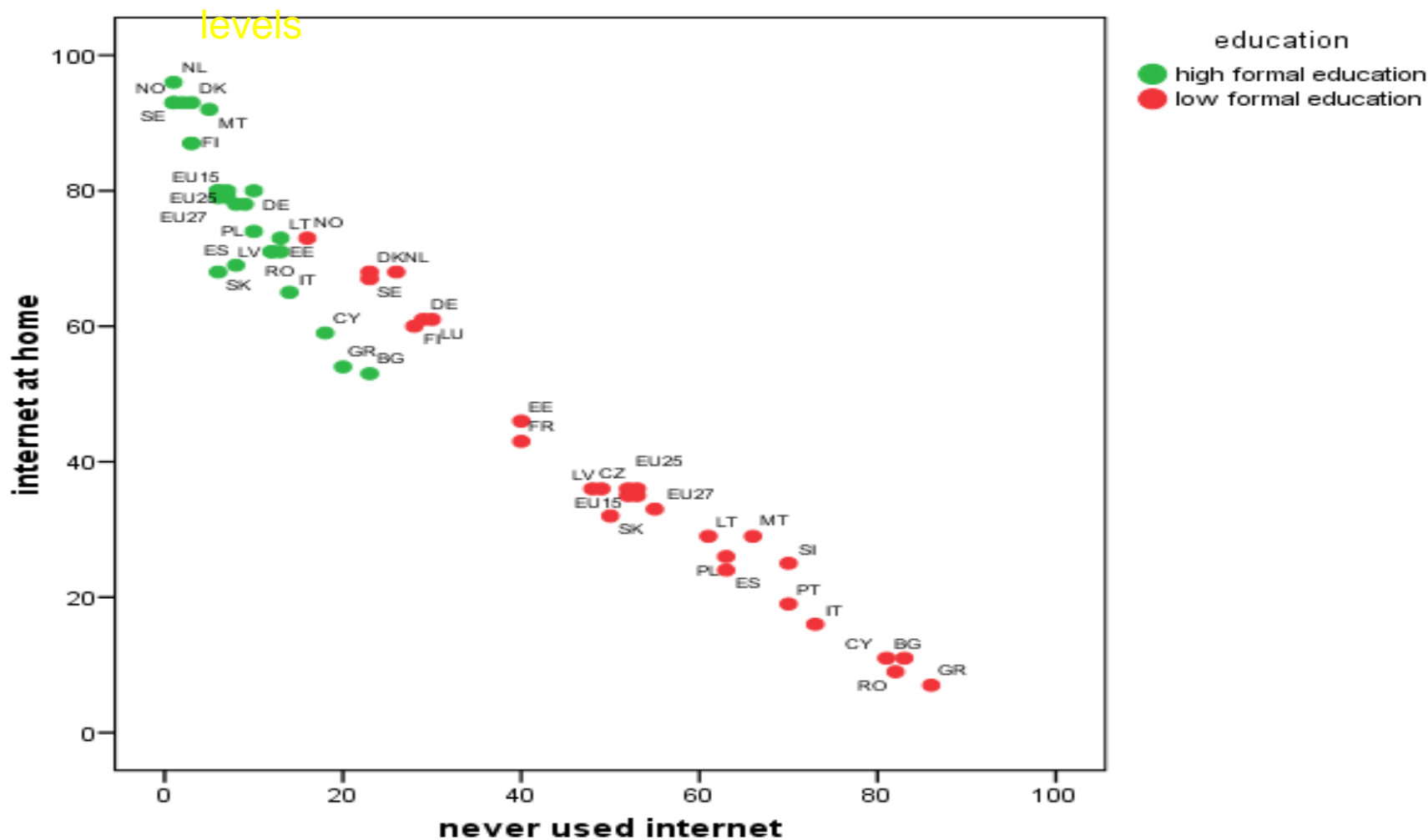Specific rural development concerns (% regions)
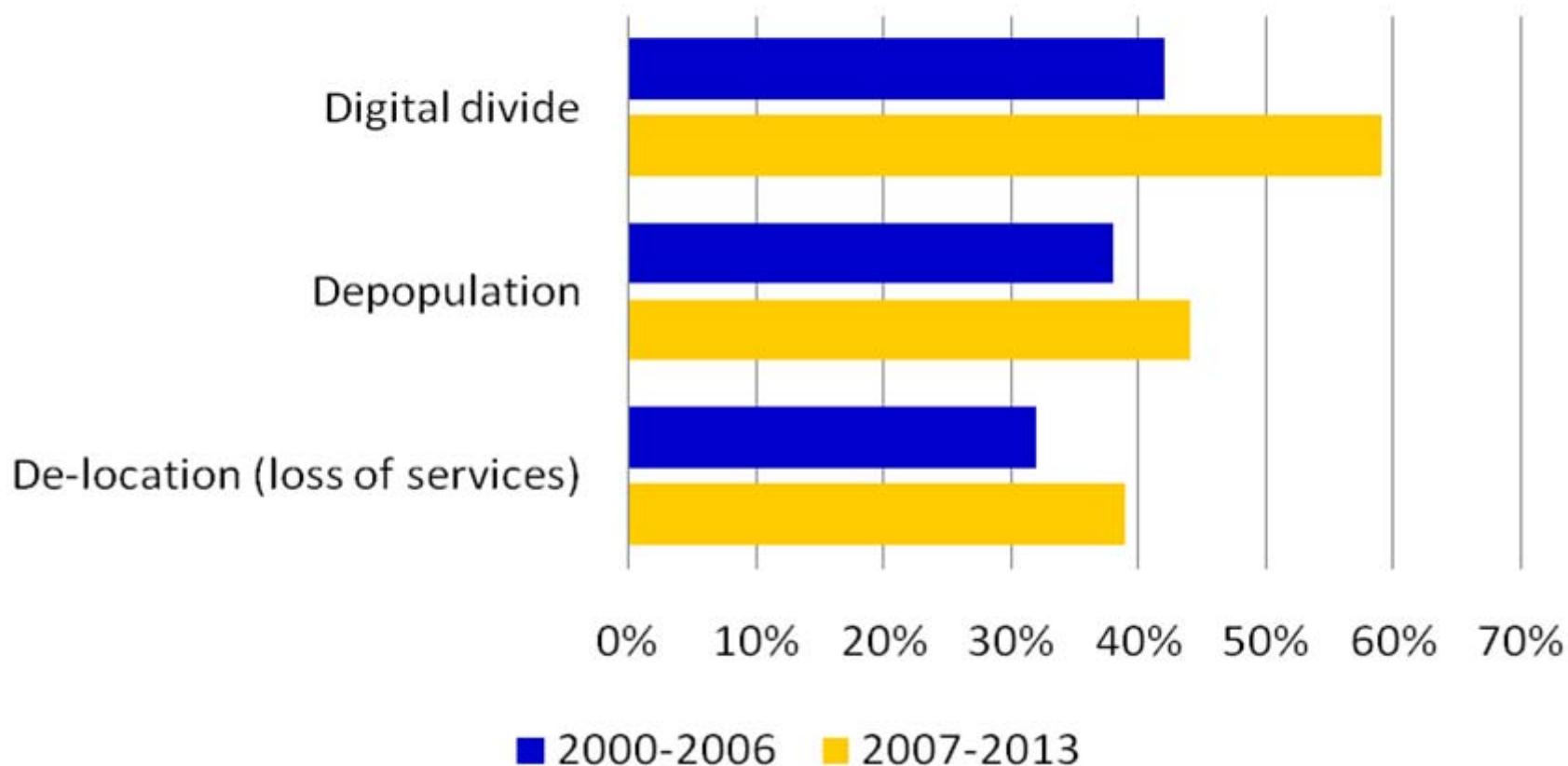
- **Economic and social conditions are more important than population density**

- More affluent Countries (IS, DK, NL, SE, DE, FI, LU) have proportionally more households with PCs, and **take-up gap** between different income levels is **smaller than in countries with a GDP** per head below the EU27 average (like HU, LT, LV, SK, PL, GR and PT).

- **Barriers of perceived needs and costs**: particularly relevant for particularly by less well educated and lower income households

- **Educational attainment**: countries with relatively high internet connectivity and wealth (such as NO, NL, SE, DK and LU), the usage gap between high and low educational attainment is relatively low.

- Now that BB access gaps are reducing, the **'digital divide**' is becoming more socio-economic than territorial.

- **However, there is a major new challenge, particularly for rural areas:** a second digital divide emerging around NGA and advanced services and market failure in addressing this

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Internet Use and Education

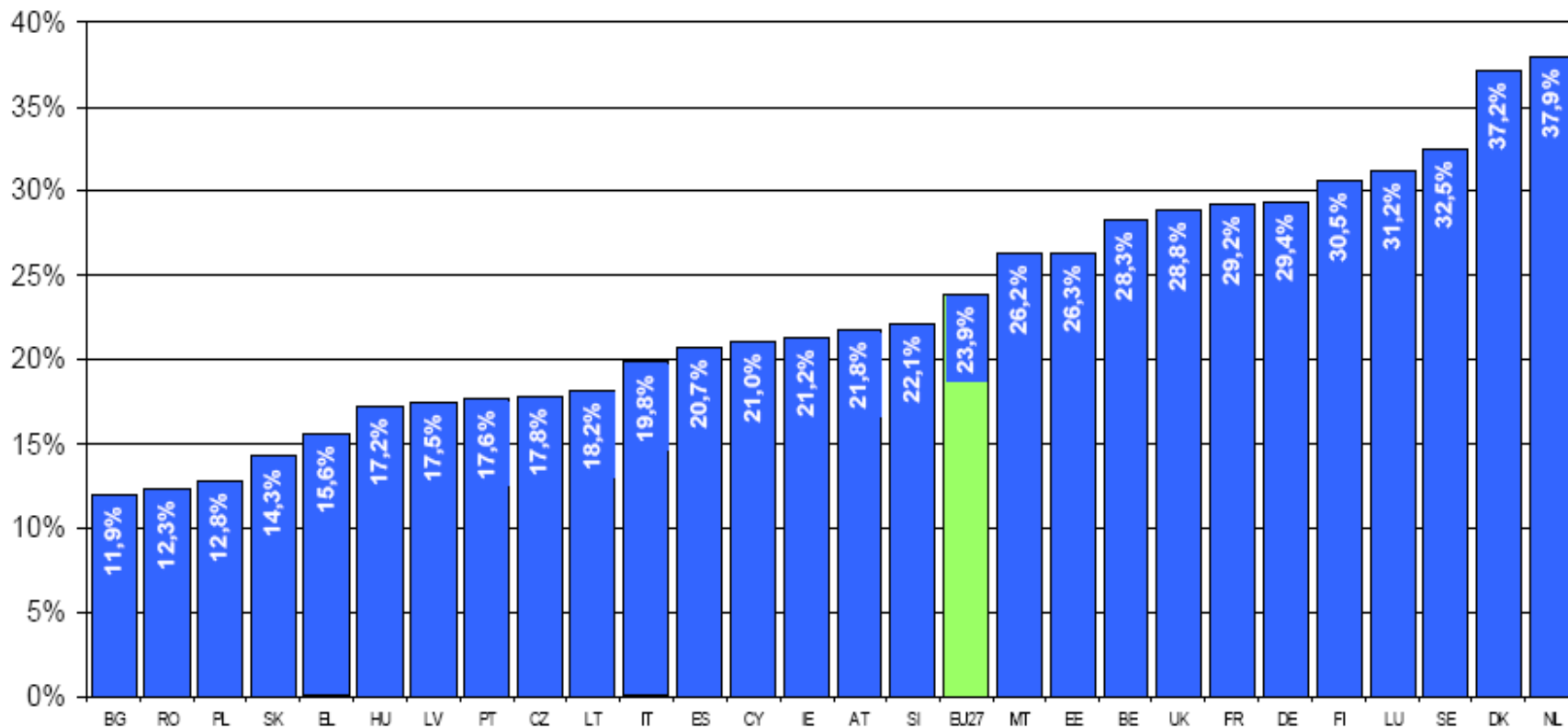Individual internet use at home versus never used the internet for low and high formal educational attainment levels

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EU Broadband penetration rate - BB lines per 100 population (July/2009)

Country	Rate
BG	11,9%
RO	12,3%
PL	12,8%
SK	14,3%
EL	15,6%
HU	17,2%
LV	17,5%
PT	17,6%
CZ	17,8%
LT	18,2%
IT	19,8%
ES	20,7%
CY	21,0%
IE	21,2%
AT	21,8%
SI	22,1%
EU27	23,9%
MT	26,2%
EE	26,3%
BE	28,3%
UK	28,8%
FR	29,2%
DE	29,4%
FI	30,5%
LU	31,2%
SE	32,5%
DK	37,2%
NL	37,9%

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Growth in DSL rural coverage in the EU (in % of total population)

	CY	BG	RO	PL	SK	EL	LV	LT	IE	EU27	EE	AT	IT	SI	CZ	IS	PT	HU	FI	DE	ES	SE	NO	NL	UK	BE	DK	FR	LU
2008	12%	20%	34%	43%	43%	55%	68%	69%	77%	77%	80%	82%	82%	83%	85%	86%	86%	87%	90%	90%	90%	90%	94%	99%	99%	100%	100%	100%	100%
2005				35%	25%		55%	57%	66%		67%	45%	27%		79%	79%	76%	78%	55%	82%	66%	83%	99%	95%	100%	100%	88%	100%	

■ 2005 ■ 2008
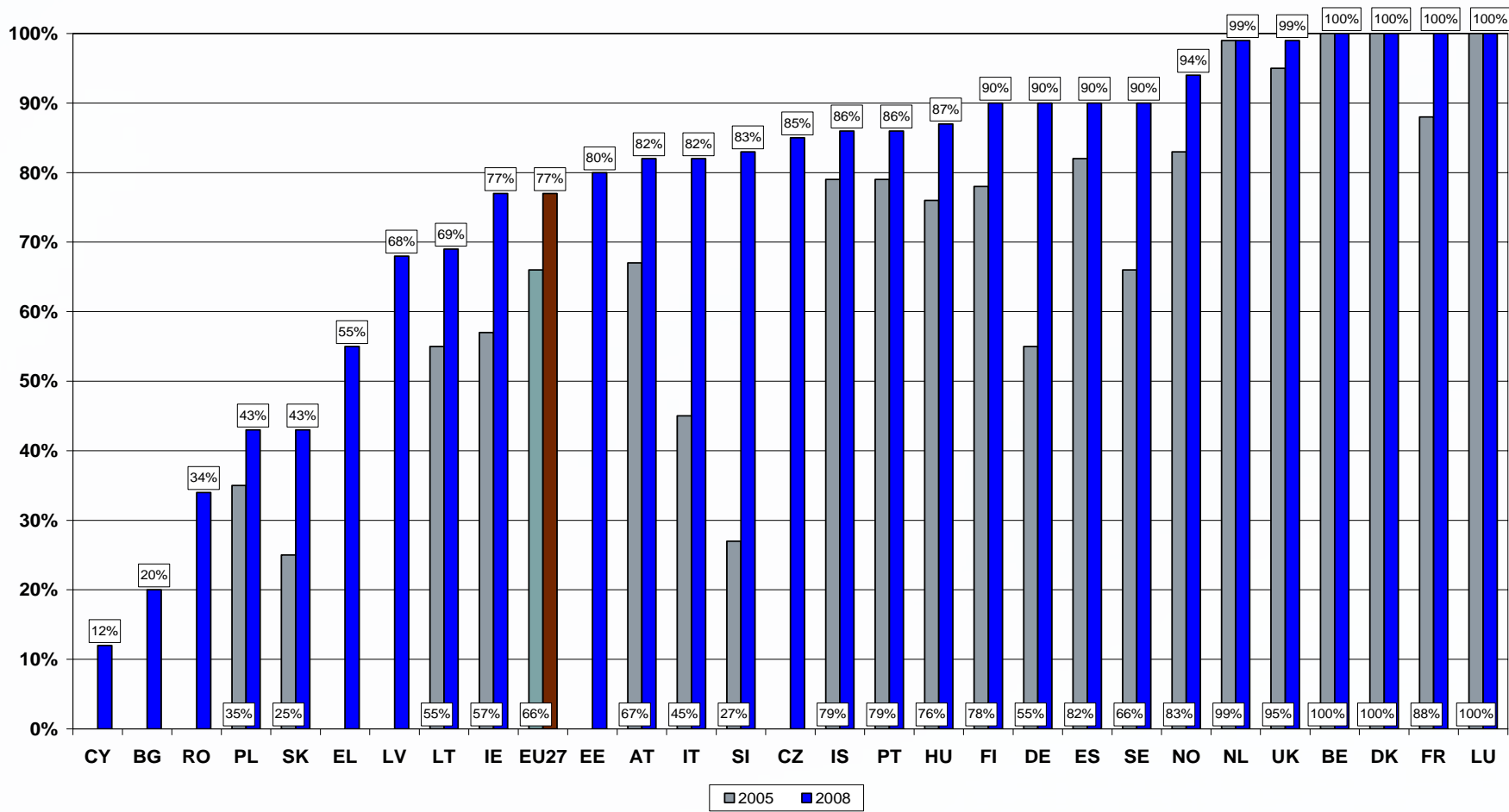
From 66% in 2005 to 77 % in 2008

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Conclusions and recommendations

- 2010 mid-term review: increase support for ICT demand and supply

- 2010 annual reports: indicate progress on ICT-related actions undertaken

- Increase networking, benchmarking monitoring in support of local and regional capacity to manage, plan and implement ICT projects;

- Increase dissemination and sharing of good ICT practices: eg: make use: www.broadband-europe.eu and www.ePractice.eu .

- "EU RD network should provide useful suggestions as regards the implementation of the ICT policies in rural areas".

- Encourages MSs and regions to make use of the technical assistance budgets to launch studies/analyses to report on ICT situation in rural areas (coverage, penetration, ICT skills, patterns/quality of use among in communities and businesses, etc;) and to identify lines of action.

- Complementarity of Community funding to create synergy effects

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For further information

Policy:

- December 2009: approval of Rural Development OPs

- First half of 2010: Launch of Digital Agenda and Broadband Strategy.

Further information

- i2010: http://europa.eu.int/information_society/eeurope/i2010/i2010/index_en.htm

- Digital Divide: http://europa.eu.int/information_society/eeurope/i2010/digital_divide/index_en.htm

- European Broadband Portal: http://www.broadband-europe.eu/)

- B3Regions: Thematic Network on Broadband good practice http://www.b3regions.eu/