Recovery package and EAFRD support for broadband in rural areas

Consistency of rural development - DG AGRI
EU RD policy for ICT in rural areas

- **Broadband for all – Europe 2020, EERP, Lisbon agenda**
  - 2009 MS agreement: 100% coverage by 2010-2013
  - 2020 Digital agenda: basic broadband by 2013 and ultra-fast broadband by 2020, access and take-up

- **Strategic guidelines for rural development 2007-2013**
  - 3 recognised areas for ICT intervention: Agri-food chain, rural tourism and internet in rural areas
  - Internet: One of the major driving factors of economic growth

- **Rural development programmes 2007-2013**
  - (ICT situation in rural areas in 2009)
  - Low to average levels of usage and coverage with broadband in rural areas [COM(2009) 103]
DSL coverage in different areas in the EU27, % of total territory with DSL coverage, Dec 2007

* Idate data; rural area defined as area with less than 100 inhabitants/km²; no data for BG and RO
Priorities for ICT development in rural areas

- Creation of new or passive broadband infrastructure
  Re-enforced by the Recovery Package
- Upgrade of existing infrastructure and enabling of access to broadband infrastructure
  Re-enforced by the Recovery Package
- Development of e-services and relevant on-line content
- Technological progress and investments in agriculture, agri-food and forestry
- Demand stimulation measures
  Development and availability of public services such as e-government, e-health, e-learning, e-skills, community applications
  Business needs versus Population needs – delivery of “packages” such as connection & specific applications ⇔ training
EU Rural Development Policy (EAFRD) 2007-2013: Targeting ICT development

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Vocational training in ICT
ICT investments on farm
ICT investments in food-processors

ICT for the environment
ICT and rural business development
ICT training for rural businesses

Basic services: BB infrastructure
ICT, farmers and income diversification

Jobs & growth in rural areas
E-Inclusion

New BB infrastructure
Passive BB infrastructure
Upgrade
Enabling access
What do we support in practice?
(examples from rural development programmes)

**Basic services & infrastructure**

**Services**
- Centres for ICT based services (medical care, business support, public services, etc.)
- Mobile ICT centres
- E-services (e-commerce, e-government, etc.)
- Development of ICT tools and web-portals
- Business co-operation in rural areas using telematic connections
- IT equipment (health-care, schools, etc.)
- Security, transport by calls, tele-working
- Setting-up of electronic consultation systems

**Infrastructure**
- Creation of new broadband infrastructure
- Laying down passive broadband infrastructure
- Upgrade of existing broadband infrastructure
- Enabling access to broadband

Re-enforced with the Recovery Package
What do we support in practice?
(examples from rural development programmes)

Business creation & development

Farm diversification & rural tourism

- New technologies for bringing the producer and consumer closer, incl. e-booking, marketing, tourism services, etc.
- Assistance in ICT initiatives
- Networking (incl. of tourism actors)
- Provision of various ICT services (by farmers)
- Tourist information centres
- Multimedia and IT services for promotion of rural tourism

Creation of micro-enterprises & business development

- ICT based services
- New technologies for bringing the producer and consumer closer, incl. web-portals
- Communication points
- Cooperation networking
- Local business ICT capacity
- Micro-businesses in ICT training
- Development of mobile solutions
- Services for connecting and providing internet
What do we support in practice? (examples from rural development programmes)

Human capital upgrade and e-skills

- Vocational training in ICT for farmers, foresters & food processors
  - Professional training in ICT and computer skills
  - E-learning
  - Web-portals and web-tools
  - Information activities using ICT
  - Data processing
  - Establishment and management of ICT resources in farms
  - Networking through interactive use of ICT
  - Life-long learning, etc.

- Vocational training in ICT for rural population
  - Training in ICT and computer skills
  - E-learning
  - Dissemination of information using ICT
  - Distance learning
  - Mobile training solutions, etc.
The EU Recovery package for broadband
EAFRD Recovery package funds for broadband in rural areas

- **EAFRD**: EUR 360 million
- 3 types of investments
- 17 Member States
- 37 Rural Development Programs
- Re-programming in 2009/2010
- Total expend.: EUR 688 million
  - New broadband: €383.4 million
  - Upgrade & access: €175.5 million
  - Passive: €129.1 million
- Implementation: ongoing (different phases)
Total funds for broadband in rural areas (under the EERP) per type of operation
Phases of the EERP implementation process

Steps                                                                 Year
1) Re-programming and injection of the EERP money                        2009-2010
2) New state-aid approvals, but also:
   – Usage of existing state-aid schemes
   – Altmark judgement of Court of Justice (2003)                         2010
3) Preparatory work in the Member States, including:
   – Preparation of national legislation
   – Feasibility studies                                                  2009-2011
4) Launch of call for tender and submission process                      2009-2011
5) Evaluation of received applications
   – Additional re-programming                                           2010-2011
6) Pilot projects                                                        2010
7) Approval of projects and contracts’ awarding                          2010-2011
8) On the ground implementation                                          2010-2012
Implementation phases reached by MS by February 2011
EERP for broadband - Implementation results so far

- Approved projects: 184
- Total approved EERP funding: €45.1 million
- Acting MS implementing projects: Sweden, Germany, Netherlands
- Call for tenders/approved projects: Finland, France, Austria, Slovenia, Italy
- Soon launching call for tenders: Estonia
- Preparatory work: Lithuania, Slovakia, Cyprus, Ireland, UK, Portugal
- State-aid procedures: Greece, Poland
- Feasibility studies (outside EERP): Bulgaria
Main policy messages to Member States

- Accelerate spending already in the first half of 2011
- Clear pending state-aid schemes as soon as possible and start acting
- Co-operation with ERDF Managing Authorities in a preparatory phase
- Regular monitoring and reporting must be in place
- Continue work, also outside the EERP in view of contributing to the Digital agenda
- Strong need for re-enforcement of the training measures and priorities to be given to spending for ICT training for farmers, food-industry and forestry managers, rural economic actors