# Workshop WP3

## Deliverable 3.3
## Final report on Satellite Broadband as an option for Regions
Review of non-technological roadblocks and obstacles towards satellite broadband deployment in the EU

**SABER**
*cut the digital divide*

Satellite Broadband for European Regions
CIP-ICT PSP Call 6

European Commission
Information Society and Media

ICTPSP
ICT POLICY SUPPORT PROGRAMME
part of the Competitiveness and Innovation Framework Programme CIP

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# Main aspects about mapping

Mapping is fundamental to support planning and decision making processes and to inform citizens and authorities on the current broadband situation

Mapping activity has to deal with many different aspects, including infrastructure, broadband service availability, broadband demand, investment and funding and other

Completed and on-going mapping initiatives had heterogeneous approaches in terms of methodologies, data and implementation

Currently there is a lack of a European-wide accepted guideline for mapping where satellite is definitely among the available options

Mapping is not simply a methodology but also a process that shall be accepted and implemented by each individual region

# EU is addressing the issue of a common methodology

**Objectives of Digital Agenda**

Fast broadband by 2020:
broadband coverage 30 Mbps for 100%

Ultra-fast broadband by 2020:
broadband coverage 100 Mbps for 50%

Regulatory, financing and technological options to facilitate necessary multi billion investments

reliable broadband mapping as one key element:

- identification of gaps in coverage and opportunities to invest
- Increasing **transparency** of the broadband market
- Reduce **investment** costs and **State aid** planning
- **Monitoring** of planned and implemented measures
- **Service for customer** about broadband capacity / services and stimulating demand

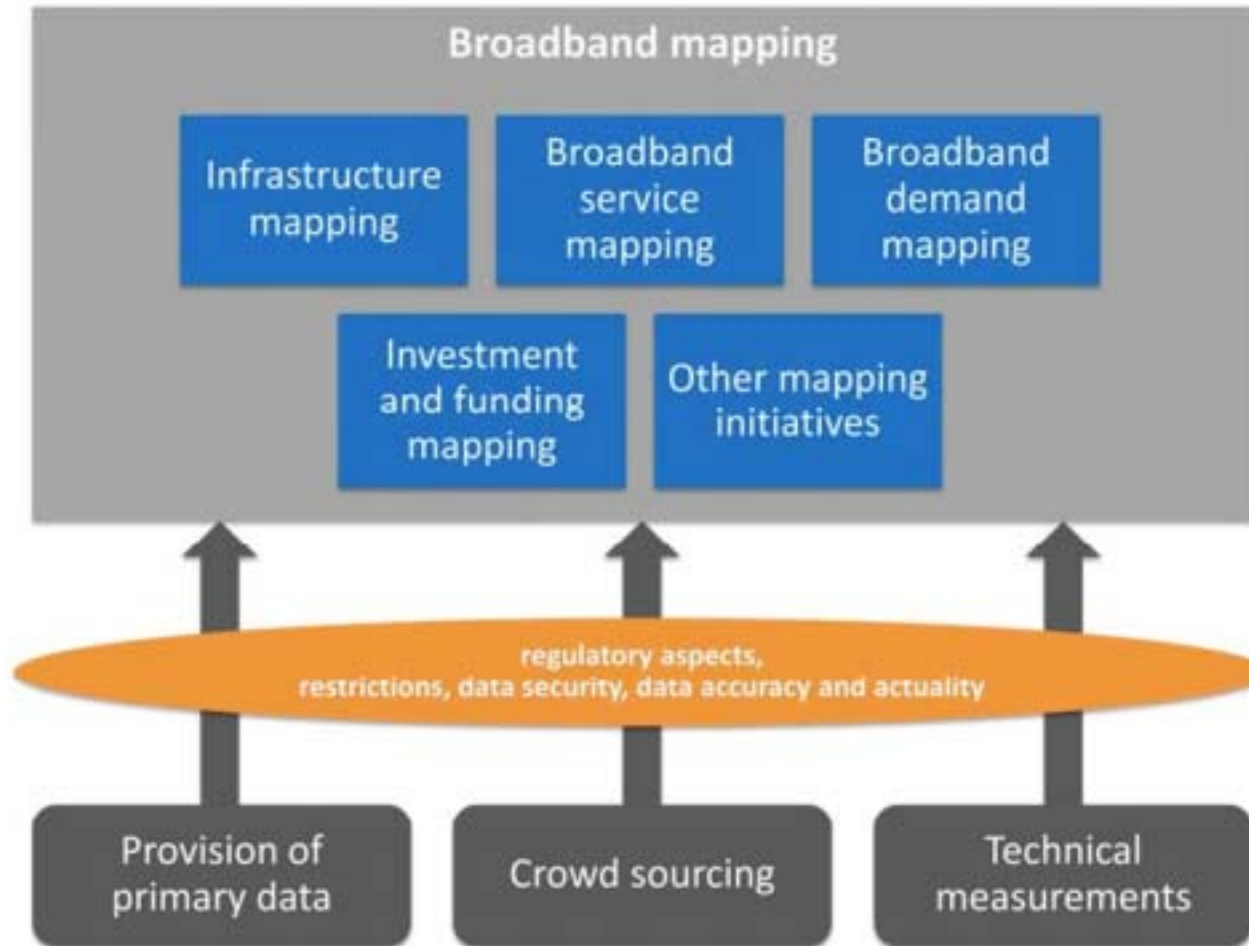# The approach followed in the Study from EU



Figure 2: Types of and sources of data for broadband mapping

# Main topics to develop in D3.3

The issue with the **selection of data (taxonomy) and their normalization**, because they come from many different sources: *the role that can be played by National Agencies of Communication*

Standard rules and guidelines to **layer / merge data of different scopes**: *global, local, from operators, from citizens, other*

Use of **social communication, social networks and viral communication for gathering data about broadband availability**: t*he example of Galicia and possible improvements*

http://cobertura-pdbl.xunta.es/

The need to define a **standard process for continuous update of maps**: *the role that can be played by Digital Agenda Agencies at national level.*

*Any other?*

# Cost-benefit analysis

Cost-Benefit Analysis (CBA) is required for <u>major investment projects</u> co-financed by ERDF, CF (>50M€) and IPA (>10M€)
"Guide to COST-BENEFIT ANALYSIS. Final Report. 16/06/2008"

<u>At minor scale</u>:
-the quantification of benefits, direct and indirect, in monetary terms can be unpractical and possibly out of scope;
-costs evaluation possibly simpler due to shorter deployment.

However, an ex-ante <u>cost-effectiveness</u> analysis is needed:
-to keep the focus on <u>actual objectives</u>, consistently along the process
-comparing alternative solutions, in support of decisional phase
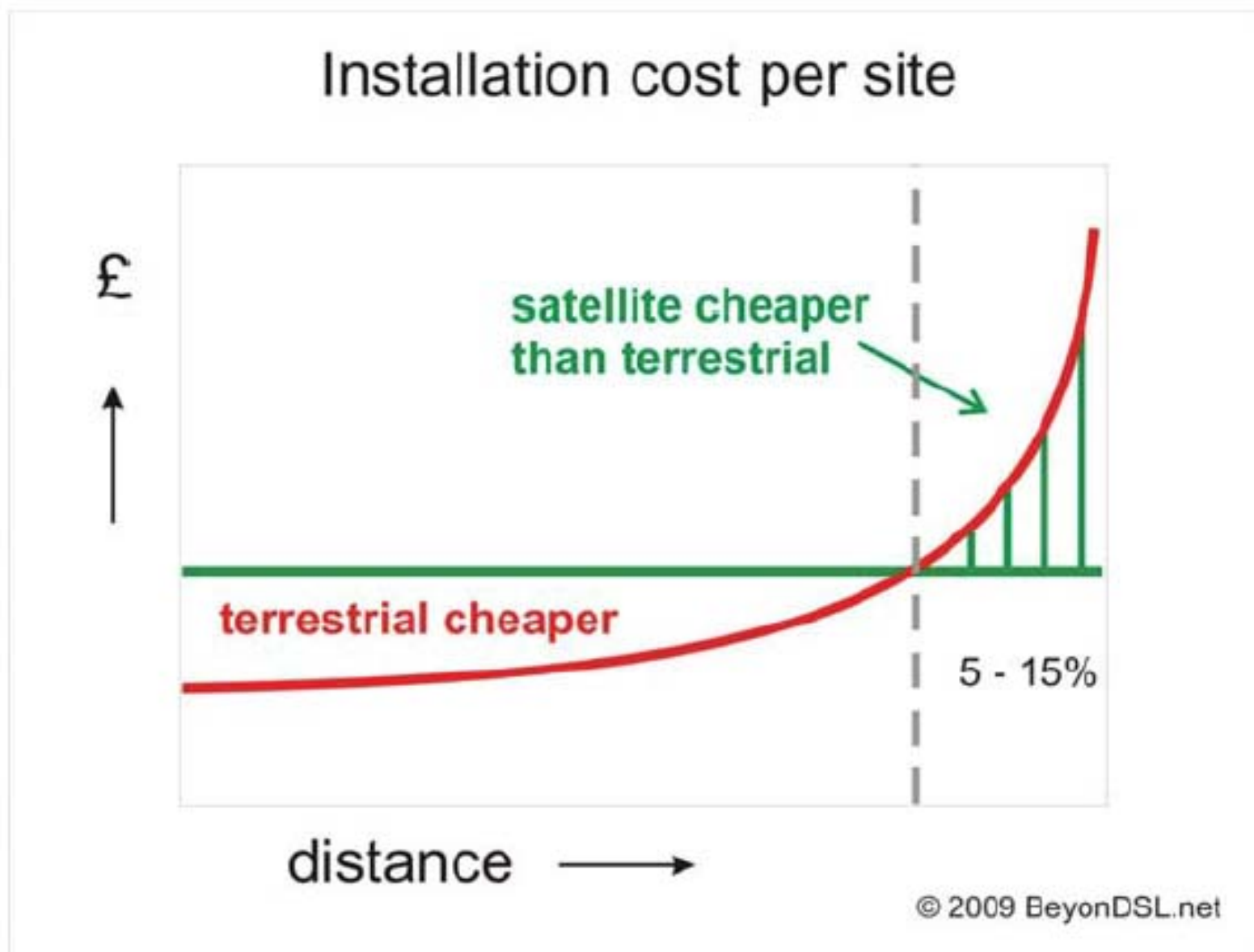
set expected objectives and time horizon → indicators
*3 scenarios: high-mid-low; focus on few direct outcomes*
evaluate costs relevant to different approaches (to reasonably meet the same objectives)
*offer vs. demand stimulation; different technologies; clustering…*
approval phase: consultation *(to be evaluated)*

# Cost benefit analysis – satellite differentiator



Installation cost per site

satellite cheaper than terrestrial

terrestrial cheaper

5 - 15%

£

distance →

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Cost per incremental (unserved) household passed

# Overall analysis  ERDF and EAFRD 2007/2013 and draft 2014-2020

2014/2020 learning from the past to speed up the expenditure simplifying the state aid, procurement and audit procedures.

FACTS and FIGURES from Cohesion Policy strategic report 2013:

• Severe delays in broadband investment: Project selection rate 58 %,
• Efforts need to be stepped up in the roll-out of broadband so that the Digital Agenda targets can be achieved by 2020.
• Only 9 % of the planned total target of 20 million additional population to be covered has been achieved by end 2011.

# On the spot check audit

**2007-2013: compulsory a Managing Authority random on the spot check for both ERDF (percentage non decided by regulation) and EAFRD (5%)**

FIGURES: cost of control for ERDF 2% of total cost ➡️ 13% to audit

**2013 -2020: still in without derogations**

Solutions agreed with DG Connect: derogation in case of use of reliable IT technology to avoid the     physical control:

- geo-referenced photos of the ground equipment installed (modem and antenna),
- speed test (countersigned by the end-user) could ideally be considered sufficient to give evidence of the actual deployment of the subsidized broadband access.

# Digital Agenda Target 2020 - implications

High risk that Satellite broadband would be non eligible for 2014-2020 EU funding for speed limit 30Mb/s.

EAFRD, ERDF and in general Cohesion Policy EU Regulations are in line with 2020 DAE Targets of 30MB/s for universal service and 100MB/s at least 50% of the European households.

FIGURES: as 2013, <u>2020 target will not be reached without satellite BB – cost effective principle.</u>

PROPOSAL: negotiate and convince the EU institutions, asking for a speed exemption base on the date for basic broadband target in NBPs (e.g. 2015 for UK).

Note DAE 2013 target is a political target as so does not has to be compulsory in EU Funds regulations.