Deliverable …
"Guidelines on Satellite Services Procurement"

WP5

Satellite Broadband for European Regions
CIP-ICT PSP Call 6

European Commission
Information Society and Media

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1. Legislative Reference: ESI Funds Regulations and Implementing Acts

1. Handbook State Aid Guidelines

2. Voucher references in EU Commission Guidelines

Main topics

1. Voucher scheme: multi provider approach
    - Single provider approach: see early guidelines

2. Voucher scheme and state aid. Specification of the following within Public Funds and EU Funds:
    - **end users' costs of installation or purchase of broadband devices**
    - **or of the <u>monthly subscription</u>**

3. Other investments opportunities besides voucher solution:
    - **General block exemption Regulation: non state aid notification for project up to 70 millions euro:**
        - Payload
        - Satellite
        - Gateways
        - Capacity

4. Review technical quality criteria

MPA – Call off procedure: recommended quality criteria.

(towards DAE Target 2020)

Availability of 2-way telecommunications services via satellite with speed of at least:

- 6 Mbps in download and 2 Mbps in upload, throughout the entire territory covered by the measure.

- Global traffic volume allowance (download+upload) of at least 3 GB/month

- Availability of residual connectivity at no cost for the end-user, possibly with reduced performance, when reaching the maximum volume allowance.

MPA – Call off procedure: further info from resellers

- Company's data and contact details;

- A statement confirming eligibility requirements (i.e.: specific General Authorization from the Competent Authority or something equivalent), to ensure it is fully entitled to provide the service.

- Availability of 2-way telecommunications services via satellite with capacity of at least 2 Mb/download (throughout the territory covered by the measure);

- The description of the actual services proposed on the market, including at least:
  - download and upload connection speed
  - traffic management policies
  - service subscription prices, including VAT, and excluding any temporary special offers

DISCUSSION

1. DO YOU AGREE?

2. WHAT IS MISSING?

3. GUIDELINES OBJECTIVES TO BE IN LINE WITH DAE 2020 TARGET:
   1. Future Services (Services Roadmap)
   2. Universal Service Obligations
   3. New Funding Models Opportunities
   4. http://ec.europa.eu/eusurvey/runner/network-technologies-h2020-wp-consultation-2016-2017

4. DO WE HAVE NEW BEST PRACTICES?

5. OTHER IDEAS ON HOW TO IMPLEMENT SATELLITE BROADBAND WITHIN THE General block exemption Regulation

6. INNOVATIVE PROPOSAL NEEDED FROM THE PREVIOUS GUIDELINES

MPA – Competitive Selection Process

Public Authority identifies the eligible area

Mapping and analisys of the coverage	Consultation	Cost benefit analysis of the various solutions for broadband connectivity (suggested)

PA: call-off procedure

selection of satellite broadband service providers with characteristics in line with the scheme.

Agreement Public Authority and Resellers

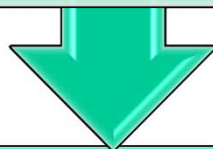the reporting and monitoring system in accordance with the rules approved within the relevant legislation.

MPA – From End-User point of view

Public Authority provides Voucher for eligible end-user

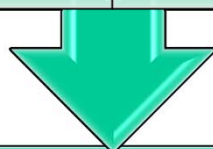| serial number identification | total cost for the user terminal including installation | electronically managed and controlled by the PAs |

End-User Voucher data

| information identifying the end-user | Service provider chosen within the selected list | declaration of eligibility | 120 days validity |

End–user gives the voucher to the service provider

Public Authority payment to the Service Provider after the submission of a detailed report (that includes the vouchers) of each user terminal installed

Financial management

For both MPA and the SPA payment through the service provider

- SPA: service providers, before proceeding with the on-site supply have to check with the managing Authority the actual availability of funds.

regular reports submitted by the service providers to the Managing Authority:

- User identification code
- MAC address (Media Access Control)
- A statement of delivery, installation and activation for the user equipment,
- The delivery address
- References of the service contract for a term of at least 24 months

The Public Authorities will monitor the implementation of this part of the Scheme and will ensure the aid is reimbursed in the event of non-compliance by the operator.

The Audit System - on the spot check procedure

Main considerations for the random on the spot check procedure

- high number of end-users
- excessive travelling time during the audit and consequent high cost for the PAs

strongly suggested to proceed firstly auditing the service providers as final beneficiaries. In case of irregularities:

- Second level: check if the satellite operator effectively provides the service to the specific final recipient
- Third level: final recipients

NB: an alternative to the on-the spot check, the inclusion of geo-referenced photos of the ground equipment installed (modem and antenna), to be included in the installation report to the PA, along with the print out of the speed test (countersigned by the end-user) could ideally be considered sufficient to give evidence of the actual deployment of the subsidized broadband access.