

Universal Connectivity for a Post-Pandemic Digital Europe

ITU-EKIP Regional Regulatory Forum for Europe

Session 1: Policy and regulatory incentives for affordable and robust connectivity

Need to close the digital gap

State aid



Amount of total notified State aid spending (2013-2020)

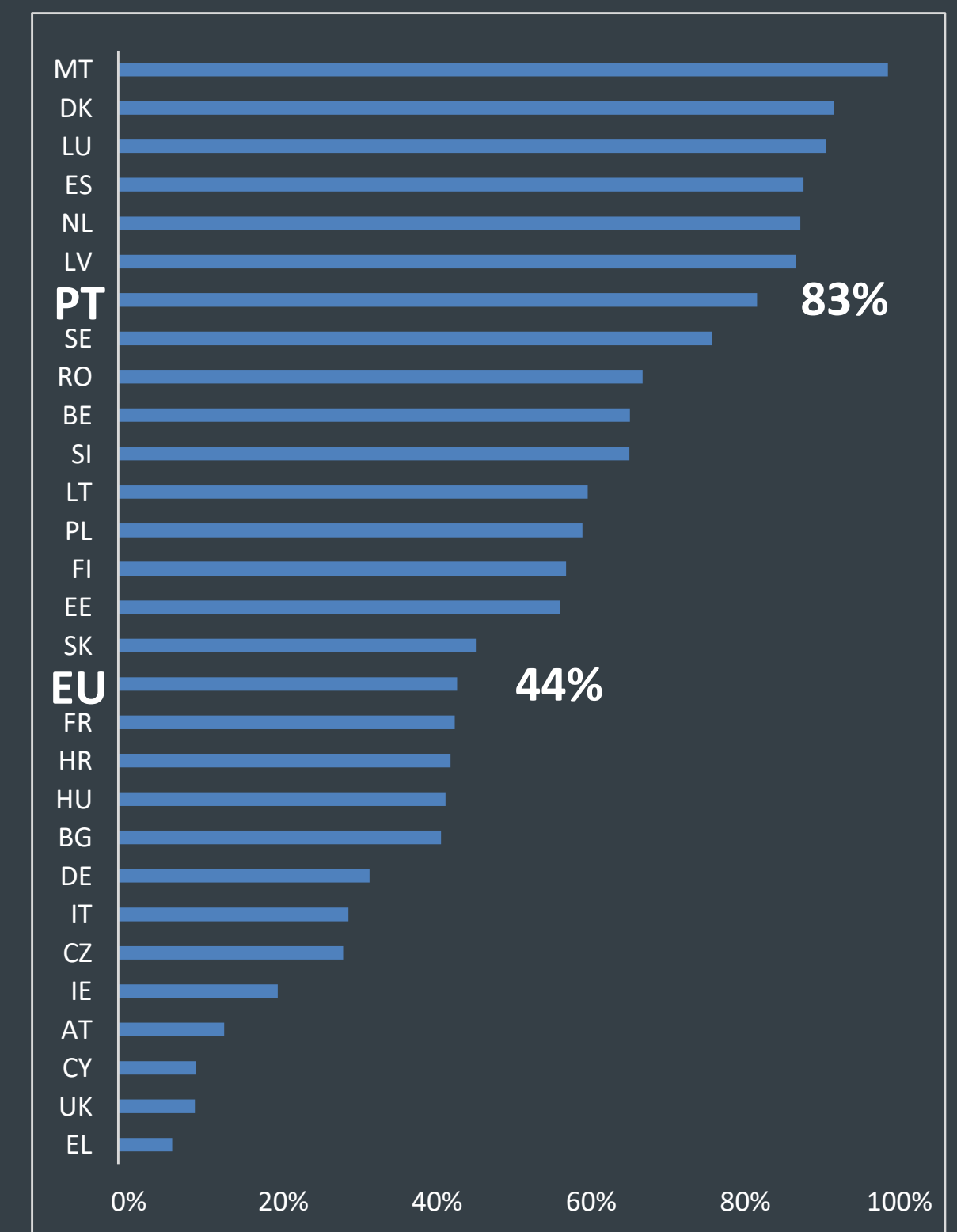
62.7 billion euros

Amount of aid actually spent (2014-2019)

7.8 billion euros

What are the (public) costs needed to achieve 100% of VHCN coverage?

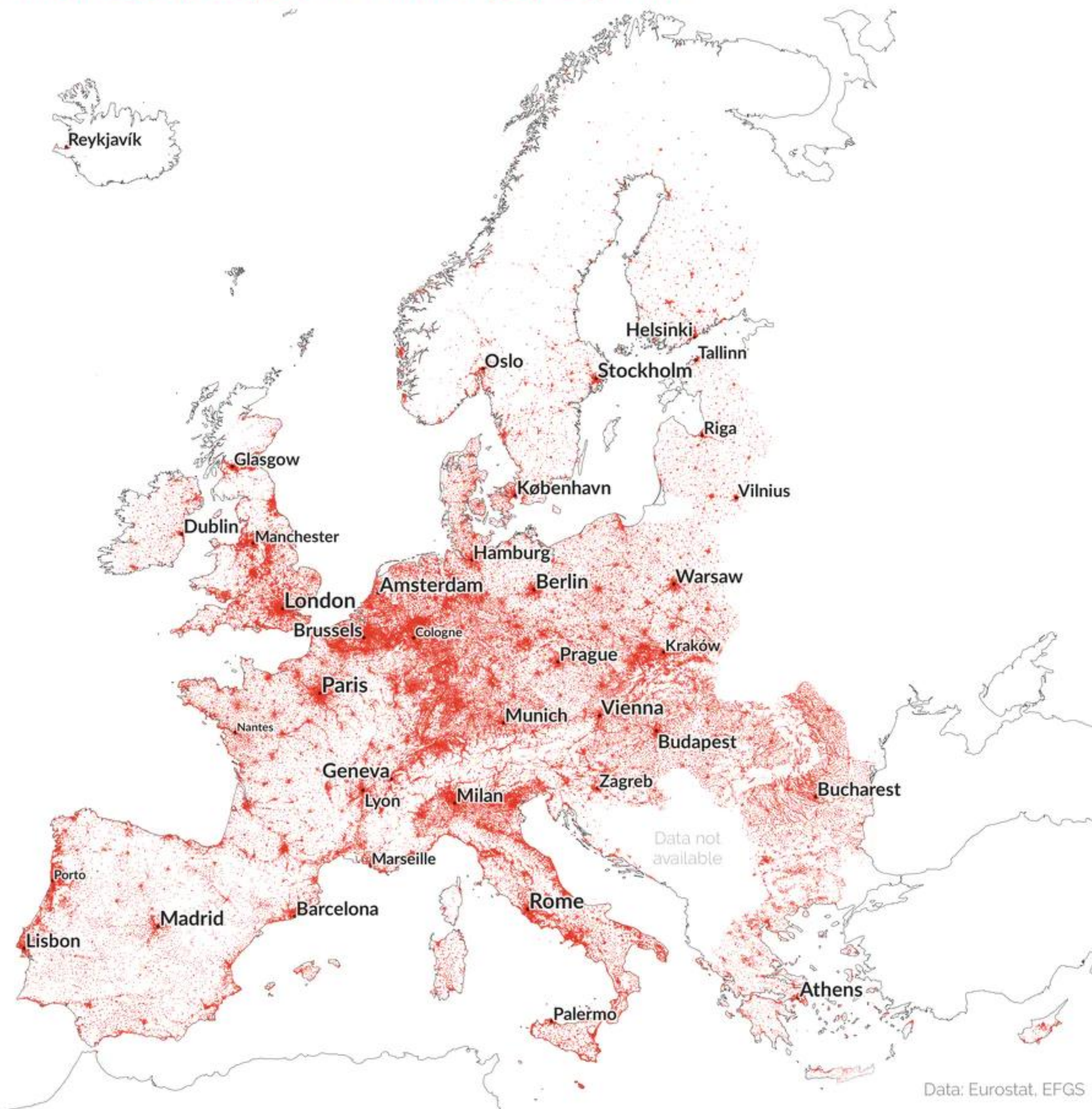
Fixed VHCN coverage



Percentage of households covered

POPULATION DENSITY IN EUROPE

Areas with 250 people or more, per sq. km.

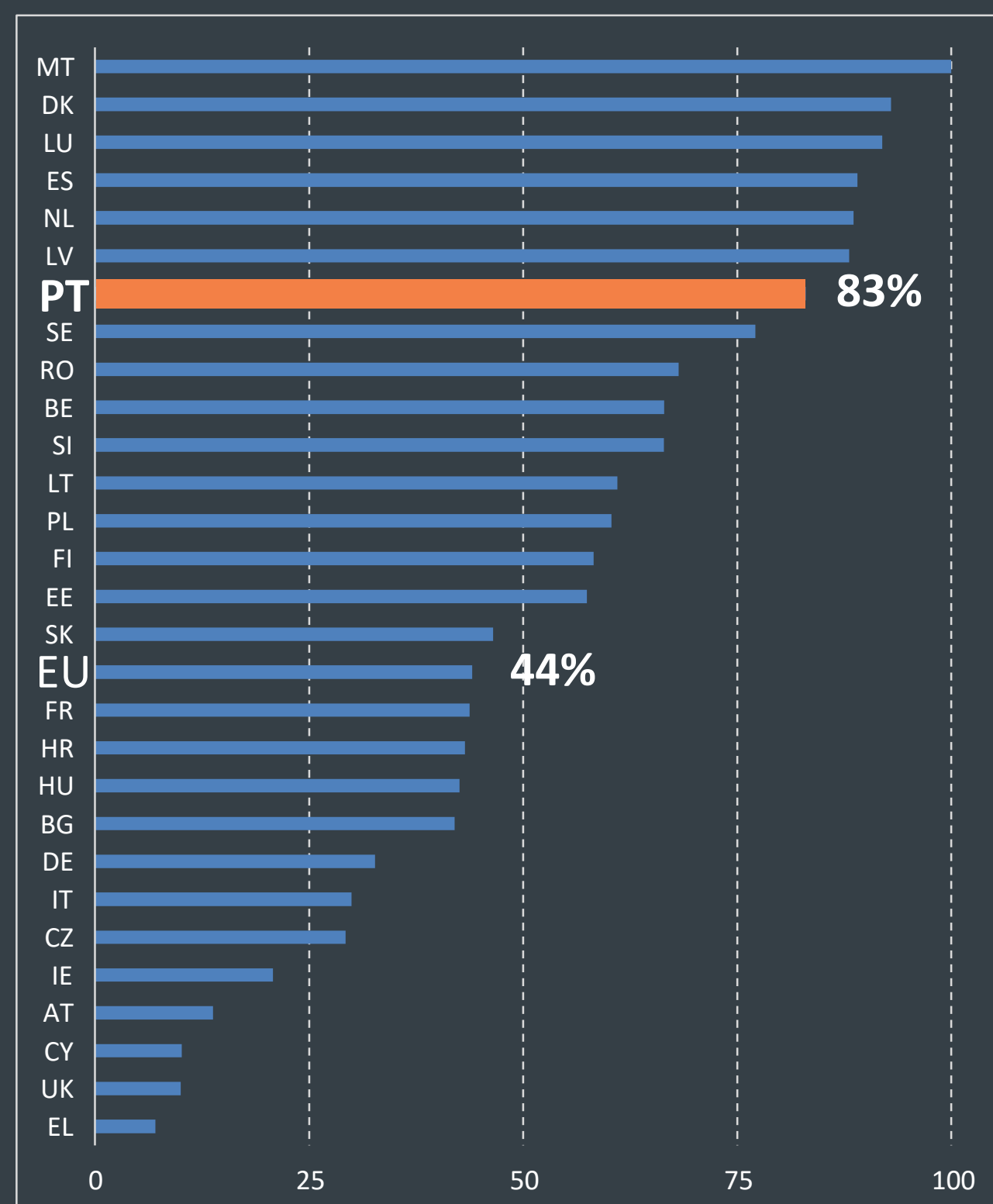


THE CHALLENGE

In some countries (e.g., northern Scandinavia, Portugal, Spain and France) there is a high concentration of inhabitants in small areas and large areas with a sparse settlement pattern. It is easy to cover the high density areas but a challenge to cover the remaining areas.

Where Portugal stands?

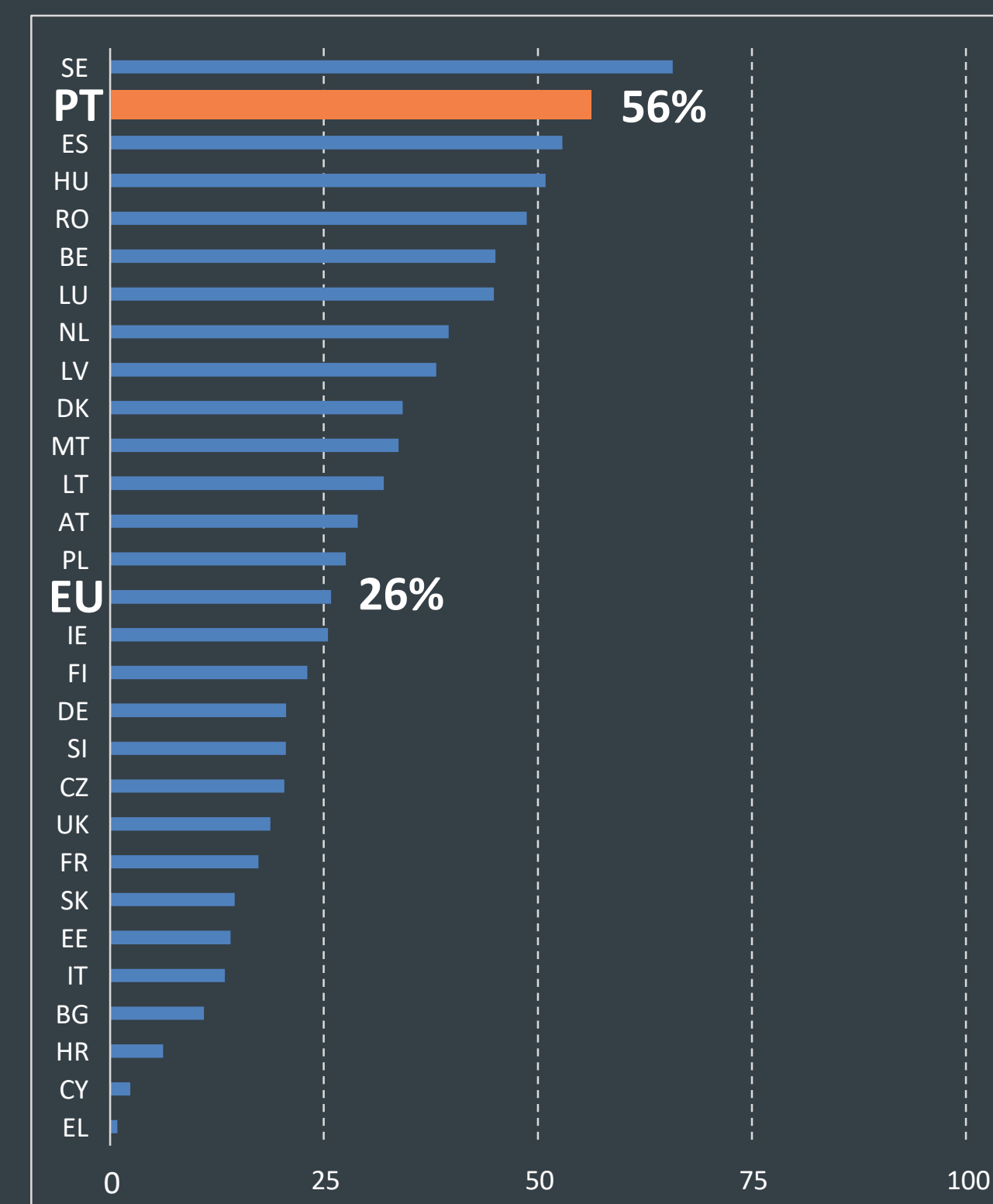
Fixed VHCN coverage



Percentage of households covered

EC (2020). DESI

At least 100 Mbps BB take -up



Percentage of households

EC (2020). DESI

Which tools/incentives were used?



Targeted regulation

Focus on access to civil infrastructure (symmetric and asymmetric regulation).
No fibre access obligations.
Promotion of coinvestment.



State aid

Timely State aid measure (in 2009, when private investments started).
Political engagement (promotion of VHCN investment as a strategic priority for the country).

Major problems



High prices

Compared to other
broadband offer in the EU

Excessive bundling

Consumers pay for service
items that they do not need.

Loyalty offers

High charges borne by
consumers in case of early
termination of contracts with
loyalty periods

Post-pandemic needs?

At the supply-side

State aid for the remaining
uncovered areas

(less than 10% of households).

CLOSING THE
GAP

At the demand-side

Social tariffs for broadband
access.

(Decree-law published and specifications
under way)

Thank you for your attention and
looking forward to discuss further...