

Benchmarking Broadband development in Europe

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Information Society and Media



Measures available

- Penetration (Fixed and Mobile): by population and/or households and enterprises
- Data on speeds
- Data on Coverage
- Data on prices
- Data patterns of usage (Eurostat surveys)
- A Broadband performance Index



Broadband Penetration

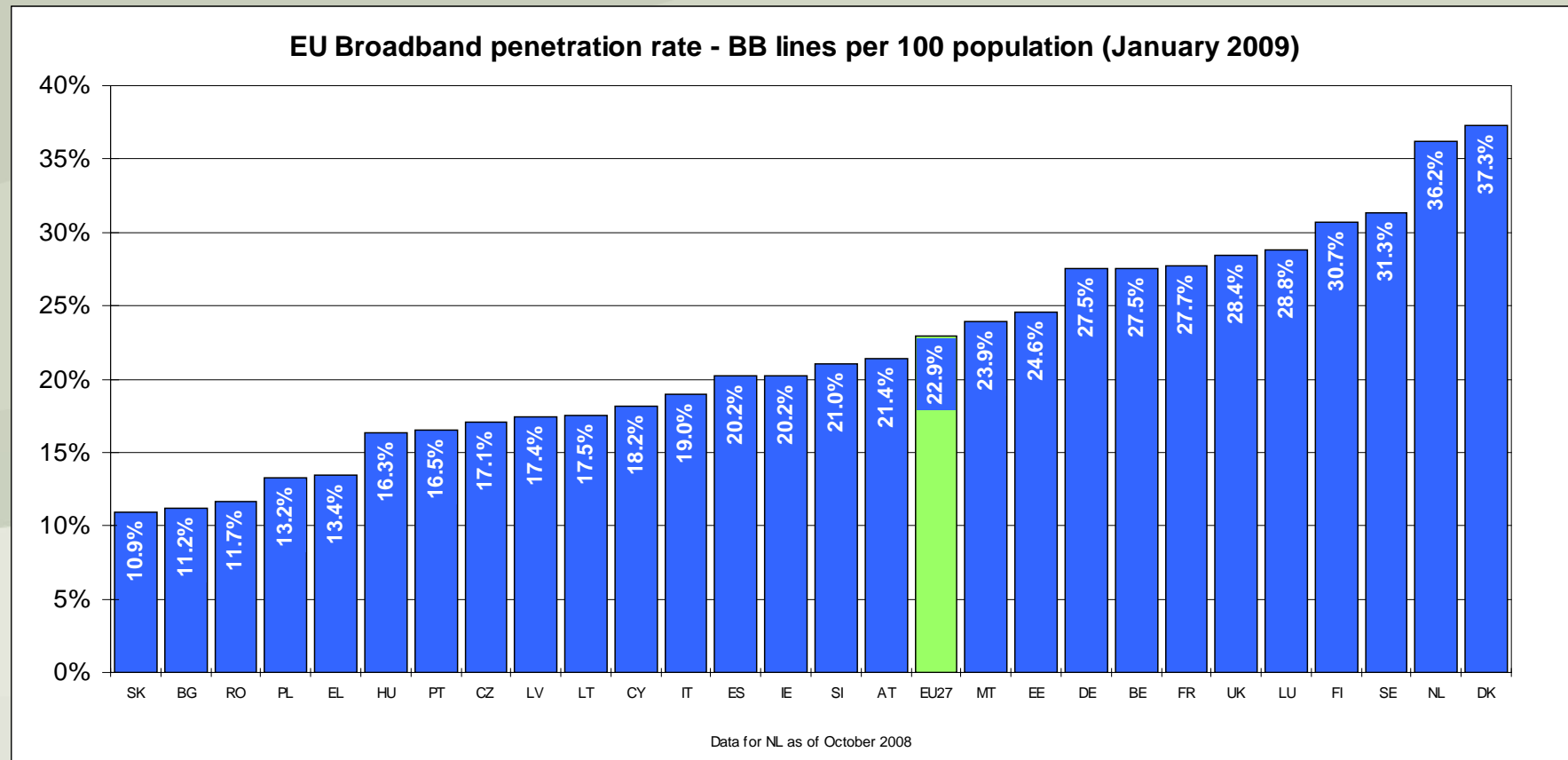
COCOM

- Broadband lines/ population
- Mobile broadband not included and is a different indicator. However, mobile broadband is currently an alternative for certain countries.

EUROSTAT

- Broadband lines/ households + enterprises
- Eurostat publishes figures for households in [some regions](#)

Fixed Broadband Penetration as of January 2009

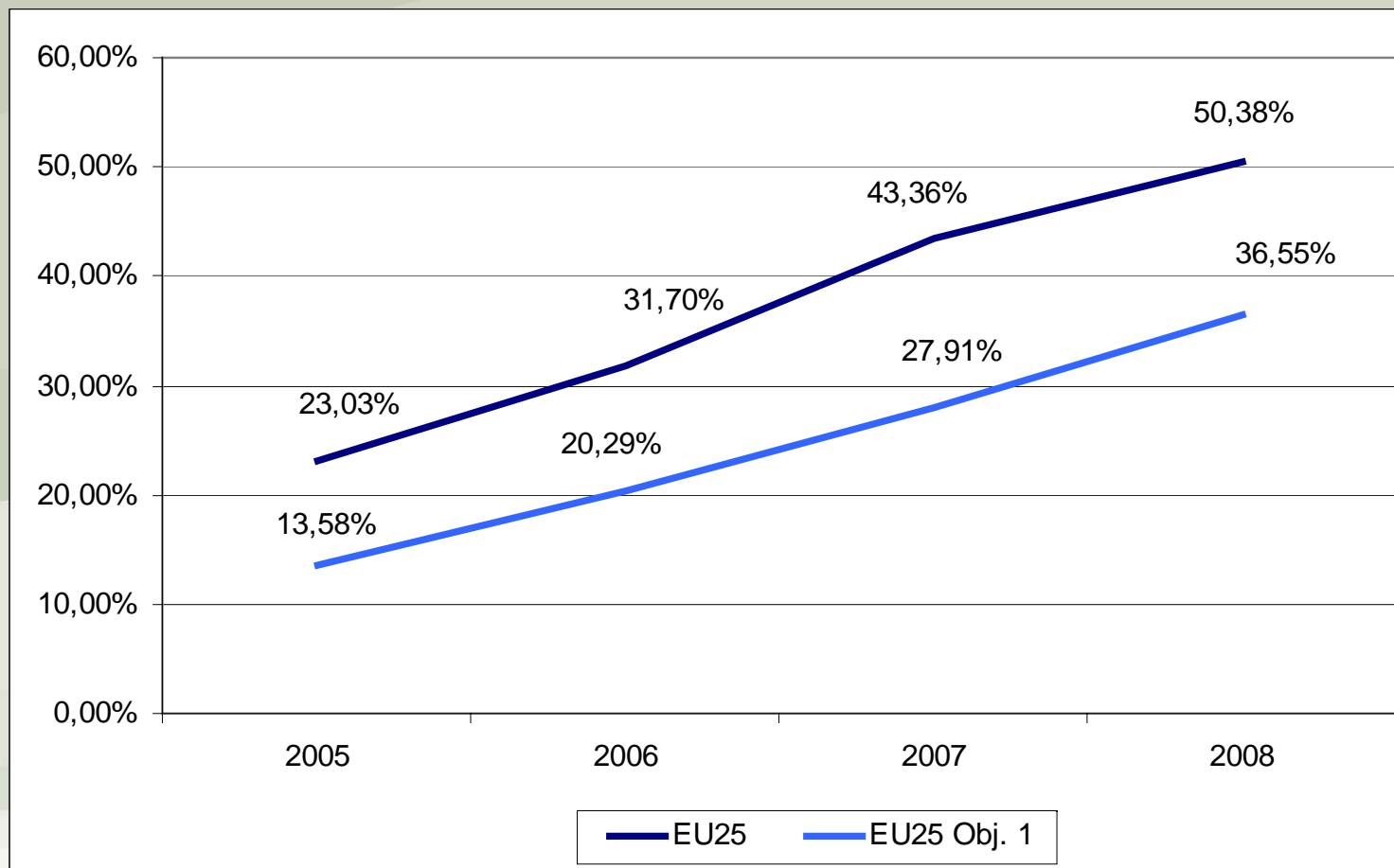


Fixed Broadband Penetration as of January 2009

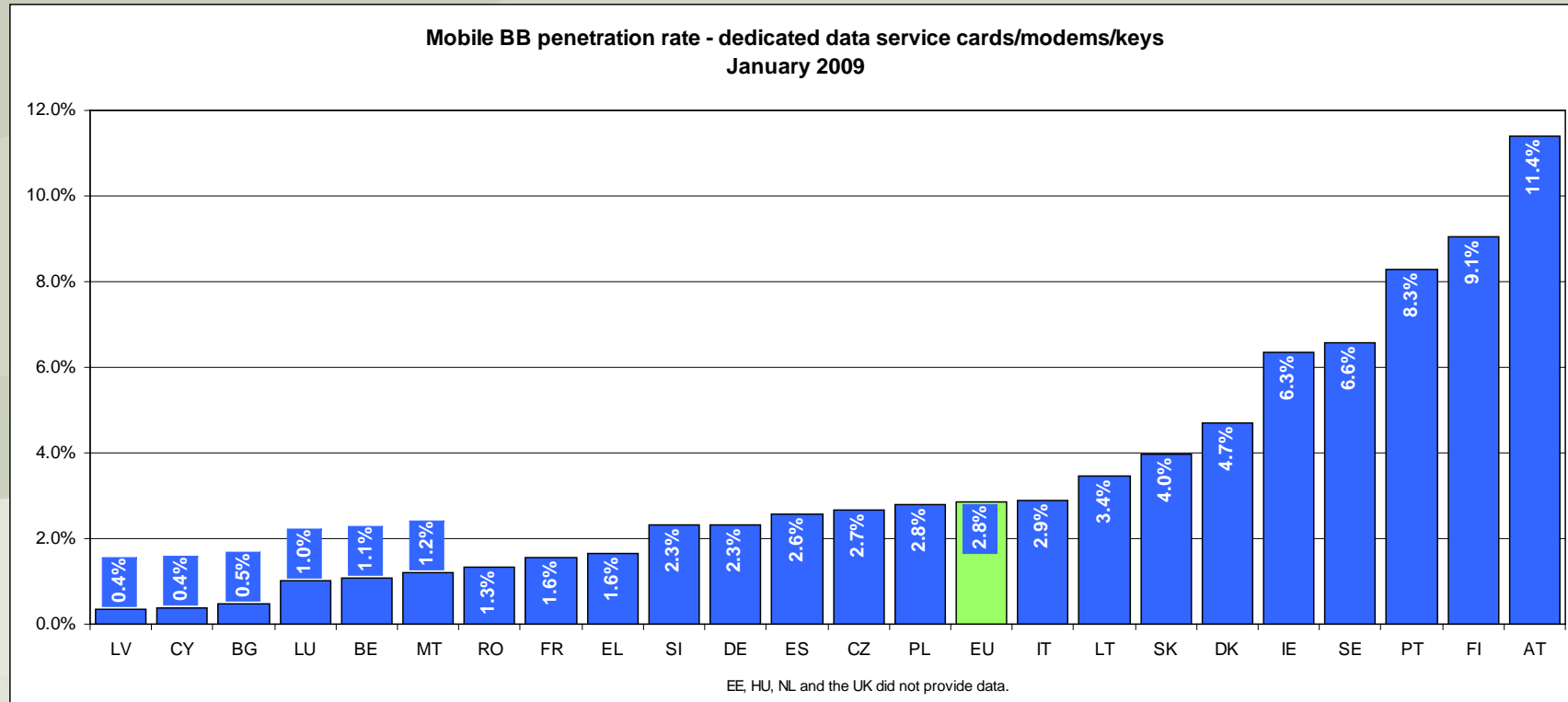
- EU average **23%** (+14 million lines in 2008)
- The top EU countries remain world leaders in Broadband penetration. 9 EU countries are ahead of the USA.
- The gap between the best and the worst performing countries in Europe remains significant: 26.3 percentage points between Slovakia and Denmark.



Household penetration: Income effect Average EU vs. objective 1 regions



Mobile Broadband Penetration as of January 2009



Mobile Broadband Penetration as of January 2009

- EU average **2.8%** of population for dedicated data cards/modems/keys, typically allowing mobile Internet via laptops, is significantly lower (between 0.4% in Latvia to 11.4% in Austria)
- Drivers for increased mobile broadband usage include the emergence of tariff structures through flat rates that are becoming in some cases more attractive than traditional DSL offers.



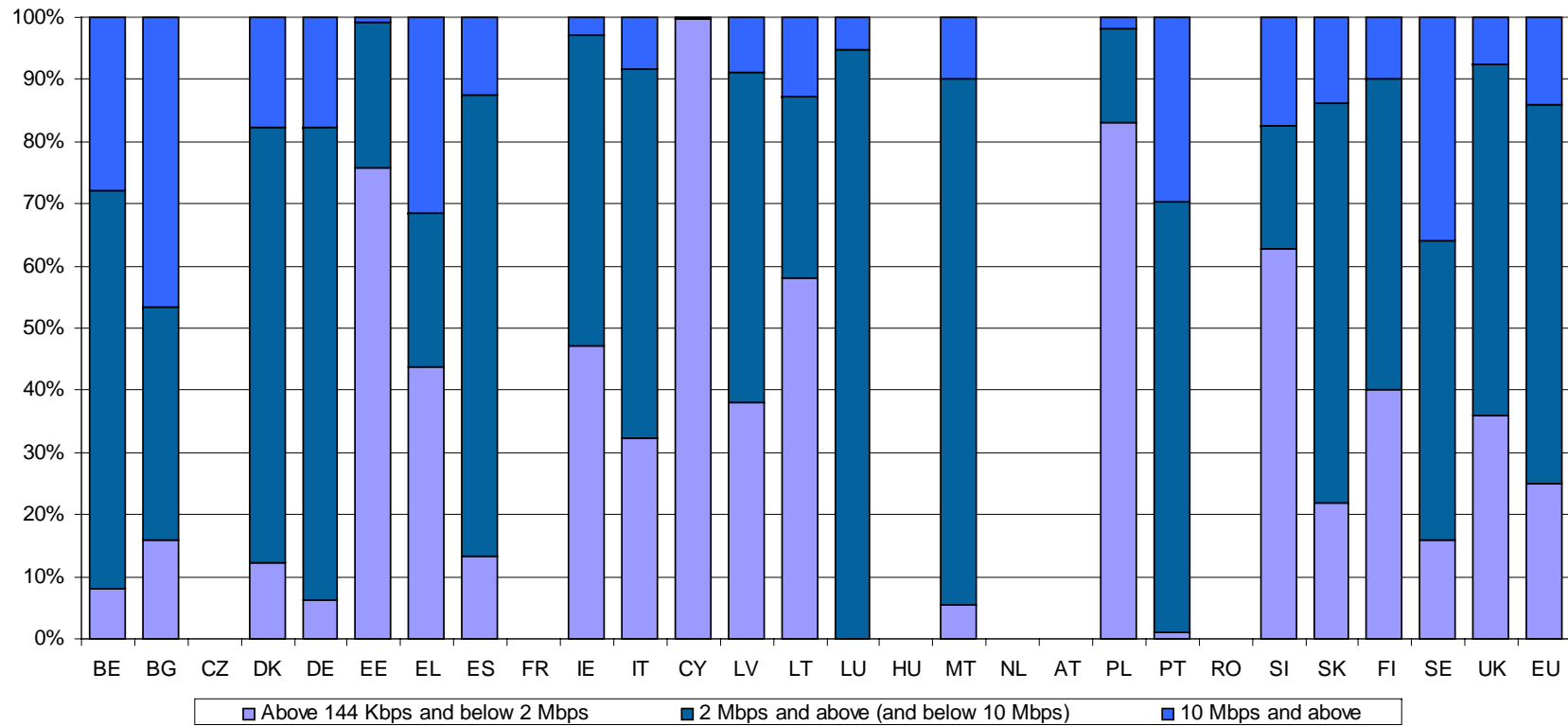
Speeds

- Higher speeds allow faster use of image-rich services.
- When designing a publicly-supported Broadband project, it is very important to assess the needs of the population, and in particular of business and professionals, in terms of speeds.
- Upload speed is important for user-created content.
- Public investment should target local needs and possibly be future proof.



Speeds

Fixed broadband lines by speeds - January 2009



CZ, FR, HU, NL, AT and RO did not provide the data



Speeds

- However, there is often a gap between what subscribers are offered and the speeds they effectively get when they download web services.
- The Commission will launch a study to measure the gap between advertised and effective speeds



Coverage

A basic issue for Broadband State aid:

- Data is gathered through a survey of telecom operators
- IDATE publishes a study for the EU on coverage
- Coverage data is a basic tool. Mapping of infrastructure would be a more refined tool to identify the gaps.
- It is important for regional authorities to do surveys and get in touch with operators



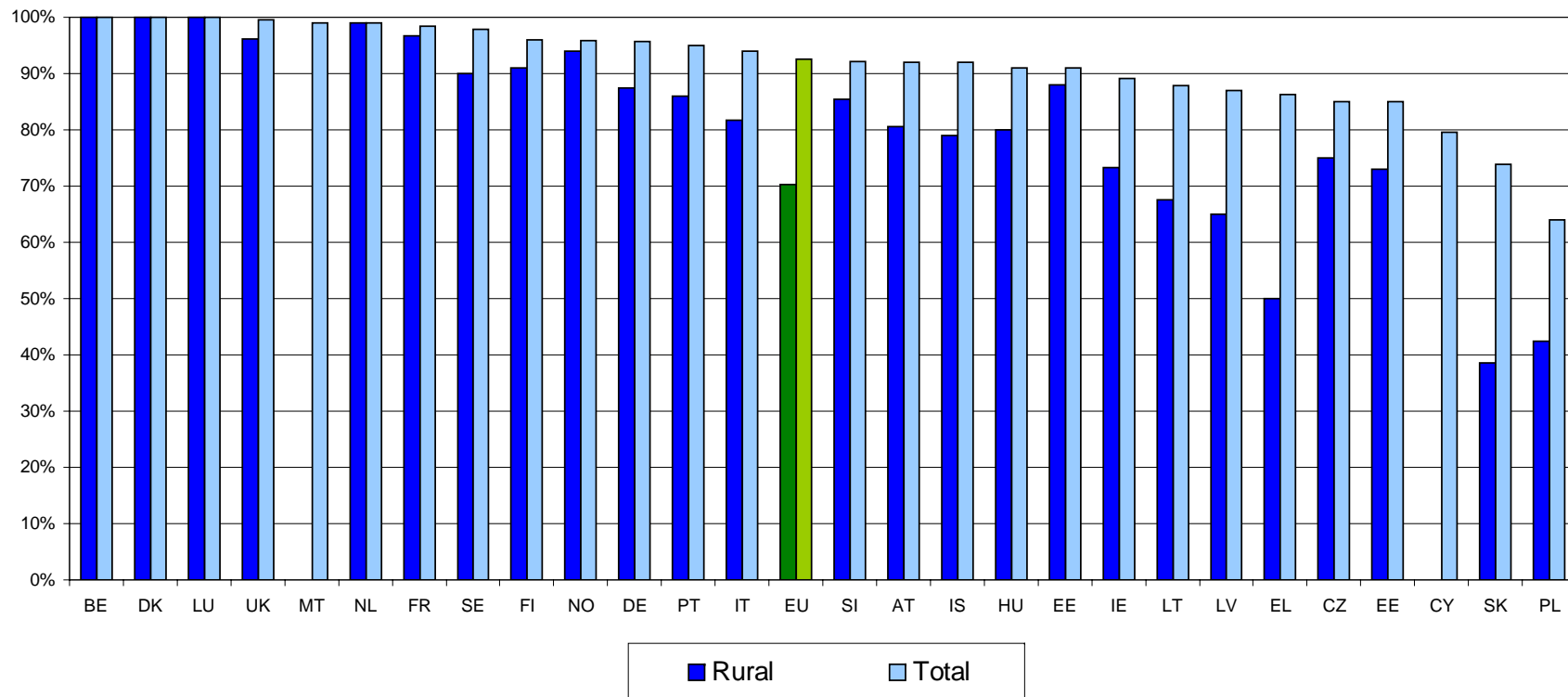
Coverage

- 93% of EU-25 population accesses broadband in the EU
- However 30% in rural zones of EU-27 has no access to broadband!
- In some countries the rural gap is still very relevant



Coverage

DSL coverage in the EU



Retail Prices

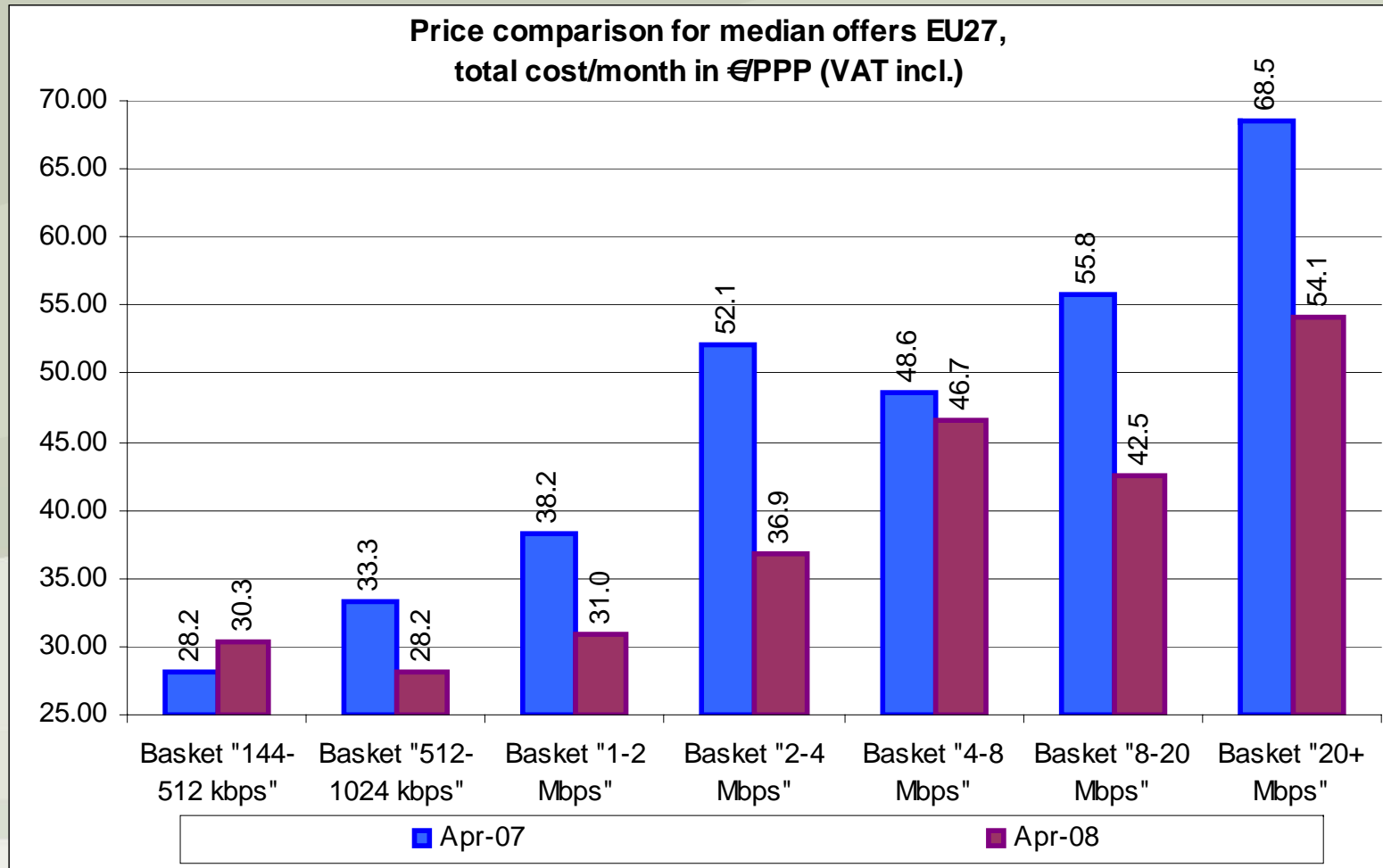
- There are different studies on broadband retail pricing. The studies usually define baskets for different patterns of consumption.
- The Commission carries a study done by Van Dijk Consulting.
- It compares the price of broadband subscriptions in seven groups ("baskets") at different download speeds for broadband via DSL, cable modem and fibre.

Retail Prices

- Average monthly prices for broadband subscriptions fell in the EU between April 2007 and April 2008.
- There are significant differences between Member States in broadband retail prices and cost structure for similar products.
- Broadband access costs are, on average, higher in the New Member States than in the EU 15, except for two baskets (1-2 Mb/s incl. and + 20 Mb/s).



Retail Prices



Broadband Usage

We rely on [Eurostat surveys](#), that cover a long list of questions and topics.

e.g.:

- 56% population who are regular Internet users
- 53% population that regularly sends emails
- 25% population that uses Internet banking
- Etc. More in the i2010 Benchmarking Report to be adopted by the Commission in June



Broadband Performance Index

- Broadband adoption can be analysed within a number of dimensions need for a composite index
- To compare and rank country performance in broadband
- To set policy priorities and benchmark/monitoring
- To measures multi-dimensional concepts which cannot be captured by a single indicator (broadband penetration?)

Broadband Performance Index

Pros:

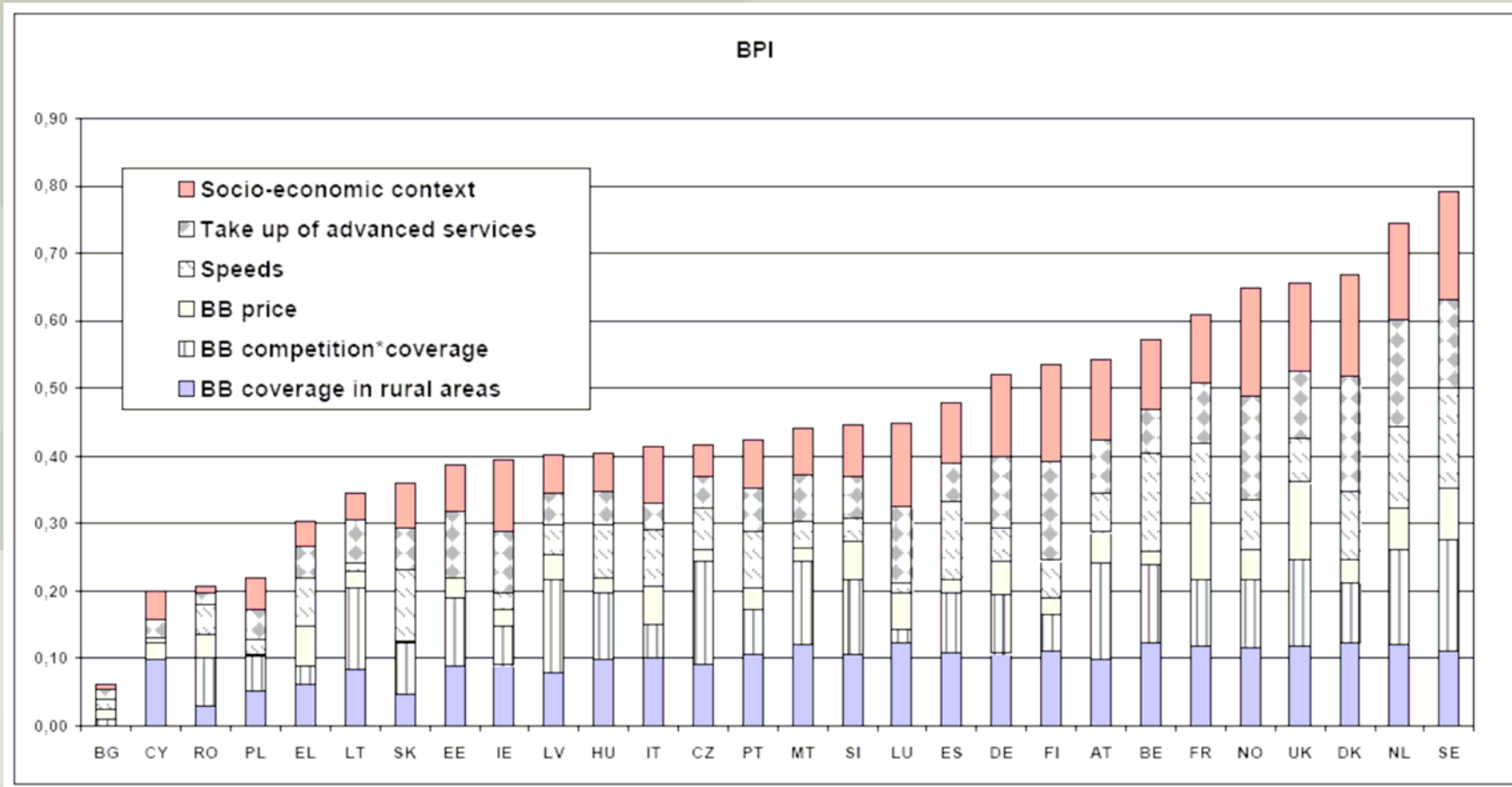
- Can summarise multi-dimensional issues in view of supporting decision-makers
- Easier to interpret
- Facilitate the task of ranking countries
- Can assess progress of countries over time
- Reduce the size of a set of indicators

Cons:

- May send misleading policy messages
- May invite simplistic policy conclusions



Broadband Performance Index



Conclusions

You have access to data on Broadband in Europe
(penetration, prices, speeds...)

Your region:

- It is very important to know the needs from your citizens in terms of speeds, quality and services.
- It is very important to know the coverage. A mapping of infrastructure would be ideal.
- It is important to assess the current gap between coverage (93%) and take-up (23%) and identify the reasons (e.g. income, skills) so as to accompany action and stimulate the demand side



THANK YOU!

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