



Structural
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2009

Structural Funds for European Regional Advancement

Rafael Mompo

SFERA Project

*Member of the SFERA ICT Structural
Funds Council*





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SFERA: The Project

- **SFERA** is a two-year action intended to assist European Regions on opportunities to make optimum use of Structural Funds for the deployment of innovative Information and Communication Technologies (ICTs) networks of the future, and R&D infrastructures

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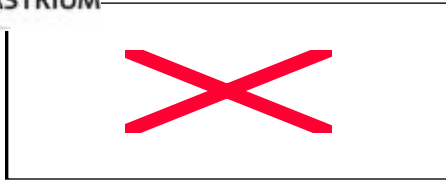







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SFERA: The Consortium

- TELECOM CASTILLA-LA MANCHA - Spain 
- ARIES - Romania 
- ASTER - Italy 
- ASTRIUM - France 
- BASSCOM - Bulgaria 
- IVSZ - Hungary 
- ROSE VISION - Spain 
- SES-ASTRA - Luxembourg 





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SFERA: Mission & Goals

- **SFERA** aims at assisting Member States and Regions in the efficient use of Structural Funds for innovative ICTs that can **bridge the digital divide** of underserved areas





SFERA: Where we stand?

- **SFERA** is :
 - Building upon results from all broadband initiatives (such as B3Regions, PIKE,...)
 - Plus SFERA's own Case Studies and Business Cases developed with regions across EU-27

in order to issue:

- Recommendations
- Advices
- Possible Action Plans

for EC DGs and Regional Authorities

- To that goal **SFERA** is being to establish a network of co-operation activities with regional stakeholders at all levels: eris@, EBP, ERRIN, ERA (European Region Assembly), INTERREG cooperation programmes,...



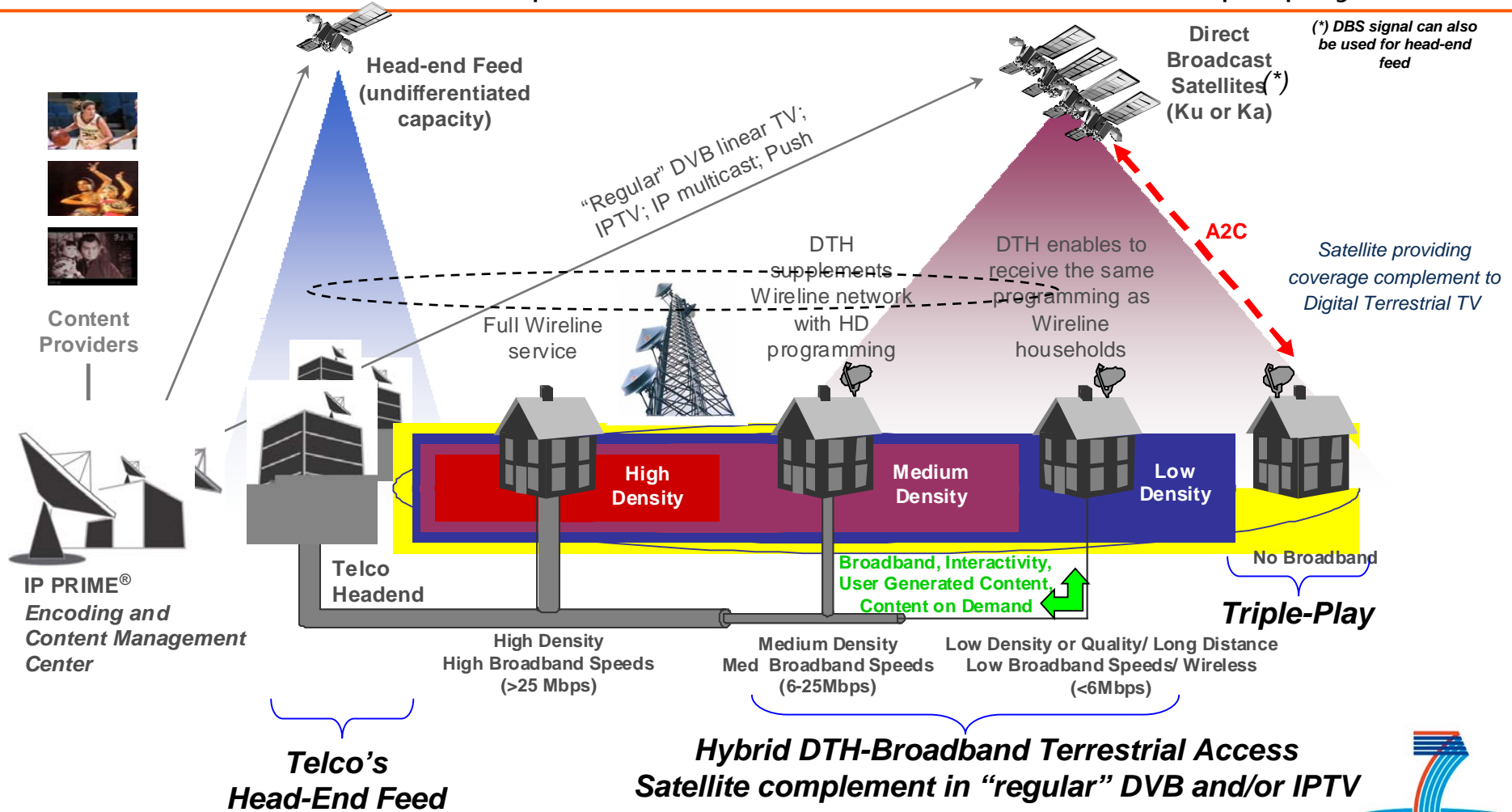


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... we have tools and ways to get there !

Even in advanced markets, xDSL & Fiber's combined IPTV reach will top between 50-60% of total households. Hybrid DTH-broadband bridges the fixed line telco gap and also enables wireless operators to roll-out full market reach triple plays.





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*...but critical mass is
needed for underserved
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Demand Aggregation for Satellite/Wireless





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SFERA: Key Outcomes Year 1

- ICT Structural Funds Council.
 - *Advice on definition of policies, objectives and strategic plans*
- Challenges, Barriers & MaPEeR Strategic Agenda
- 1st. Recommendation Packages
- 1st. Position Paper
 - Future Internet
 - European Economic Recovery Plan





Challenges & Barriers Identified (1)

- Evaluation of different technology ***does require neutral information and a “neutral-technology approach”*** on the capabilities and cost-benefit relation.
- ***“neutral-technology approach”*** is also to include ***“neutral funding consideration”***.
- The ***access to funding budget is, somehow, complicated.***
- ***Comparisons of alternative technological solutions shall be made based on Total Cost of Ownership (TCO)*** over the considered period and funding shall be approved on this base.





Challenges & Barriers Identified (2)

- Implementing *mixed / complementary / shared / hybrid* technical solutions *requires a horizontal, comprehensive and coordinated approach* from decision-makers to stakeholders.
- *Regulatory and Competition policies may have a major impact on the speed of deployment.*





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MaPEeR Strategic Agenda

- ***Map-Analysing***
- ***Map-Funding***
- ***Map-Partnering***
- ***Exchange of Good Practices***
- ***eIntegrating***
- ***Regulation and Competition Policy***





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1st. Set of Recommendations

Correlation matrix
+ positive, supporting
- negative, tradeoff

Interrelationship matrix

SF ICT COUNCIL RECOMMENDATIONS	INTERRELATIONSHIP MATRIX						
	MAPPING ANALYZING	FUNDING	PARTNERING	EXCHANGE OFF	INTEGRATING	REGULATION & COORDINATION	
Create 1 Regional WG per region to Analyze current Situation and Trends	●	△	△	○			
Apply the "Neutral-technology Approach"	●	○	●	●	○	○	
Improve Criteria for Economic Comparison of Alternative Technological Solutions	●	●		●	○		
Disseminate Funding Schemes and Opportunities Among Relevant Decision-makers		●	△	○	△		
Combine "Neutral Funding Consideration" with the "Neutral-Technology Approach"		●	○	○			
Consider Demand Aggregation	○	●	○	○	○	○	
Make Local Technical Partners available to Regions			●		○		
Implement a pan-European Approach and Public Policy to Increase Incentives to Invest and Lower Entry Barriers	○	○	●		○		
Call-for-Tenders to Efficiently Partner Available Technologies		○	●	○			
Create an Exchange-of-Best-Practices-and-Knowledge Forum	△	△	○	●	△	△	
Implement a Coordinated Approach to ICT / Broadband Deployment			○	△	●		
Integrate Planning eInfrastructure with other Major Infrastructures			△	○	●		
Broadband Availability and Performance to be a target of Public Policy	○			○		●	
Broadband Availability to be Considered a Universal Service Obligation	△	△	△	△	△	●	
Facilitate Spectrum Flexibility and Availability across EU		○				●	

Relationship weighting factors:

- Strong (5)
- Moderate (3)
- △ Weak (1)





... we are simply there !!!!!.

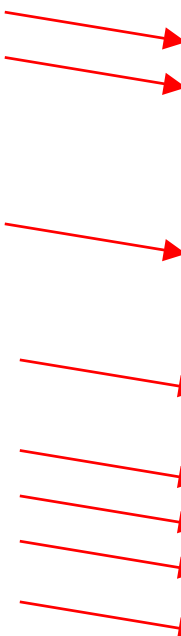
Correlation matrix
+ positive, supporting
- negative, tradeoff

Interrelationship matrix

SFICT COUNCIL RECOMMENDATIONS	Correlation matrix					
	M A P - A N A L Y Z I N G	M A P - P A R T N E R I N G	E X C I T I O N I N G	E I N T E G R A T I O N	P R O M O T I O N	R E G U L A T I O N & P R O C E D U R E
Create 1 Regional WG per region to Analyze current Situation and Trends	○	△	△	○		
Apply the "Neutral-technology Approach"	●	○	●	●	○	○
Improve Criteria for Economic Comparison of Alternative Technological Solutions	●	●		●	○	
Disseminate Funding Schemes and Opportunities Among Relevant Decision-makers		●	△	○	△	
Combine "Neutral Funding Consideration" with the "Neutral-Technology Approach"		●	○	○		
Consider Demand Aggregation	○	●	○	○	○	○
Make Local Technical Partners available to Regions			●		○	
Implement a pan-European Approach and Public Policy to Increase Incentives to Invest and Lower Entry Barriers	○	○	●		○	
Call-for-Tenders to Efficiently Partner Available Technologies		○	●	○		
Create an Exchange-of-Best-Practices-and-Knowledge Forum	△	△	○	●	△	△
Implement a Coordinated Approach to ICT / Broadband Deployment			○	△	●	
Integrate Planning eInfrastructure with other Major Infrastructures			△	○	●	
Broadband Availability and Performance to be a target of Public Policy	○			○		●
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Facilitate Spectrum Flexibility and Availability across EU		○				●

Relationship weighting factors:

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- △ Weak (1)





- **Demand Aggregation Must be Considered. A Forum where Region / Members States can put in common demand aggregation issues needs to be developed.**
- Direct public funding is not the only available tool to bringing broadband to under-served areas. Demand aggregation policies can create a critical mass of users, exploit economies of scale and facilitate commercial investment.
- There is a **potential for demand aggregation schemes across regions, in particular where satellite solutions are considered.** Moreover, a pooling of many small activities in different Regions and Communities is to be organised and arranged for in order to take full advantage of economy of scale and get better support for planning networks.





A PRACTICAL SOLUTION

- AGREGATE THE DEMAND of several regions (across borders)
- Join funding capacity of such regions (i.e. under the Structural Funds scheme)
- As a consortium, purchase broadband hybrid satellite/wireless services
 - Telecoms operators (mainly satellite operators) deploy the service
 - Each region pays for the service that actually receives (long term contracts with the telecoms operator to ensure operator's return of investment)





Approach to fostering demand aggregation: Focus on the service

- **SFERA** Case Studies are not just related to public infrastructures and broadband access but are also wireless services' provision for Citizens & Businesses
- Case study List:
 - Satellite Information Services for Energy Efficiency
 - Broadband and Satellite-based ICT solutions for sustainable Pyrénées Mountains development
 - Universalization of DTT through Satcom
 - Broadband through hybrid network
 - Satcom/Wireless for Environmental Monitoring
 - Broadband in rural area and remote locations through Satcom
 - Satcom/Wireless Infrastructure for e-Health
 - Broadband for Rural and Remote areas through wireless
 - Wireless Terrestrial in Cities' outer skirts through WIMAX

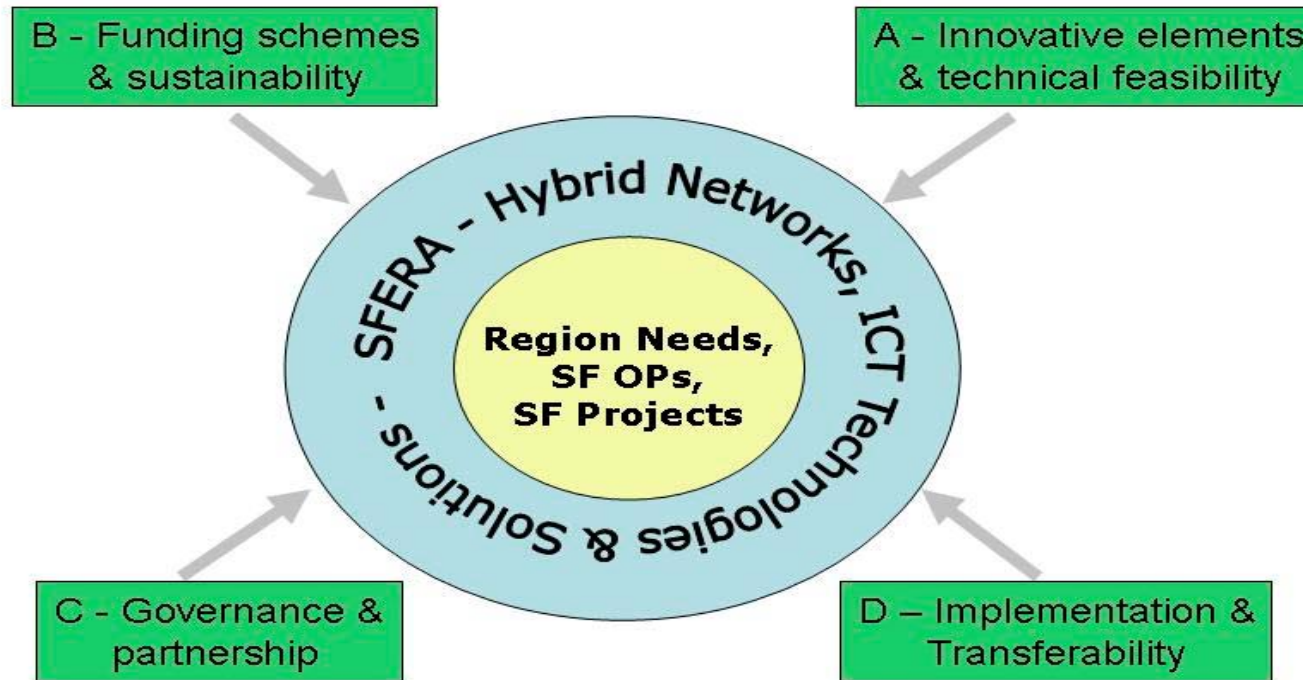




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Case Study Methodological Framework





Case Studies' Major Outputs

- A synthesis of region needs, at national or regional/local levels
- Technical feasibility analysis on proposed ICT solutions
- Identification of partnership
 - regional or inter-regional stakeholders having the capacities to develop and implement solutions
- Guidelines for funding schemes (SF/FP7/CIP,...) or building sustainable business models
- Proposals for dissemination





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THE OPPORTUNITY....

- €1bn Plan for Investment in Broadband:
*a DG INFSO – DG AGRI – DG REGIO -
SFERA Challenge ?*





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A DG INFSO – DG AGRI – DG REGIO – SFERA Challenge ? (1)

- A *target to reach 100% coverage of high speed Internet by 2010 in the EU.*
- In two years we are “to connect” 30% of the EU rural population and increase speed and capacity to about 40% of the overall EU-27 total population.
- In 4 months time, Member States and Regions will have to propose modifications of their Rural Development Programmes to incorporate the option for investment in broadband infrastructure.



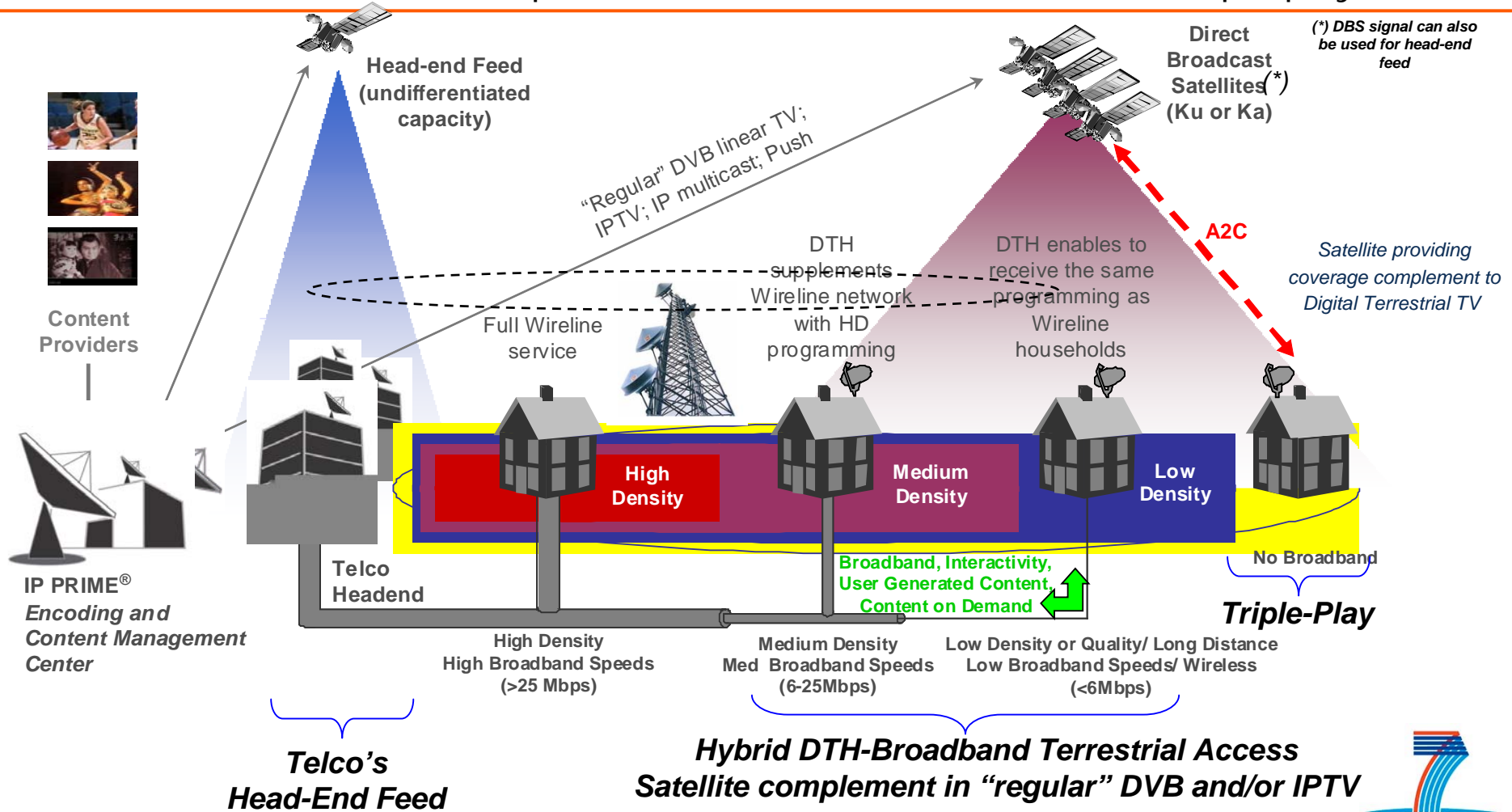


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PROPOSAL FOR A DISCUSSION IN TODAY'S WORKSHOP

- AGREGATE THE DEMAND of several regions (across borders)
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but now...

***It is your (our) turn to stand-up,
be pro-active and get things going !!!***

No one will come to do the job for us!!!

