



Digital Decade 2030

Meeting Europe's Connectivity Investment Targets: A Great Leap Forward or Back to the Future?

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EU today in terms of Connectivity (1/2)

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- **FTTP coverage** has double in the last 5 years, reaching 50% in 2021 in the EU
 - Latvia, Spain, Portugal, Romania and Bulgaria leading with > 85% coverage
 - Belgium, Germany and Greece are lagging behind, < 20% coverage
 - Rural fibre coverage much lower than overall coverage, at 34%
- **Mobile 4G (LTE)** is almost ubiquitous with 99,8% of populated areas covered by at least 1 operator.
- **5G coverage** has increased substantially from 14% of populated areas in 2020 to 66% in 2021. But 60% of enabled 5G base stations use 4G spectrum

EU today in terms of Connectivity (2/2)

- **CAPEX per home passed** varies widely
 - EUR 400-500 in Spain vs EUR 2.500-3,000 in Germany
 - Various factors: investment timing, landscape, type of engineering, availability of legacy passive infrastructure, etc...
- **Less competition** does not translate into more **investment** by incumbents
 - France: high investment rates, low prices, good coverage
 - Germany: low investment rate, poor coverage

The right regulatory framework

- **Pro-investment regulatory framework**
 - 2018 European Electronic Communications Code
 - 2020 Recommendation on relevant markets and Connectivity Toolbox
- **Complemented soon by new measures**
 - to reduce red tape (Review of the Broadband Cost Reduction Directive)
 - and provide update regulatory signals and guidance to NRAs (review of Access Recommendations)

But **telecoms not to be seen in isolation => underlying infrastructure** that sustains the development of digital services and overall the digital economy ...

Vision of the 2030 Digital Decade

Skills

ICT Specialists: 20 millions + Gender convergence

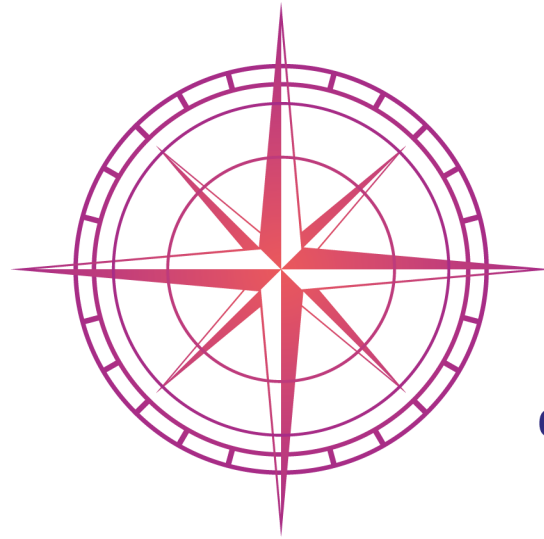
Basic Digital Skills: min 80% of population

Government

Key Public Services: 100% online

e-Health: 100% availability medical records

Digital Identity: 100% citizens using digital ID



Infrastructures

Connectivity: Gigabit for everyone, 5G everywhere

Cutting edge Semiconductors: double EU share in global production

Data – Edge & Cloud: 10,000 climate neutral highly secure edge nodes

Computing: first computer with quantum acceleration

Business

Tech up-take: 75% of EU companies using Cloud/AI/Big Data

Innovators: grow scale ups & finance to double EU Unicorns

Late adopters: more than 90% of European SMEs reach at least a basic level of digital intensity

What next?

- **Need to reflect more forward- looking**
 - Continuous technological developments and innovations
 - What will their impact be on connectivity infrastructure? on the telcos business models? on the financing of network deployments?
- **The debate about fair contribution is to be seen in a broader context**
 - Need to increase investments for more modern and resilient networks
 - *“All market players benefitting ... should assume social responsibilities”*
=> Proposal for a European Declaration on digital rights and principles
 - COM is engaging in open dialogue, important to base our reflections on sound evidence

Thank you



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