BROADBAND & SOCIETY

Crister Mattsson
Our activities

- Socio-economic return-on-investment studies
- Case studies and business modelling
- Broadband strategies, policy support
Digital Agenda

The target is that all EU citizens should have "basic broadband" access by 2013; and that by 2020 they should have fast coverage at 30 Megabits / second — with half of households having 100 Megabit subscriptions or higher.

• Full implementation of this updated Digital Agenda would increase European GDP by 5%.

• In terms of jobs, 1.2 million jobs could be created through infrastructure construction. This would rise to 3.8 million new jobs throughout the economy in the long term.
Problems identified:

The incumbents does not do the necessary investments in fiber networks.

Alternative public and private investors (including local administrations and public utilities) are often held back by policy's and capital costs.
Guide to High Speed Broadband

A joint effort from M. Forzati and C. Mattsson from Swedish ICT ACREO; M. Corbett and D. Cullen from Independent Networks Co-operative Association (INCA);

• contribution from the regions involved into the Engage Project (High Speed Broadband for Rural Europe).

• Supervision of DGREGIO, DGCONNECT, DGAGRI and DGCOMP.

Aims:

• Presents the investment alternatives when developing broadband;

• Advises public authorities how to take a long-term investment perspective;

• Provides alternatives: infrastructure, investment model, financial model/tools

• Suggests how to involve citizens, broadband developers, and how to monitor and broadband investment.

Dacian Cioloş said:

"I hope that the guide will help national and regional authorities make use of EU funds for further developing an innovative, knowledge-based businesses and human capital in rural areas, for example in helping help to close the rural-urban gap in access to high-speed internet facilities."

• Choice of the **infrastructure type**.
  Deploy a future-proof broadband infrastructure or upgrade the current infrastructure as an interim solution?

• Choice of the **investment model**.
  How involved shall the PA be in each aspect of the infrastructure (implementation, operation, ownership and management?)

• Choice of the **business model**.
  Vertically integrated or one of the open-network models? Which best maximises financial sustainability, coverage, competition?

• Choice of the **financing tools**.
  How to provide the necessary financing and what can actors contribute in terms of capital, spend and assets?
Different flavours of open access

- **a**: PIP & NP
- **b**: SP & NP
- **c**: NP
- **d**: NP & SP
- **e**: Vertically integrated Operator
  - with LLUB
  - Vertically integrated Operator
  - with bitstream access
  - 'All-in-a-box'
Municipals and regions policy

Connect everything with fiber

Operatorneutral networks

Include broadband in the city planning
FTTH deployment

Impact 1.1 billion/y

0.1%

Higher employment

Investment 5.5 billions sek

10%

FTTH/FTTx penetration in 2007

Change in employment 2007-2010 (adjusted)
Stokab, a socio-economic analysis

• Higher competition
• Lower price on broadband for enterprises
• Growth and jobs creation
• Increased property values
• Cost savings for the public sector
Ftth rollout impact on industry

Economic activity

Stokabs profit
Accumulated investment and returns
Digital Service for homecare

*Pilot project (300 of total 3000) saved 25 mill. Sek/year*

- Video phone to 120 users
- Message service to 90 users
- Moving video to 15 users
- Camera night time to 75 users
Digital Service for homecare

The yearly net savings in the delivery of home care, generated by digital services can reach up to:

- **€4 million** for a **sparse rural municipality** (pop 8,000; 2inh/km²)

- **€68 million** for a **“large city”** (pop 500,000)

The cumulated net saving for the **whole of Sweden** in the 2014-2020 time period can be up to **€6 billion**