

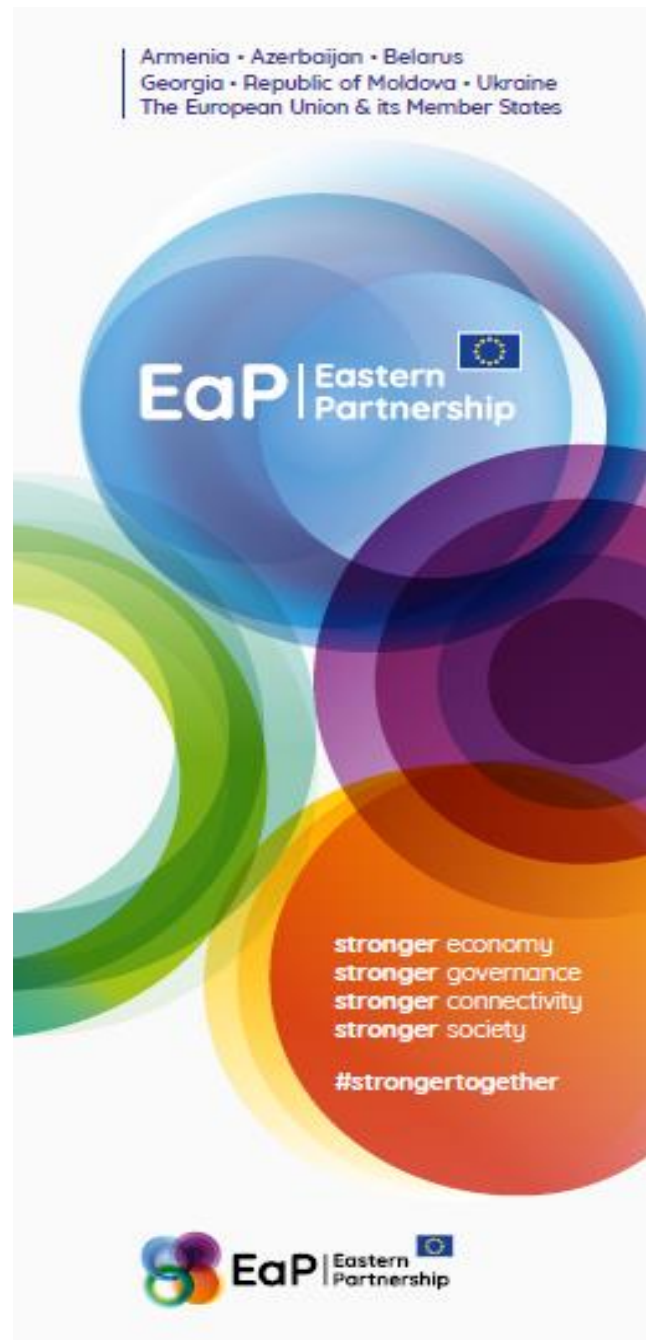


The road to Broadband Development in the EaP countries

Inga Popovici
Chair of IRB EWG
ANCOM/ROMANIA

Warsaw
2nd of July 2019

What is EaP?



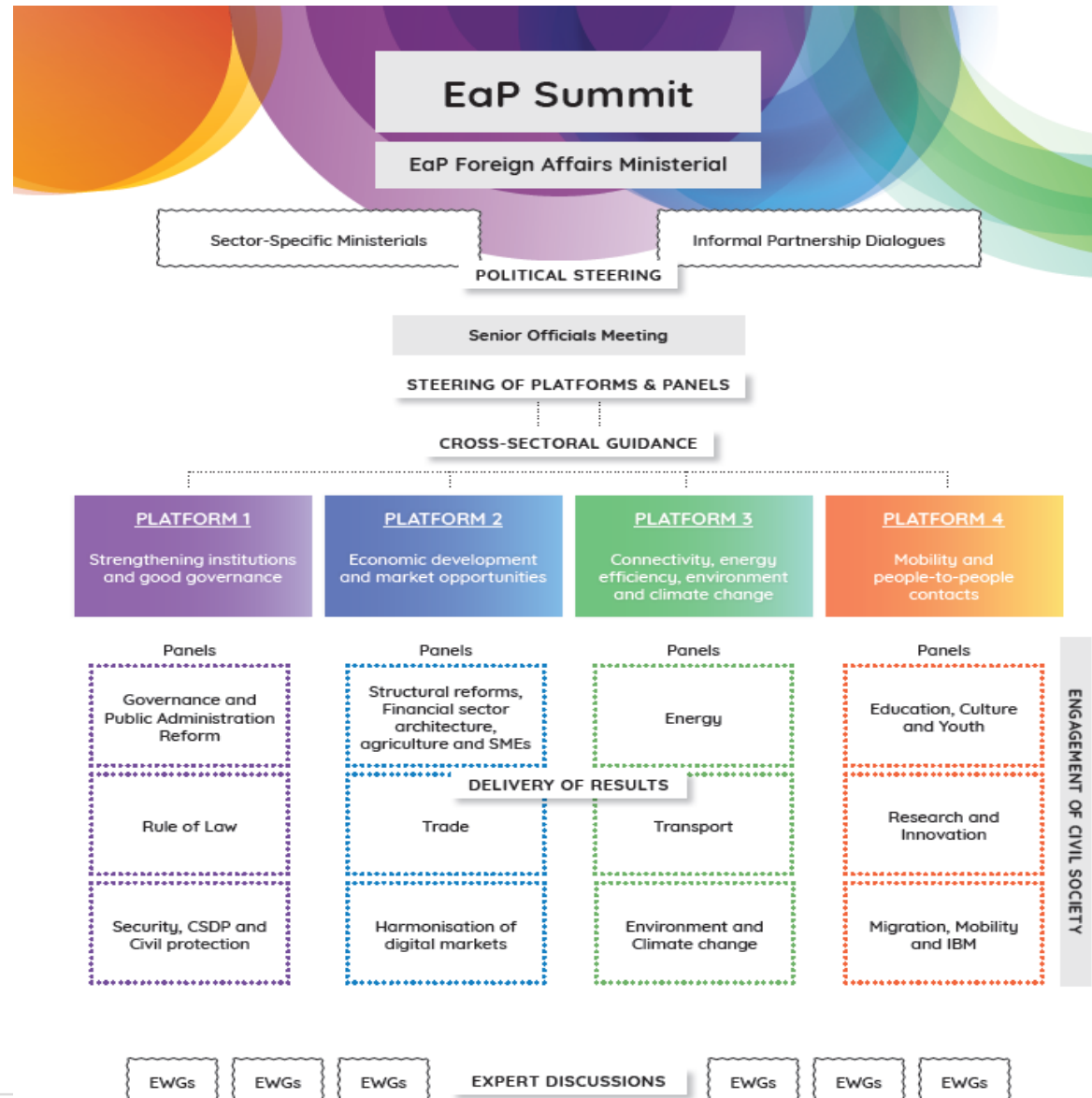
Multilateral
dimension

28+6

One goal



Economic
integration and
convergence
with EU policies



Political agreements

Targets by 2020

- ☐ **Independent NRA** for electronic communications in place in at least five EaP countries
- ☐ **Coordinated national spectrum strategies** among the EaP countries and with the EU
- ☐ **Harmonized roaming pricing and reduced roaming tariffs** among the EaP countries. Good progress in roaming negotiations with the EU
- ☐ **Roll-out of national Broadband strategies** by all EaP countries - able to ensure available, affordable and reliable broadband - key element for growth, employment, innovation, trade



EaPeReg Action Plan 2017-2020 (Mid-Term-Strategy) - 5 pillars:

1. Legislative approximation and fostering NRA independence
2. Spectrum coordination
3. Harmonization of roaming tariffs
4. Benchmarking studies
5. Broadband Development

Responsibilities:

- IRB EWG – Pillars 1, 4, 5
- SEWG – Pillar 2
- REWG – Pillar 3

Thematic areas and expected results

1. TELECOM RULES



- Achieving **common roaming space**
- **NRA independence** strengthening
- Develop **coordinated frequency distribution strategies** for **freeing 700MHz**
- **Develop broadband in EaP Region**

2. TRUST & SECURITY



Cross-border **eSignature pilot** and regional framework for **cross-border eServices** for business, **cyber-resilience** strategies

3. eTRADE



Three pilots - cross-border **eTrade**, **eCustoms**, and **eCommerce**, preparatory actions to pilot **Digital Transport Corridor**

4. ICT INNOVATION



Actions to favour development of **ICT research, start-ups & innovation ecosystems**

5. eHEALTH



Harmonised frameworks for **eHealth**, among EaP partner countries and with the EU

6. DIGITAL SKILLS



Designing **digital skills strategies**, **Competence framework** for SMEs



COMMUNICATION

Building EU4Digital brand to streamline **visibility** and leverage impact of EU cooperation across the digital economy and society in the EaP



1. TELECOM RULES

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- **REWG**
- **IRB EWG**
- **SEWG**

Ministerial meeting on Digital Economy in Bucharest

28th February 2019



romania2019.eu



EaP 10 YEARS Eastern Partnership

Third Eastern Partnership Ministerial Meeting on the Digital Economy

28th February 2019, Bucharest, Romania

DECLARATION

The Ministers responsible for the Digital Economy and the representatives of the Republic of Armenia, the Republic of Azerbaijan, the Republic of Belarus, Georgia, the Republic of Moldova and Ukraine, the representatives of the European Union and the Ministers and representatives of its Member States met in Bucharest, Romania, on 28th February 2019 to discuss the progress of the digital cooperation within the Eastern Partnership (EaP) framework and registered since the second Ministerial meeting in October 2017.

In this third Ministerial meeting and in view of the 10th anniversary of the Eastern Partnership due in May, the participants also addressed the challenges and opportunities of the digital economy in the EaP region. The participants reaffirmed the shared commitment to the digital economy, including the Harmonisation of Digital Markets (HDM) among the EaP partners and with the European Union.

Representatives of International Financial Institutions, regulatory authorities for electronic communications, research and education data networks, the EU4Digital project consortium, as well as representatives of the private sector and the civil society were also present.

Recalling the latest [Ministerial Declaration](#) of 5th October 2017 in Tallinn, which provided input to the [Joint Declaration of the 5th Eastern Partnership Summit](#) of 24th November 2017 in Brussels, the participants affirmed their commitment to deepen the cooperation in six joint priority topics (electronic communications and infrastructure, trust & security, eTrade, digital skills, ICT innovation & startup ecosystems and eHealth) and defined specific targets for 2020 as part of a roadmap for their digital cooperation, in the context of the 20 deliverables for 2020 and in order to ensure concrete benefits for citizens and businesses.

The participants have today adopted the following Declaration:

The participants reaffirm their commitment to the objectives stated in the Joint Staff Working Document ["Eastern Partnership - 20 Deliverables for 2020 - Focusing on key priorities and tangible results"](#) of June 2017, in particular regarding Deliverable no. 7: "Harmonisation of Digital Markets".

The participants welcome the launch by the European Commission, of the [first Eastern Partnership wide Action under the EU4Digital brand](#), to support swift and effective implementation of reforms in the EaP partner countries for further developing the digital economy and society, in line with European Union norms as appropriate, including legislation, standards and best practices.



Connectivity for a European Gigabit Society



FASTER AND HIGHER QUALITY CONNECTIVITY FOR ALL EUROPEANS

With better connectivity, what will we be able to do in 2025?

  TIME TO DOWNLOAD	 2016 (typical European legacy networks – 20 Mbps)	 2025 (Fiber to the Home networks – 0.4 Gbps)
CT scan	14 minutes	40 seconds
Virtual reality game	34 minutes	102 seconds
Top smartphone storage	3.6 hours	11 minutes
4K movie	11 hours	33 minutes
Medium sized corporate server restore	28 days	33 hours
Human genome	33 days	39 hours

EU4Digital Initiative – Broadband Component: activities and milestones

1

Benchmarking Study & Gap Analysis

Conduct broadband market and legal and regulatory framework benchmarking and gap analysis for each of the EaP countries:

- against the EU framework
- technical missions
- survey
- policy gap analysis
- assess capacity building needs

2

Improving legal and regulatory frameworks for broadband

Develop a common approach to improve the legal and regulatory frameworks to facilitate broadband development in the EaP region:

- by enhancing Regulator's role in line with EU norms
- define specific and measurable targets
- reflect best international practices

3

Support Broadband Mapping

Support broadband mapping through:

- Workshop
- approaches for broadband mapping
- aligning national legislation with Directive 2014/61/EU

4

Knowledge Sharing

Promote the sharing of experience and best practices through:

- EaP-wide Knowledge Exchange community
- Working Groups
- Regional workshops

5

Formulate/ Update Strategy & Implementation

Support formulation/updates to broadband strategies in line with relevant EU strategies and support early implementation:

- one policy note per EaP country
- outline broadband action plans
- identify investment opportunities

Legal and regulatory frameworks can be further harmonized

- Harmonized legal and regulatory frameworks improve investment potential
- Newer legal reforms (e.g. EU Directive on cost-reduction, on universal services) open new markets and ease investment further

Law/ Regulation/ Policy	AR	AZ	BY	GA	MD	UE
Strengthened independence and administrative capacity of the National Regulatory Agency (NRA)						
Establish public consultation procedures for new regulatory measures						
Establish effective mechanisms for appeal against the decisions of the NRA						
Define relevant product and service markets susceptible to <i>ex ante</i> regulation and analyze markets to identify operators with Significant Market Power (SMP)						
Regulatory powers to ensure adequate access to, and use of, specific network facilities						
Price controls on access and interconnection charges, including obligations for cost-orientation						
Transparency, non-discrimination and accounting separation for SMP operators						
Implement a regulation providing for general authorizations and restricting the need for individual licenses to specific, objectively justified cases						
Policy and regulation adopted ensuring the availability and efficient use of radio spectrum						
Implement regulations on Universal Service Obligations (USO), including mechanisms for costing and financing						
Ensure the respect of users' interests and rights, particularly through number portability and single emergency call number						

Approach to gap analysis

Overall market analysis of mobile and fixed broadband markets to **assess market outcomes** and identify bottlenecks to development

Supply Side market Analysis

Assessment of **demand and internet use surveys** available across countries, and analysis of available surveys

Demand Side market Analysis

Market Analysis

Enabling Environment Analysis

Policy Framework Analysis

Comparative analysis of **national level strategies** or policies to support broadband development specifically, or the digital economy in general

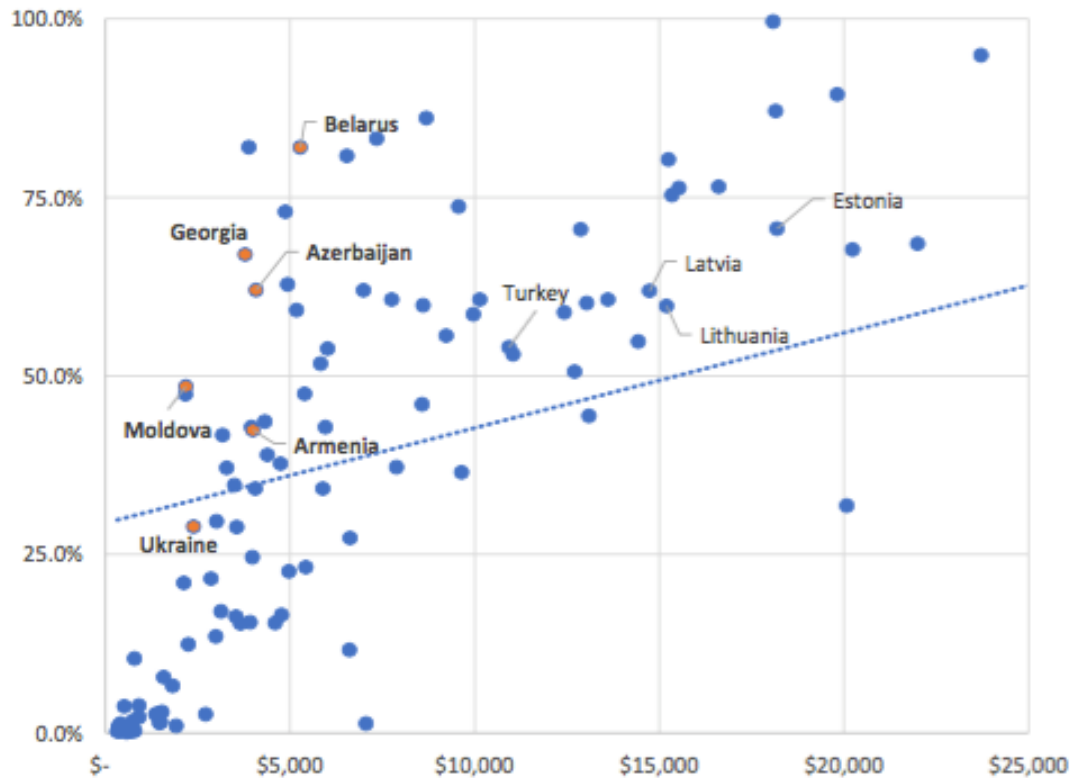
Legal & Regulatory Framework Analysis

Analysis of country **laws and regulations**, with respect to international best practices and relevant EU Directives

*Identify and highlight **priorities for market development** along the above lines - common legal and regulatory approach, with country specific pathways to achievement of objectives*

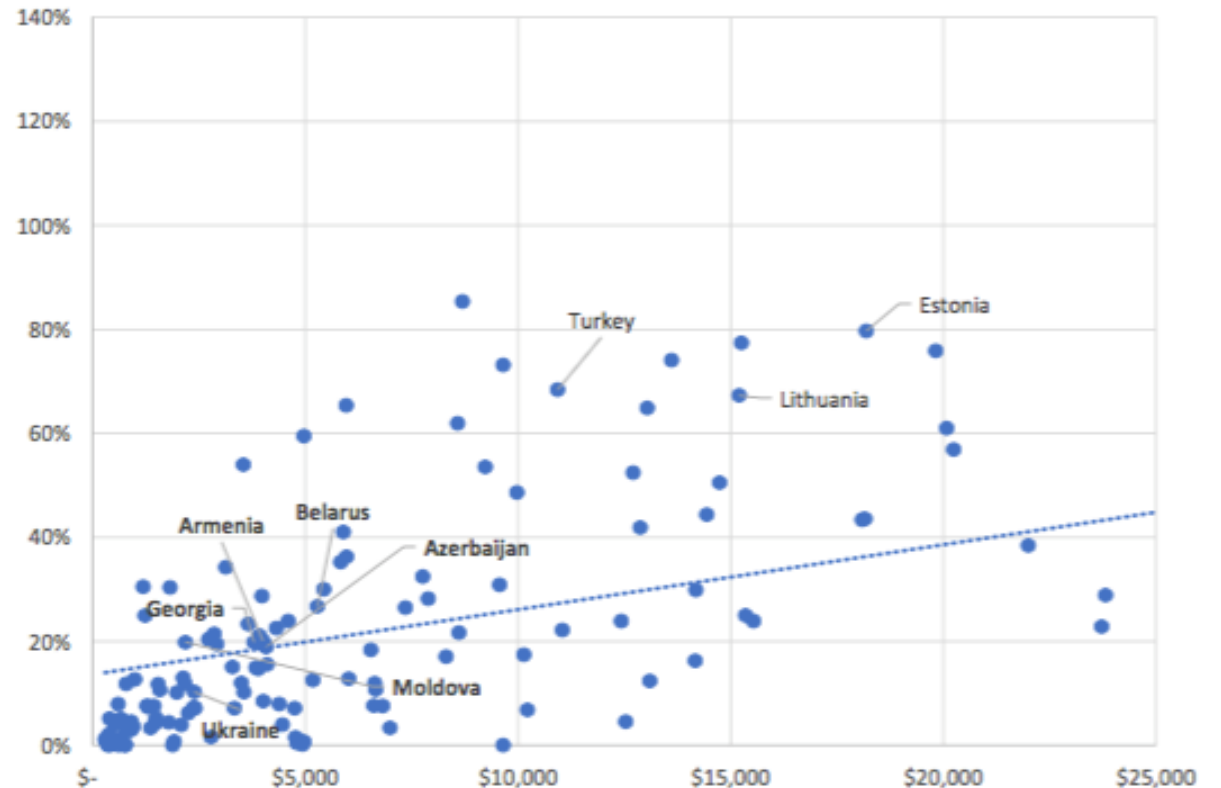
Overall, EaP countries compare well with global income peers

Fixed Broadband Household Penetration (%) vs. GNI per capita



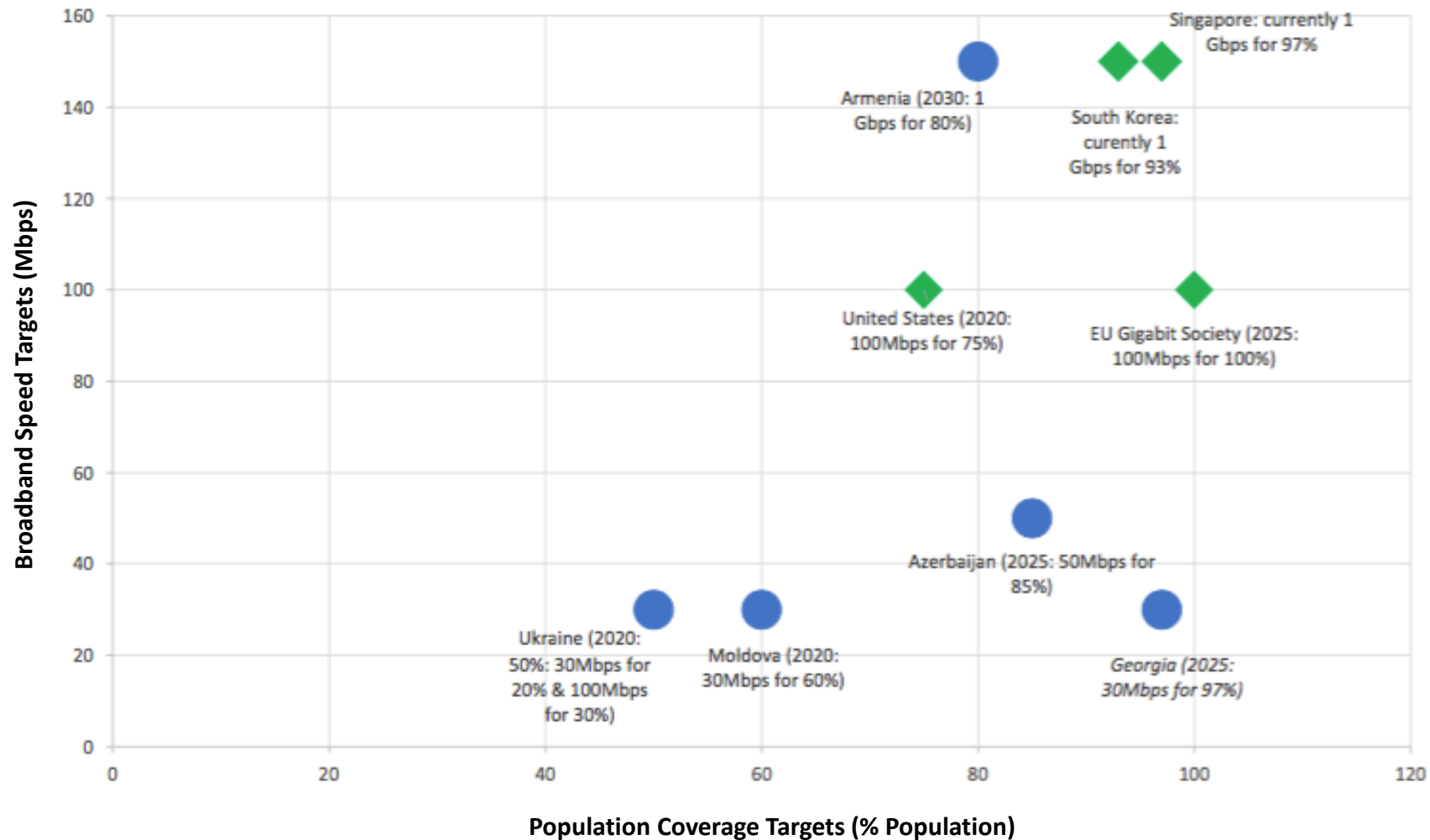
Source: TeleGeography Global Comms Data; World Bank

4G Penetration (%) vs. GNI per capita



Source: GSMA Intelligence; World Bank

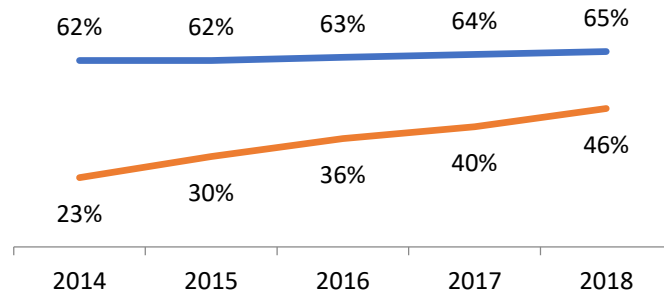
Currently, national strategies have diverse targets, with potential to be more ambitious



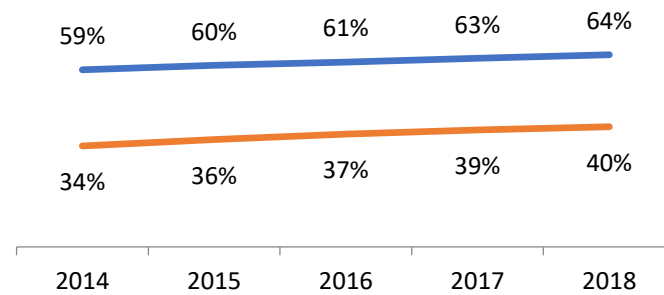
Rate of growth of MBB also varies

Population Penetration (%)

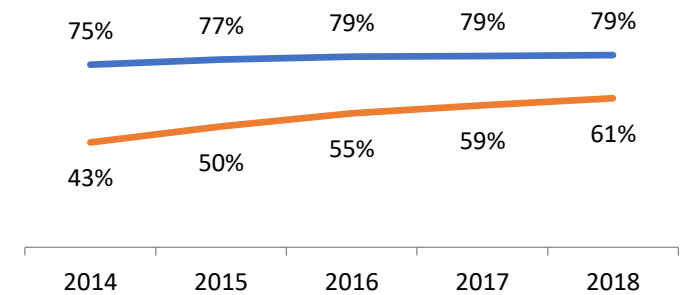
Armenia



Azerbaijan

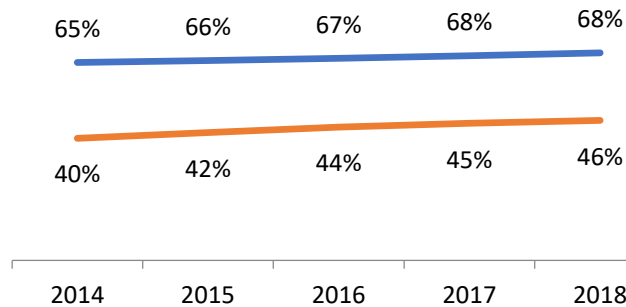


Belarus

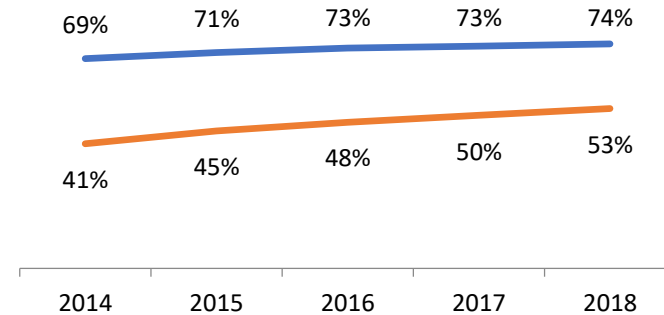


Population Penetration (%)

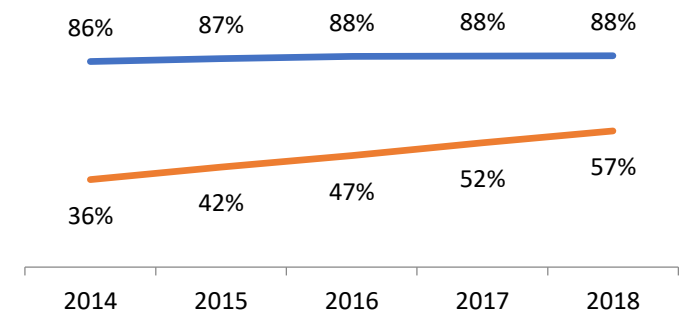
Georgia



Moldova



Ukraine

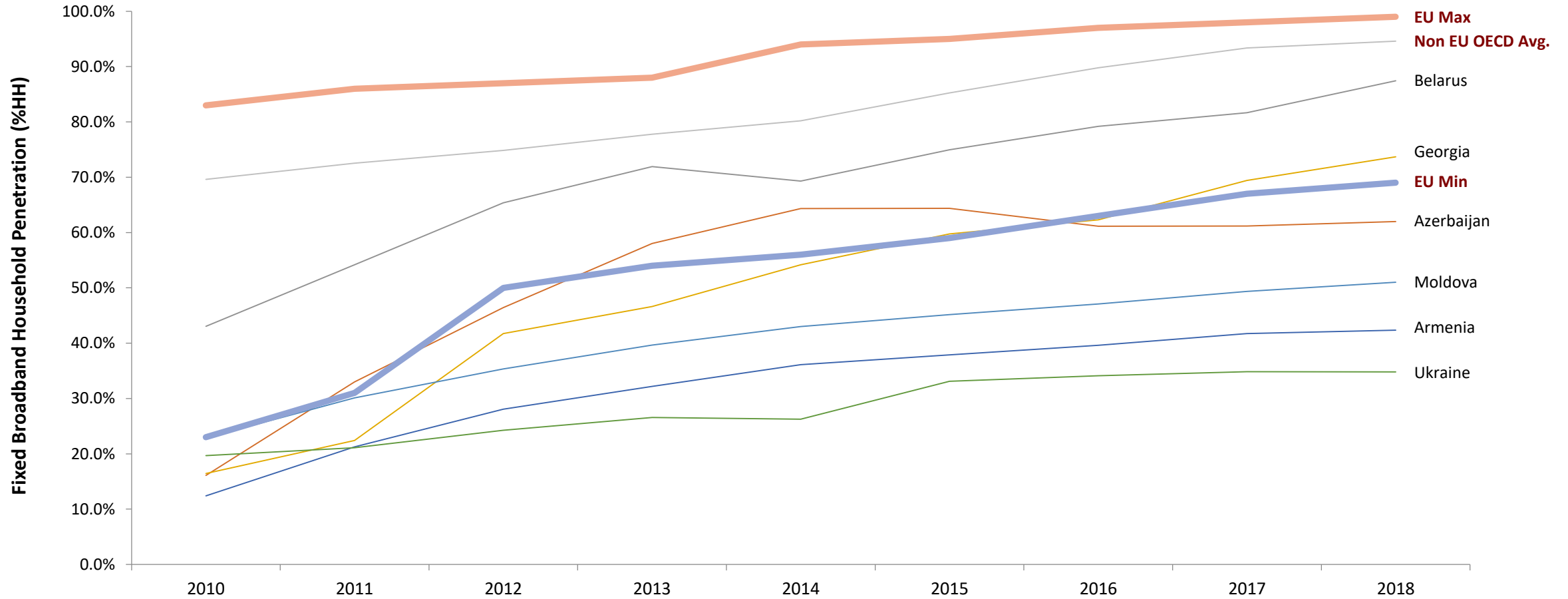


Unique Mobile Penetration
(% population)

Unique Mobile Broadband
Penetration (% population)

Source: GSMA Intelligence

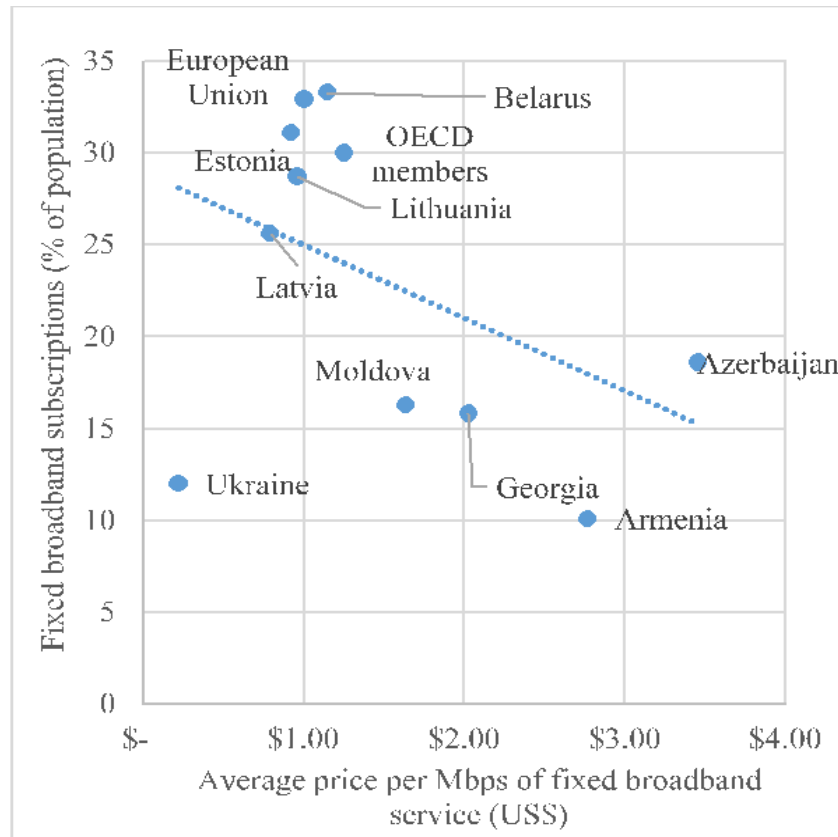
FBF penetration trends demonstrate scope for further stimulation



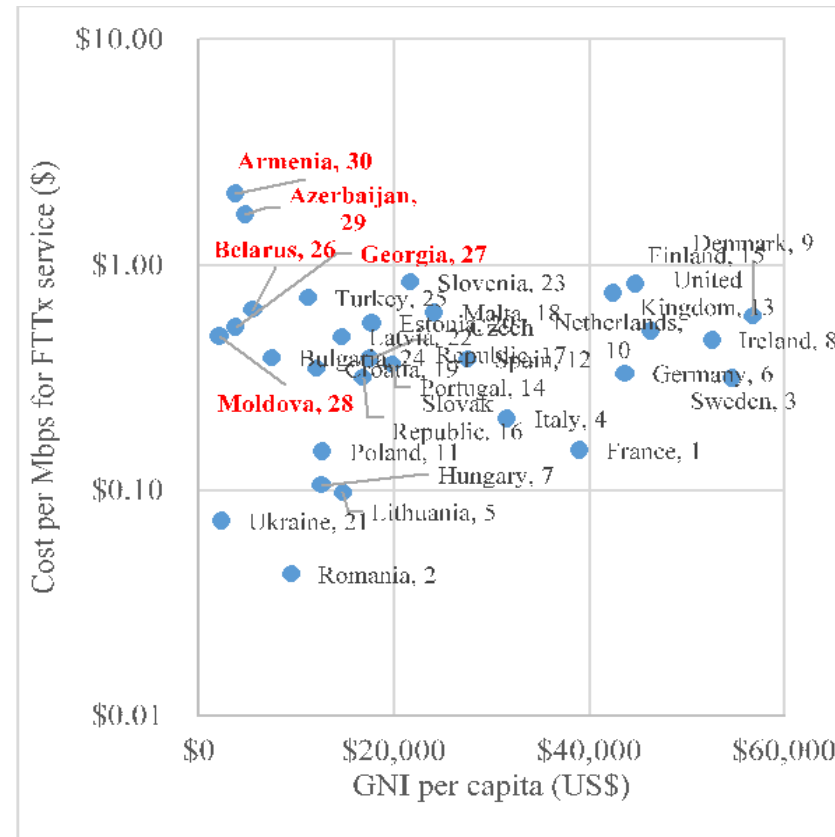
Source: Number of connections - ITU 2017; Population & No. of Households – EaPeReg Statistical Report GSMA 2018; EU statistics – EuroStat, 2018; OECD Statistics: TeleGeography, 2018

Global affordability of fixed broadband and FTTH services scatter

Source: TeleGeography GlobalComms Data 2018



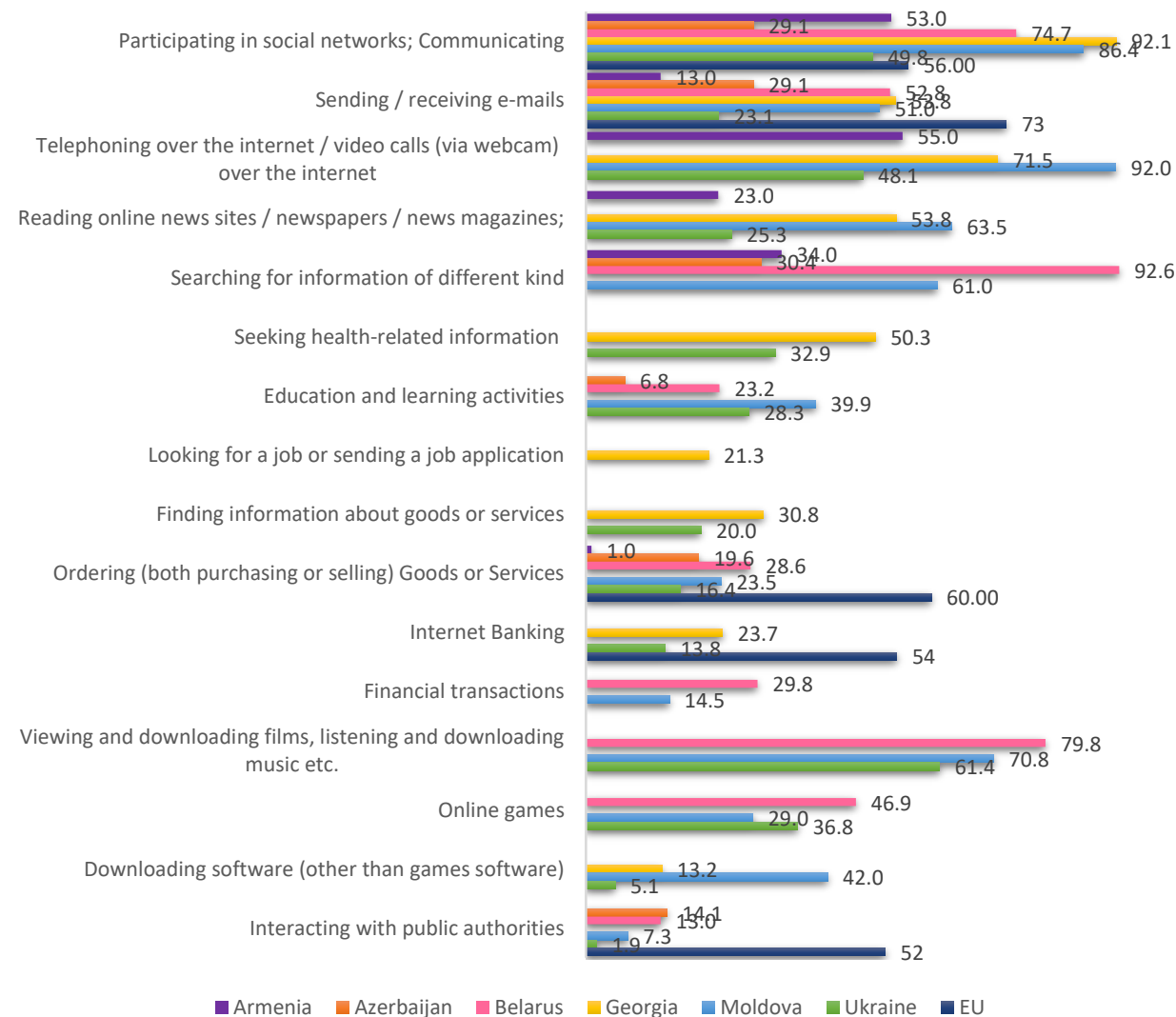
(a) Subscription rates and prices of fixed broadband services are negatively correlated



(b) EaP countries' fiber internet services are relatively less affordable

Type of use of internet

Source: National survey data from individual countries, EuroStat for EU



Connecting Georgia

A National Broadband Development Strategy and Implementation Plan



- Technical Assistance provided by the World Bank on Infrastructure Law [EU Directive 61/2014]. *Portugal and Poland experiences*
- Twinning project with *UKE-Poland* on the comprehensive recommendation document for development of the infrastructure mapping
- Launch of the first trial version of the infrastructure mapping by the end of 2019

Cooperation with other networks/organizations** that are dealing with similar topics (BEREC, EMERG, REGULATel, **CEPT/ITU**)**



Thank you for your attention!

Q&A