



## Voucher Plus scheme

Andalusian Regional Government  
Regional Ministry of Economy, Innovation, Science and Employment  
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- **Scheme summary**
- Action I. Communication Plan
- Action II. Demand Aggregation - bottom-up approach
- Action III. Voucher-Plus Scheme
- Action IV. Demand Aggregation – corporate approach

*Based on the Adroid Business Model template*

Demand side		
Awareness raising/dissemination	Raise awareness of satellite broadband, raise awareness of benefits, provision of IT literacy and user skills	→ <i>Communication Plan</i>
Facilitating/broking	Demand surveys/consultations. Demand aggregation, including prices / QoS / SLAs negotiation with selected operators	→ <i>Demand Aggregation (bottom-up)</i>
Gap funding	Voucher scheme: installation equipment costs, <b>X% tariff subsidy</b> ; <b>white</b> areas; certified service providers, negotiation of prices / QoS / SLAs	→ <i>Voucher Plus Scheme</i>
Public provision/PPP	Inclusion of satellite considerations in tenders for Regional Corporate Network Services (X years contract), to cover bundles of administrative buildings in unserved areas	→ <i>Demand Aggregation (corporate)</i>

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Two basic lines:

- Create public maps from public consultation among operators
  - Publish maps in official website with coverage information
  - Zone classification depending on connection characteristics (DL/UL speed, wired / wireless)
  - Publication of information of broadband providers in each zones  
(<http://www.broadbandforall.eu/>)
- Design of communication / dissemination / training plans to promote BB take - up

**Funding:** regional funds

**State Aids:** not constitutive

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- Support bottom-up SAT initiatives (without funding them)
  - Conduct demand surveys to detect broadband needs
  - Bring local groups/municipalities into contact with SAT providers
  - Help local groups negotiate special conditions with SAT operators (QoS, SLAs, extra services,...)



### Funding:

- Technical Assistance / Consultancy tasks: assumed by regional administration
- Broadband service: paid by citizens or municipalities

**State Aids:** to be assessed if municipality funds are involved

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- Retail – wholesale considerations



## Design phase

- **Scheme justification:** promotion of high speed BB take up

Is it possible to make compatible a SAT voucher scheme (demand side) with DAE2020 targets?

- Coverage 30Mbps. Voucher scheme does not contribute to increase SAT coverage
- Take – up 100Mbps. SAT services does not provide ultrafast speeds (2014-2015)

- **Geographic scope:** households in areas in which BB connections < 1 Mbps, no extension plans expected. Better conditions can be applied for families with low incomes, e.g.

- Fighting digital divide
- Service provision is fast (no deployment)
  - Network deployment in rural/scattered areas is costly in money and time

Being a demand- side action, need to be focused on white areas to comply with any EC requirements?

## Design phase

## •Technology: SAT

- Coverage already available
- Fast installation
- Good DL speeds (10-20 Mbps)

## •Implementation form: Vouchers

- Initial costs (installation, HW) can be an entry barrier for end-users

## • Eligible costs: installation and equipment + % of monthly fee, with a cap of X euros

## How funding these costs?

- Installation and equipment: ESIF funds (check ex-ante conditionalities)
- % monthly fee:
  - ESIF funds > probably not eligible
  - Regional funds? > low availability
  - Assumed by operators? > Special offers / monthly discounts

### Design phase

- State Aid notification:** To be assessed

Can be applied “de minimis” rule (so no notification is needed)?  
( < 200.000€ / 3 years per granted ¿operator? ¿household / SME?)

In case State Aid notification is required, how to deal with technology neutrality?

### Launch Phase - Methodology

- Define MA (regional Adm., public entity, e.g.) in charge of programme management, technical support, monitoring & evaluation, payment processes
- Define phases and procedures of programme management (concession, rejection, payment, justification, monitoring, ...)
- Prepare information systems for programme management and dissemination
- Publish official call
  - Geographic scope
  - Household requirements to join the programme
  - Voucher description (eligible costs, ...)
  - Financial sources
  - Compatibility with other grants/subsidies
  - Procedures and documentation description (request, refusal, payment, justification,...)
  - Deadlines

### Launch Phase - Methodology

- Open a call-off procedures for SAT operators
- Sign agreements with SAT operators interested in joining the programme
  - Minimum service requirements (DL/UL speed, latency, QoS)
  - Extra services / offers
  - Definition of payment/discount procedures ( MA > SAT Operator > End-user)
  - Definition of subscription / unsubscription procedures
  - Assessment and report obligations
  - Fund justification
  - Communication & dissemination activities
  - MA obligations

MPA: Multi-Provider Approach (SABER project)

### MPA – Competitive Selection Process

#### Public Authority identifies the eligible area

Mapping and analysis of the coverage

Consultation

Cost benefit analysis of the various solutions for broadband connectivity (suggested)

#### Public Authority: call-off procedure

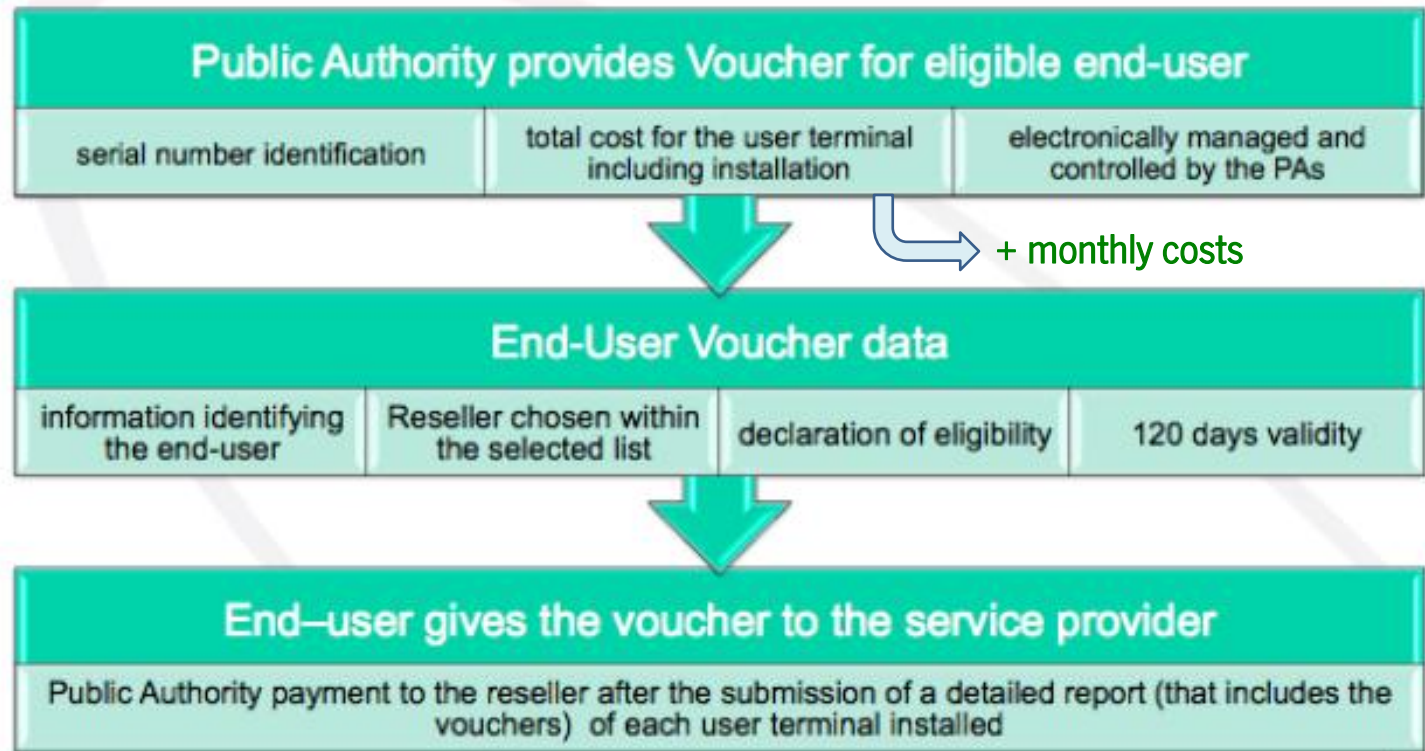
selection of satellite broadband service providers with characteristics in line with the scheme.

#### Agreement between Public Authority and Service Providers

the reporting and monitoring system in accordance with the rules approved within the relevant funding regulations.

MPA: Multi-Provider Approach (SABER project)

### MPA – From End-User point of view



### Programme lifetime management. Bills and payments

- Operators applies discounts in user monthly bill (e.g. same discount during 12 months)
- After subscription deadline ends, operator sends report 1 to PA with info about the citizens who have paid 1<sup>st</sup> month bill
- PA transfers the operator X% of subsidies corresponding to report 1 contracts
- Periodically operator sends report N to PA
- PA transfers operator X% of subsidies corresponding to report N contracts
- Once the programme is over and documentation and operator final report is OK, PA transfers operator remaining funds to fully complete subsidies



### Programme lifetime management . Other considerations

- PA must define what to do when:
  - End user quits the programme before first year of contract
  - Operator doesn't comply with PA-operator agreement
  - Changes in the beneficiary conditions that led to the subsidy approval
  - Changes of operator within the programme period
- Operator should interact with PA information system to:
  - Provide info about the BB service, offers, QoS...
  - Check validity of user voucher
  - Load contracts info (e.g. subscribe/unsubscribe dates, type of connection,...)
  - ...

## PROs &amp; CONs

## • PROs

- Programme can help households with low incomes to start/keep using broadband connections
- Real SAT performance can be tested during several months (users feedback)
- No deployment needed
- Costs not extremely high (white areas basic BB, scattered)
  - 220€/hh = 100€ (installation/once-off costs) + 120€ monthly fee support (10€/month)
  - E.g. 15.000 hh x 220€ = 3.3 M€
    - 1,5M€ ESIF
    - 1,8M€ extra funds

## • CONs

- If service costs are not ESIF eligible...
  - PA needs to find own funds to finance part of the scheme
    - Justify within the organisation the allocation of funds for demand promotion < 100 Mbps
- Administrative/follow-up processes are more complex than the standard Voucher Scheme
  - Two different kind of funds (ESIF / own)
  - Control during the whole period (e.g. 1 year)

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- Promote SAT services through public sector connectivity
- PA needs to provide coverage to administrative buildings located in remote areas
- PA launches broadband procurement process
  - Can include a specific lot focused on remote areas → SAT operators can bid

### Funding:

- Regional funds
- EU Funds could be applied for installation / equipment (to be assessed)

**State Aids:** own needs → probably, measure does NOT constitute State Aids

**Thanks for your attention!**

**BRESAT project**  
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