An official website of the European Union How do you know?



SPEECH | 26 September 2019

## Opening Speech by Commissioner Phil Hogan at Broadband Competence Offices Conference, Brussels

Good morning ladies and gentlemen,

I am delighted to participate once again in this important annual conference.

And of course I am particularly delighted to be coming here with a good news story to tell!

When we launched this conference and the "rural broadband action plan" 2 years ago, we could hardly have anticipated the huge success our initiative would bring.

In this short period, the number of Broadband Competence Offices has increased from 15 to 123. The success of the network has been such that several countries outside the EU decided to follow our example.

We have a representative from Norway in attendance today, as well as representatives from the six West Balkan countries following the conference via web-streaming. There are also offices in Martinique and in the Canary Islands watching this conference online.

We are particularly pleased to see a growing number of regional BCOs, as many as 88 at the last count. It is important that all Member States encourage and facilitate the creation these offices at regional level, in order to bring advice and information to the citizens that need it most, in our rural and remote areas.

Member States also need to reach out more to their Outermost Regions; supporting much-needed digital connectivity in these remote areas, which rely on undersea cables and face high infrastructure costs.

And while I hope you will agree these statistics are impressive, success, is not measured only in numbers. The quality of the services provided by the BCOs increased. We are delighted to see BCOs taking concrete initiatives aiming to bring broadband to the citizens in rural and remote areas.

Many examples can be cited here: The Bulgarian BCO, for example, was instrumental in supporting municipalities in their WiFi4EU applications. A help desk in the BCO managed to make Bulgaria the country with the highest success rate, as 68% of municipalities received a voucher.

Or if we look at Poland: in the 2007-13 programming period, Poland struggled to use up its significant broadband allocation despite urgent needs.

In 2014-2020, by contrast, the responsibility for a much larger €1 billion scheme is with the BCO in Warsaw and implementation is proceeding very well. The Polish BCO is one of the most active in the network.

The Greek BCO managed to launch one of the first demand-side voucher schemes with state aid approval in the EU with a budget of €50 million.

These success stories are very encouraging, but we still have a long way to go. Yes, things have improved considerably in recent years: fast broadband coverage in rural areas has risen from 20% in 2013 to 53% today. And in the past four years the digital gap between rural and urban areas has started to narrow.

However, we still have a lot of work ahead of us! The digital gap continues to exist between rural and urban areas. I just mentioned that 53 % of households in rural areas have access to fast broadband – but this has to be compared with 82 % of the entire EU population.

This digital gap is an unacceptable obstacle for the development of smart villages, precision agriculture, new businesses, jobs and prosperity in rural areas. We should also not forget the importance of digital skills. More than 40% of the EU population, mainly in rural and remote areas, has insufficient digital skills.

This becomes particularly important in the current demographic context where we see rural areas as the main victims of brain drain and depopulation.

Therefore, we should not forget the paramount importance of supporting our rural and remote areas.

The availability of fast and reliable internet will be crucial, not only for future smart solutions in agriculture, but equally to help support younger citizens to enjoy a better life in rural areas, as called for by the Cork 2.0 declaration on rural development.

Good connectivity is a must for modern business development and for implementing the concept of "Smart Villages".

In the current programming period, EAFRD and ERDF are contributing about 6 billion euro for broadband infrastructure. EAFRD funding alone will benefit around 18 million rural citizens by 2020.

The negotiations for the future CAP are still ongoing, but I can say that as regards EAFRD this contribution will continue in the new programming period, beyond 2021.

In the new MFF, the Commission will also renew the Connecting Europe Facility to support the development of transport, energy and digital infrastructure.

This renewed programme will include a digital envelope aiming to improve digital connectivity by creating very high capacity broadband networks as a basis for better digital services.

This in turns means a greater responsibility for you, the Broadband Competence Offices: In addition to the networking actions, you will need to become active in advising local authorities and project promoters on which public funds are best suited for their purpose.

You will need to actively communicate and advise on the financing possibilities available for broadband infrastructure in your area.

You will have to step up your involvement in preparing projects. In many cases, only the best-prepared projects will receive financing, and you will compete with proposals from other Member States.

I cannot stress enough how important your role will be in relation to updating national broadband plans, in the preparation of Partnership Agreements, in the preparation of Operational Programmes and in the design of CAP Strategic Plans.

Our common work on the 'rural broadband action plan' showed that we could achieve great results with coordinated action.

This action plan has been a great lesson for us as well. We have managed to break many silos during the last two years.

Today, Commission experts from AGRI, REGIO, CNECT and COMP talk to each other on a daily basis and plan coordinated actions in order to help citizens get better connectivity, no matter where they live.

BCOs should also learn from this experience and intensify their collaboration with their stakeholders, managing authorities and regional BCOs in their country. You should build on the experience of the last two years and follow our example: try to break your own silos within the national administrations!

The future of agriculture and rural areas will rely heavily on innovation and digital solutions for maximising the implementation of smart village strategies and the efficient use of our natural resources

As long as our rural areas are lagging behind in digital services, agriculture will not unleash its full potential.

I ask you therefore to liaise with the national services responsible for drawing up National Broadband Plans to ensure that they meet the digital target for 2025 of ensuring universal access to very high speed broadband.

In the course of the day you will hear more from Commission colleagues about the progress of the rural broadband action plan, but I would like to stress one action that is particularly important for my policy field: that is "rural proofing".

We are continuously monitoring the digital divide and we will continue to do so in the next period, to make sure that Member States spend the amounts available to them for broadband infrastructure in market-failure areas.

Please use this conference to network with your colleagues from other Member States and regions and find new and better ways to deliver on your mission. We will use the outcome of the votes taking place later to set up the programme of activities for 2020.

Ladies and gentlemen, I will be moving on from Agriculture in the next Commission to deal with Trade. I will not forget the issues that have been important to me over the past five years and one of those was helping to bring Europe's rural areas fully into the Digital Age.

I am satisfied that your great success is a key part of my legacy, and of course I am happy to see that this remains a priority in the incoming College of Commissioners.

President elect von der Leyen, incoming Commissioner Gabriel, incoming Commissioner Wojciechowski and incoming Commissioner Ferreira are all committed to building on the success of this mandate.

I am certain that the colleagues in DG AGRI, as well as their counterparts in DG REGIO and CNECT, will leverage the new Commissioners' mission statements by continuing the "rural proofing" of broadband investments to the maximum extent.

So in conclusion, dear friends, I want to thank you for the efforts you have made to make our "Rural Broadband Action Plan" such a great success.

Let us all continue working together to make sure that our rural areas become modern, inclusive, connected places to live, do business, and raise a happy family. Thank you.