General Information

Webinar Name

Regulatory policy and roll-out of FTTH networks

Actual Start Date/Time

Oct 29, 2012 10:32 AM CET

Session Details

Questions	Answers
Which control can have EC over NRA NGA policies implementation to a EC fibre network? You stated on slide 8 that it is in its infancy, but not at EC level, I think its infancy in each NRA EU memeber.	What ultimately matters is how EU recommendations are transposed into regulatory principles applied by NRAs, so the EC having well-developed recommendations is of little relevance if they are not reflected in what NRAs do. Splitting the EC from the NRAs in this regard may not be meaningful.
Can you say something about regulating of Last Mile in Europe? Can be a pan-european policy here in order to advance more with FTTH? Cornel Barbut / NETCITY Bucharest Romania	The European Commission has published their recommendations on NGA networks in 2010. They also address the last mile regulation but leave sufficient room to have them adapted on specific needs on national markets of FTTH members states
what's the best way to educate the end user in regards to benefits that FTTH networks bring? If the end user really doesn't care what type of infrastructure he or she is on (copper,coax,fiber...) and there are no deployment-ready services in current ISPs ... how do you make a case for fiber to the end user?	This is indeed the problem at the heart of providing incentives for fibre roll-out. Trying to avoid misunderstanding and misinformation is a starting point. Customer experience is of course difficult to create if there are no services available that would benefit from higher bandwidth/lower latency/greater consistency - but some of these benefits should be apparent even with the current services. Ancedotal evidence suggest that trials allowing consumers to experience the benefits of a fibre service can be successful in creating demand for fibre. For instance in the small Dutch town of Nuenen, a service trial subsidised by the government saw 80% of residents opting to pay €60 to €75 per month to remain on the FTTH connection after the trial period ended.

What would your recommendation be for developing countries in Asia and Africa? What is your view on the succes, or lack thereof, by the Australian model (NBNCo)?	First question: with not much of a working fixed line infrastructure, the immediate focus is presumably on mobile broadband and technologies that increase the bandwith there. At the same time, however, there are no issues of competition with cheap copper and transition from a legacy network - so there may be scope for leapfrogging. On the second question - too early to tell? The latest news on it appears to be that rollout is behind schedule due to various reasons (including geospatial mapping data problems) and the latest cost estimate (in August) was up $1.5 billion on the previous figure - but slower and more costly than planned was never going to be a surprise for a programme like this ..
This is not a question but a useful comment I think: Technological Neutrality as a legal principle requiring future proofness of legislation should not be confused with industrial policy objectives which should tend to best available technology.	
Why is EU funding split between Rural and Urban Funds when what we should be doing is directing funds at NGB White Areas?	That's a question for those who have designed the EU funding.
regarding technological neutrality, why should we favour FTTH/B if consumers do not show sufficient wtp for FTTH/B services? Can we know today the desired infrastructure stock / adoption rate a decade ahead as outlined in the DA? Are there any convincing arguments /empirical evidence to favour FTTH/B?	There could be 'market failures' in terms of choosing the right technology that might need addressing. There is potentially also an issue with being overly cautious and avoiding policies that with a high degress of predicatbility will make one technology more attractive than another. Our arguments are not about pushing fibre, but creating an environment where the benefits and limitations of different technologies are fully transparent.
Question on “full government funding”: are there cases where public funding would be the first step, ensuring fully functional networks, and then auctioning off to private sector in a 2nd step? Could be a good way to ensure public policy goals with market mechanisms, removing the investment risk for private sector.	Could be, but could also create problems later on. We had publicly-funded monopoly infrastructures before … This is however what the Australian plan envisages.
Most of the discussion has been about national priorities. Is it not the case that there are many good example where local initiatives have pioneered progressive projects. To what extent do local factors (management, services, eHealth,digital inclusion programmes, advocay for inward investment, Open Data - esp. public data) are essential for high take-up?	They are, and any services that would increase the demand for will have a positive impact on take up. The overall impact of these local factors however would still depend on economies of scale and in this respect, their effects could be limited unless local initiatives are co-ordinated, based on some organising national principles.

You seem to be suggesting that regulators should move away from the tradituional "technology neutral" stance as far as fibre is concerned. Do you agree? What role do you see for cable providing 100Mbps services in Europe?	It's more differentiated than that. We say that if it is clear that there is market failure that could prevent the right technology choices, some remedial action might be appropriate. This could be pushing particular technologies, but perhaps more likely it would be removing the sources of distortion. So the argument is more that technoloy neutrality should not be treated as a holy cow - we're not asking for the animal to be slaughtered right away. Cable has an impact in many ways - but if the question is whether the target should be achieved by rolling out new cable networks or new fibre networks, the case for cable seems to be weak.
Thanks for the information passed. Can you put your propositions in the context of cable operators as well - what's your view cable versus fibre?	See previous answer
Comment: I believe the EU public should be given a fair evaluation of their current internet access quality (including speed). This policy would not be costly at all and would bring a high enough awareness that could in turn stimulate a switch-over to a "better" fiber connection. By achieving this new services, requiring low latency, higher speed etc., would become more attractive an prominent.	Agreed.
Are there any fibre switchover policies outside of Europe? Are some in practise? Exameples?	Not to our knowledge. The idea of a fibre switchover should be taken with a pinch of salt - we put it up to show that there have been cases where policy has pushed particular technologies actively and directly.
sorry i didnt attend the beginning of the webinar: did you talk of the french model (sharing points in low density areas)? what do you think of it ?	One example of what is currently being done to promote fibre - so far, the market impact has been limited.
marketing the use of optical fiber to the general public is/will be important. What would be the most convincing single argument to convince the consumer to switch to optical fiber (if available of course) i.e. which will be the areas where optical fiber will be needed/necessary ?	There's unlikely to be a single 'killer application" - of if there is, we haven't found it yet.