



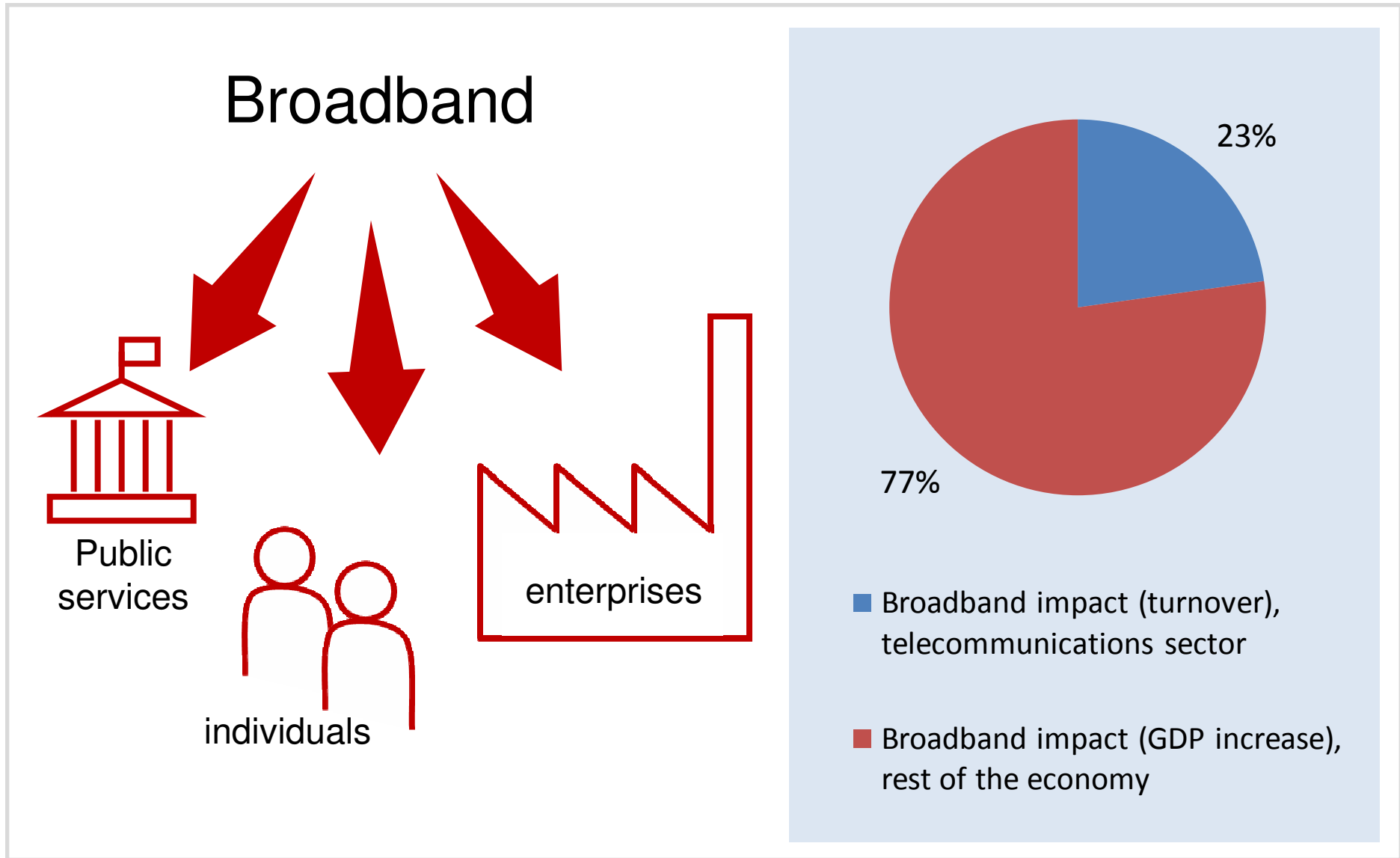
CITI's Annual Conference on the State of Telecom:
National Next-Generation Broadband Plans
Friday, 23 October 2009, Columbia University, New York

The economic impact of broadband on EU countries

MICUS
Management Consulting GmbH

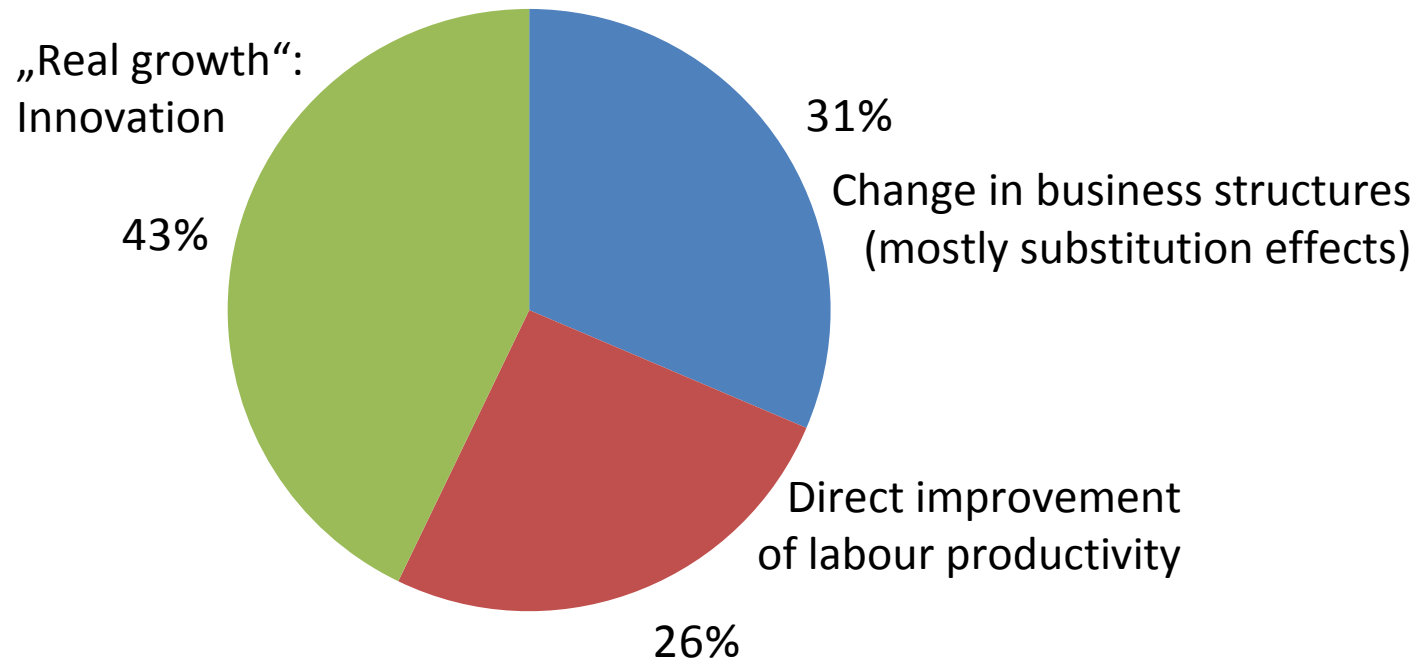
Stadttor 1 · D – 40219 Düsseldorf
phone 0049 (0)211 – 3003 420 ·
fax 0049 (0)211 – 3003 200
www.micus.de · info@micus.de

The most important economic impact of broadband is not in the telecommunications sector



The analysis of the impact of broadband on employment is a combination of three effects

Impact on employment (jobs creation, jobs loss), absolute values



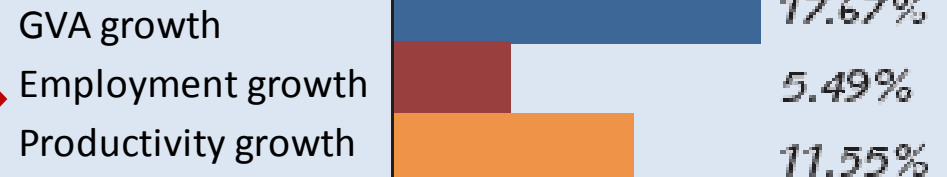
Innovation is more important than productivity improvement

Gross Value Added, Employment and Productivity growth in Cornwall and in the UK, in the business services sector

Cornwall 1998-2001



Cornwall 2001-2005, with broadband project



UK 1998-2001

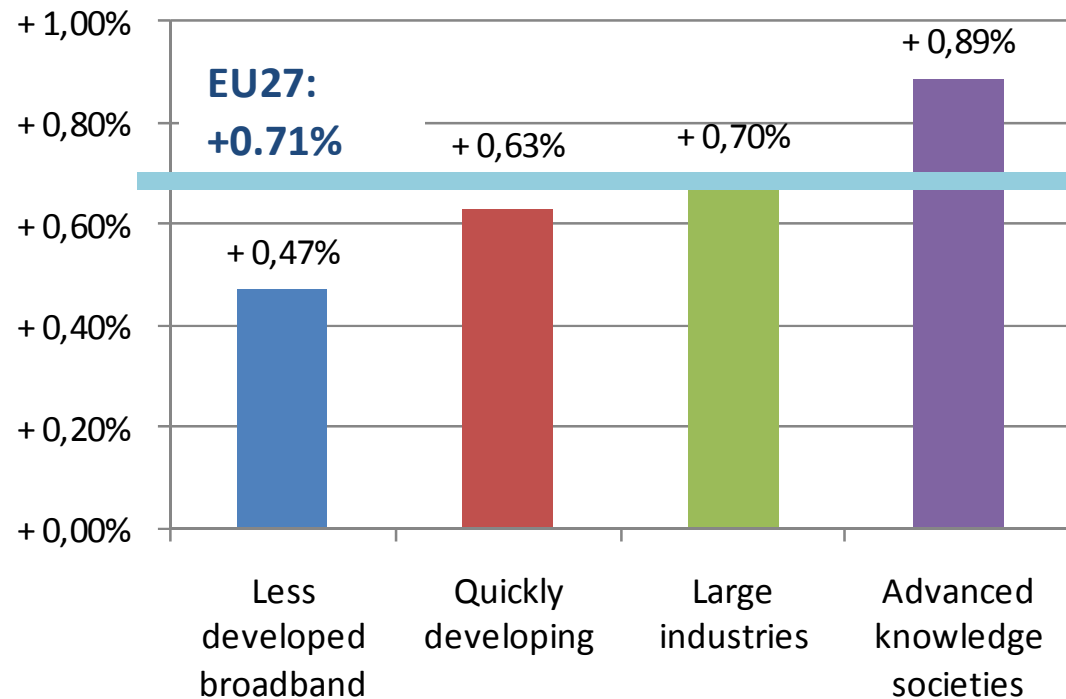


UK 2001-2005



The impact of broadband is stronger in the most advanced and innovative countries.

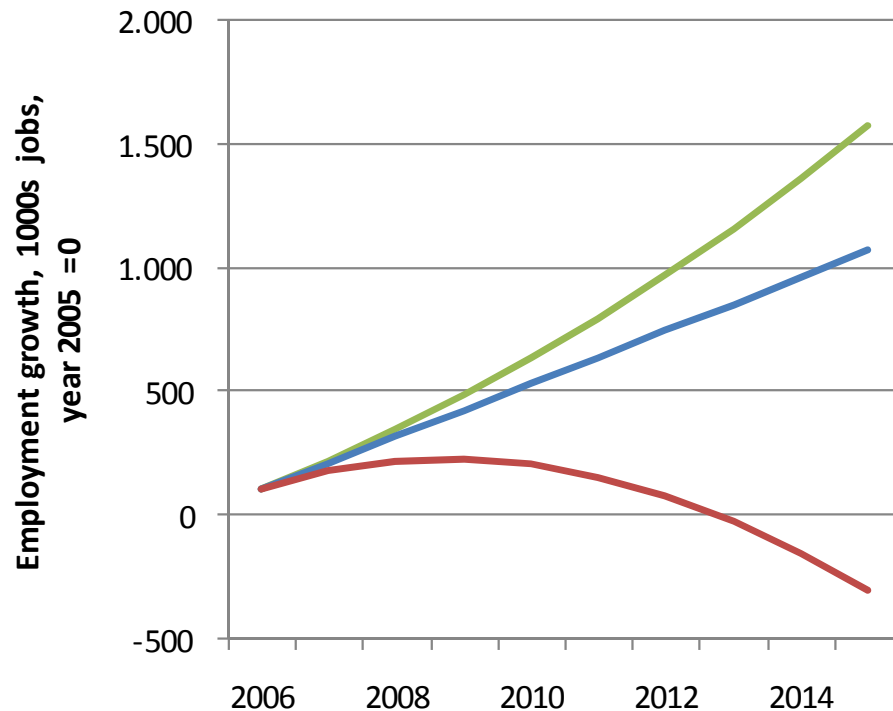
Broadband impact, %GDP



70% of net jobs creation related to broadband is directly due to innovation!

Scenarios: best case, base case and worst case More than 1.5 billion jobs can be created until 2015

Employment, EU27, 1000s jobs, cumulative 2006-2015



Best Case: make broadband development a priority
+1.5Mio jobs until 2015!

Base Case: continue with no change in broadband policy (2007)
+1Mio jobs until 2015

Worst Case: do not matter about broadband
- 400.000 jobs until 2015!

Innovation drives the economy:
staying behind innovation is not a sustainable option.

Broadband is not just a technology. It is an opportunity.

The two hands of broadband development projects:



Foster the development of area-wide broadband telecommunications infrastructure.



Actively support small enterprises, public services and individuals in using broadband internet technologies.

Successful projects rely on those two hands; both are necessary.

Broadband development has short-term positive effects
and generates structural improvement:
it is the best stimulus against the economic crisis!

MICUS Management Consulting GmbH

a consulting partner for private companies and the public sector in Germany and Europe.

- Market research and strategy development for public services and private companies
- Information and communication technologies
- Modernization of the public administration

MICUSSTUDIE (the following studies can be downloaded free of charge from our website)

- Global Navigation Satellite Systems (GNSS) applications in public services
On behalf of the German Ministry of Circulation, Building and Urban Development, 2009
- Assessment of the Re-use of Public Sector Information (PSI)
On behalf of the European Commission, 2008
- **The impact of broadband on growth and productivity**
On behalf of the European Commission, 2007



Thank you for your attention

Do not hesitate to contact us:

Dr. Martin Fornefeld
fornefeld@micus.de
<http://www.micus.de>