

Are we ready for Digital Single Market?



Zagreb, 17.01.2018.

EU DSM sets Gigabit connectivity as fundament for competitiveness and economic growth

WHY?

- Growing demand for connectivity
- Urban and rural digital divide
- EU competitive position in Global Digital Economy

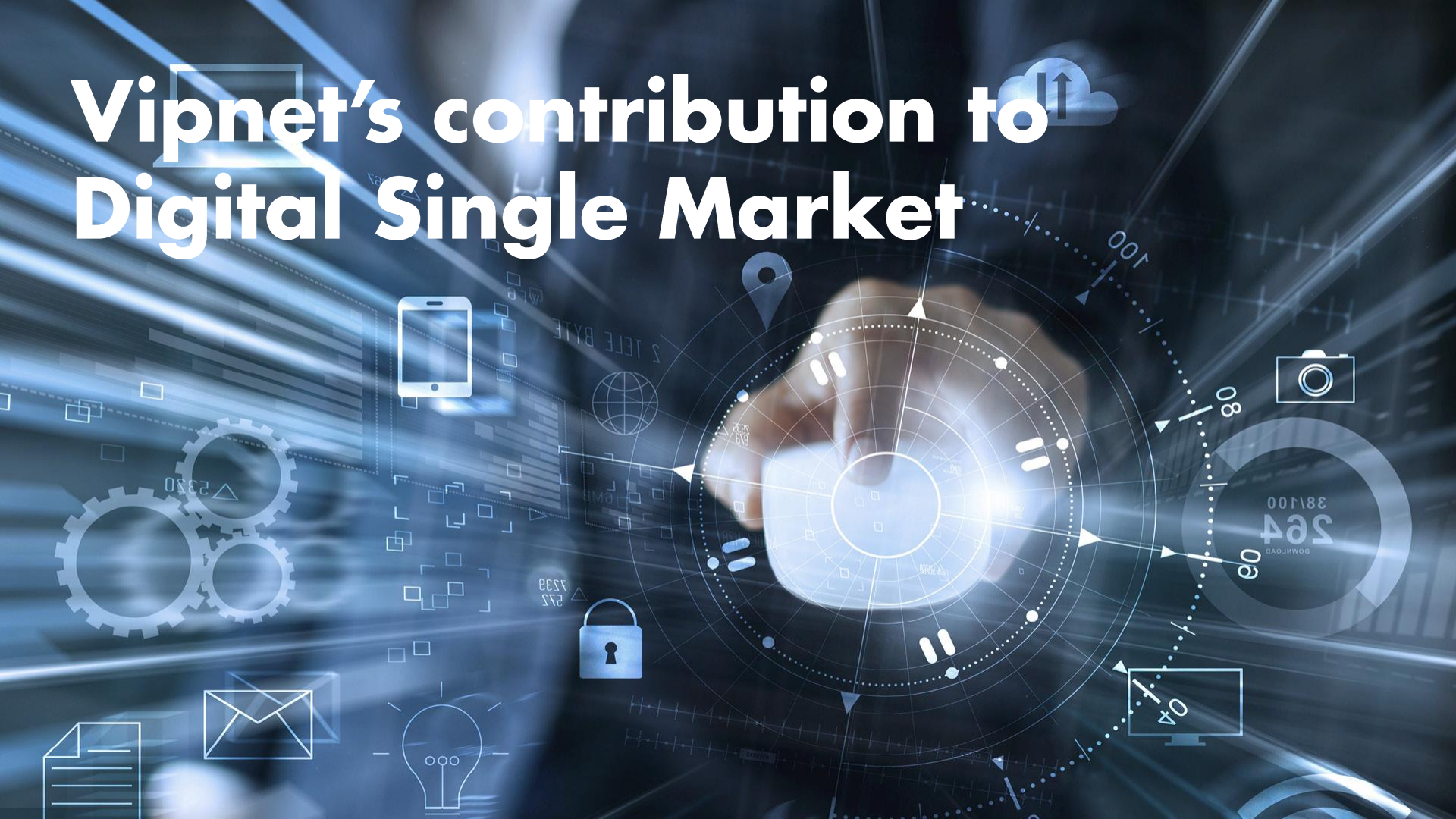


Europe IP Traffic and Service Adoption Drivers

WHAT?

- Gigabit connectivity for all main socio-economic drivers
- High performance 5G connectivity
- All European households, rural or urban, to have access to at least 100 Mbps
- EU funding & future proof regulation

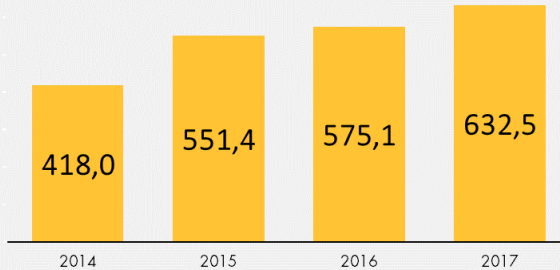
Vipnet's contribution to Digital Single Market



Vipnet guarantees competition and advanced technologies to Croatian citizens

Accelerated investments

Vipnet's CAPEX investments (in mHRK)



- Vipnet is part of the big AMX Group that invested 5,9 Bn EUR in 2017

2025 ready technologies

Vipnet in 2017:

- **over 470k HH** covered with fixed NGA networks
- **over 95k HH** connected with Homebox

Vipnet in 2022:

- covering **1.2 m HH** in Croatia - up to **700k with fixed NGA**
- bringing 4G+/5G networks and DSM to rural areas

Innovations & transformation

- **Strong ICT presence** since 2014 (Vip Blagajna, mKovanica, ePostcard, mOsiguranje, mAutopraonica, One Suite Hotel, Smartica etc.)
- **4 Global Telecom Business Innovation Awards** (Vip nadzor brodova, hybrid base stations, PSI sustav and mAutopraonice)
- **Integration of Metronet**
- **#digitAll transformation**

Croatia needs to accelerate it's Digital Agenda



We have seen progress in Croatia in 2017, but we need to accelerate considering EU 2025 goals

What worked well

- Croatian strong **competitiveness in 4G** mobile network in EU
- **FTTH networks expansion** (additional 70k HHs covered with fiber)
- Partial **decrease of para-fiscal burden**
- HAKOM's 5G strategy working group
- **ONP - EU funding** for the development of fixed access networks

Where we need to accelerate

- **DESI index** - low performance in connectivity
- Create **sustainable and predictable market environment** for alternative operators:
 - Fixed BB market predominated by HT's group (75%)
 - WS pricing increases in last 2 years (up to 15%)
 - Limited dark fiber capacities
- Shift from copper to **future proof network regulation**
- **NPBBI approval** still pending

Vipnet's view: Key preconditions for successful development of Digital economy & society in Croatia

1

Stimulation of private sector for accelerated investments

- Further telco para-fiscal fees and taxes reduction
- Competitive market development

2

Creating legal and regulatory frameworks to support faster and more efficient network investments

3

Predictable and future proof aggregation network

- Access to dark fiber
- NPBBi

Thank You!

vip

