

## 5G EVALUATION PLAN



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## 1. IDENTIFICATION OF THE AID SCHEME TO BE ASSESSED

(1) Title of the aid scheme:

Programme “**UNICO 5G Active Networks**”

(2) The evaluation plan concerns:

- A scheme subject to assessment in accordance with Article 1(2)(a) of Regulation (EU) No 651/2014

IN THE EVENT OF A A scheme notified to the Commission pursuant to Article 108(3) TFEU

(3) Scheme reference (to be completed by the Commission):

[To be completed by the Commission]

(4) Please indicate, where appropriate, ex ante or impact evaluations of the aid scheme and ex-post evaluations or studies carried out in the past on pre-aid programmes or similar actions. For each of these studies, please provide the following information:

- a) a brief description of the objectives, methodology used, results and conclusions;
- b) the specific methodological difficulties encountered by evaluations and studies, e.g. the availability of relevant data for the evaluation of the current evaluation plan.

Where appropriate, specify the areas or topics not covered by the previous evaluation plans that should be the subject of this evaluation. Please attach the summaries of these evaluations and studies and, where appropriate, report the links referring to the documents in question.

The Secretary of State for Telecommunications and Digital Infrastructure (SETELECO) has not previously carried out any such studies. Only the Evaluation Plan for the aid programme “UNICO 5G Networks – backhaul Fibra Óptica” has been notified, although the evaluation has not yet been carried out.



## 2. OBJECTIVES OF THE AID SCHEME TO BE ASSESSED

- 2.1 Please provide a description of the aid scheme specifying the needs and problems that the scheme intends to address and the categories of beneficiaries, indicating the size, sectors, location and indicative number.

The 2025 Digital Spain Agenda, updated on 5 July 2022 with the digital transformation roadmap called **Digital Spain 2026**, includes a set of **measures, reforms and investments**, articulated in **ten strategic axes**, aligned with the digital policies identified by the European Commission for the new funding period 2021-2027.

The Agenda's actions aim to boost **more sustainable and inclusive growth**, driven by the synergies of the **digital and green transitions**, reaching out to society as a whole, by continuing to lead the **deployment of 5G** in Europe, incentivising its contribution to increasing economic productivity, social progress and territorial cohesion (*Target 2025: 100 % of radio spectrum prepared for 5G*).

Thus, the provision of 5G services and infrastructures goes beyond the development of a new generation of mobile telephony, opening up **new possibilities for industrial and social transformation because of its very high capacity, low latency and density of connections between objects**, which will favour new uses and production models, which will be essential for economic development in all territorial areas. Facilitating the **deployment of 5G** in all territorial areas is therefore a key task for the country's **economic development and digital transformation**.

As part of the effort of the 2025 Digital Spain Agenda, the 5G Strategy contains as measures 5 and 6, 5G deployment in population centres and 5G deployment in transport corridors, and as measure 7 the 5G deployment of the mobile transmission network. These measures aim to **accelerate the establishment of networks and the deployment of 5G technology** with the capacity needed to provide the **new services and applications** enabled by this technology, by extending the coverage of ultra-fast telecommunications networks throughout the territory, particularly in rural and strategic areas, helping to **close the current social, economic, gender and territorial digital gaps**.

Thus, under the Recovery and Resilience Facility (RRF) and in order to contribute to a sound and sustainable recovery of the Spanish economy, the Recovery, Transformation and Resilience Plan (PRTR) was born, which sets out the agenda for the modernisation of the Spanish economy, making use of the economic resources that will come from this Fund.

The ten leverage policies covered by the PRTR, within the so-called '*Modernisation and Digitalisation of our Business Ecosystem*', include the component '**Digital connectivity, boosting cybersecurity and 5G deployment**'. One of the objectives of this component is to promote digital transformation, focusing on the deployment of 5G in all territorial areas, thus promoting the elimination of the digital divide between rural and urban areas.

This action will be channelled through aid in the form of grants to be launched between 2022 and 2023 under the umbrella **UNICO 5G Networks**, in several calls for proposals, for the provision of the additional equipment and infrastructure necessary for the provision of the 5G service in areas where it has been identified that it does not currently exist and is not expected to be provided in the next three years, coverage of 4G mobile communications networks providing at least 50 Mbps downstream.

Geographical areas located in municipalities with less than 10.000 inhabitants without mobile communications service with 4G technology providing at least 50 Mbps downstream will be eligible.

In order to identify these eligible areas, the municipalities and roads on which obligations have been laid down to cover these eligible areas, included in Appendices II, VI, X and XI of the special administrative provisions and technical specifications for the award by auction of concessions for the private use of public radio in the 700 MHz band, approved by Order ETD/534/2021 of 26 May, have been excluded.

The assessment criteria to be taken into account for granting the aid include criteria for net job creation in Spain, participation of SMEs and territorial cohesion, as well as the gender dimension, in accordance with the recommendations contained in the Guide for Public Administrations to incorporate the gender perspective into eligible actions under the Recovery, Transformation and Resilience Plan – funded by the European Union – NextGenerationEU, published by the Ministry of Equality.

This equipment and additional infrastructure that may be needed must be able to provide 5G standalone services in the eligible areas with the added-value characteristics of edge computing and network slicing, and with a minimum speed of 100 Mbps for downlink and 5 Mbps for uplink. This action contributes to the objective of extending mobile network coverage to all territorial areas, with the necessary capacity to support the new services and applications enabled by 5G technology, and to make it easier, as set out in the 5G Strategy, for the benefits of 5G technology to reach rural areas as well, in order to contribute to their economic development and the reduction of the digital divide.

Thus, the aid contributes, on the one hand, to reducing the digital divide in rural areas and, on the other hand, to addressing the demographic challenge by promoting new economic activities capable of attracting and maintaining inhabitants in areas suffering from depopulation. In addition, by promoting access to procedures and formalities electronically and avoiding travel, sustainable development is promoted, leading to greater efficiency and energy savings.

The aim of this measure, which aims to reach the availability of 5G services to the eligible areas, mainly through the installation of 5G equipment in existing sites, makes it possible to adopt concurrent areas at provincial level so as to favour broad participation.

Legal persons holding the status of duly authorised operator, in accordance with the

provisions of Articles 6 and 7 of General Telecommunications Law 11/2022 of 28 June, may request and, where appropriate, obtain beneficiary status, who have rights to use frequencies in one of the bands harmonised in the European Union for terrestrial systems capable of providing wireless broadband electronic communications services, identified as priorities for the launch and provision of 5G services in Europe, and be aware of the payment of the fee for the reservation of the public radio domain. They may also be granted the status of beneficiary of the aid, groups of undertakings in which at least one of the undertakings has the status of operator and has rights to use frequencies in the bands indicated, provided that they appoint a single representative or authorised representative of the group with sufficient powers to fulfil the obligations incumbent on the group as beneficiary. In this case, the provisions of Articles 11 and 40 of General Law 38/2003 of 17 November on Subsidies shall apply. In particular, in the case of groups, both the application and the award decision must expressly state the performance commitments given by each member of the group and the amount of subsidy to be applied by each member of the group, which shall also be regarded as beneficiaries. The grouping may not be dissolved until the limitation period laid down in Articles 39 and 65 of the General Law on Subsidies has expired.

The aid provided for in the calls for proposals for this action will contribute to achieving the objectives of Component 15 of the PRTR. Specifically, it will contribute to the following sub-projects of Investment I6 (C15.I6):

- 1) The deployment of 5G on the main national transport corridors (roads and railways) (secondary corridors in certain areas) and cross-border (primary corridors) will be encouraged and accelerated. These initiatives are in line with the 5G corridors defined by the European Commission and will enhance the corridors between Spain and Portugal and Spain and France. This measure covers secondary routes that will not be covered by the obligations imposed in the spectrum offers.
- 2) 5G deployment in certain areas with the objective of achieving 75 % population coverage by 31 December 2025 in the 5G preference bands. To facilitate this deployment, actions will also be undertaken to increase the capacity of the existing network so that it can respond to the high demand for bandwidth in at least 3.500 existing sites with actions to increase the capacity of its backhaul network and the installation of 5G equipment.

In this way, the assistance contributes to the partial fulfilment of the following IDC milestones:

- 3) **MILESTONE 243:** Official publication in T4 2023 of the allocation of 5G deployment projects on the main transport corridors, both national (in certain areas) and cross-border (4.000 sites), and with the objective of reaching 75 % population coverage by 2025 in the 5G preference bands (7.000 new 5G sites and 3.500 improved sites for 5G connectivity).
- **MILESTONE 244:** Completion in Q4 2025 of the above-mentioned projects.

- 2.2 Please indicate the objectives of the scheme and the expected impact, both at the level of the intended beneficiaries and as far as the objective of common interest is concerned:

The **objective** is to provide the set of active equipment and, where appropriate, the additional infrastructure necessary for the provision of 5G *standalone* services with the added-value characteristics of *edge computing and network slicing*, and with a minimum speed of 100 Mbps for downlink and 5 Mbps for uplink, in the geographical areas where it has been identified that it does not currently exist and is not expected to be provided in the coming years, coverage of 4G mobile communications networks providing at least 50 Mbps downstream.

This action, limited to sites located in municipalities of less than 10.000 inhabitants, which do not have a 4G mobile communications service providing at least 50 Mbps downstream, contributes to the objective of extending mobile network coverage to all territorial areas, with the necessary capacity to withstand the new services and applications enabled by 5G technology, and to make it easier, in accordance with the 5G Promotion Strategy, for the benefits to be provided by 5G technology to reach rural areas as well, to contribute to their economic development and to reduce the digital divide.

Thus, the aid contributes, on the one hand, to **reducing the digital divide in rural areas** and, on the other hand, **to addressing the demographic challenge** by promoting new economic activities capable of attracting and maintaining inhabitants in areas suffering from depopulation. In addition, by promoting access to procedures and formalities electronically and avoiding travel, sustainable development is promoted, leading to greater efficiency and energy savings.

- 2.3 Please indicate possible negative effects on the aid beneficiaries and the economy in general that could be directly or indirectly associated with the aid scheme (S163)

Significant negative effects are not considered likely.

The active equipment to be installed must be capable of providing in the eligible areas included in the project, 5G service with the above characteristics. The optical fibre backhaul connections to be included in the project must be dimensioned to run the traffic of at least 4 operators, and the infrastructure must be built in such a way that no further civil works are subsequently required to the point of delivery of traffic on the site and therefore no negative effects are considered to occur in this area.

This support contributes to the objective of achieving the availability of new services enabling 5G technology in all territorial areas, and to make it easier, as set out in the 5G Topping Strategy, to ensure that the benefits of 5G can also reach rural areas, in order to contribute to their economic development and the reduction of the digital divide.

2.4 Indicate: (a) the annual budget programmed under the scheme, (b) the expected duration of the scheme (S164), (c) the aid instruments and (d) the eligible costs.

- The **total budget** is **XX MEUR and the first call in 2023 is EUR 482 MEUR (provisional)**.
- The **temporal scope** is until 31 December 2025.
- The support to be provided will take the form of a grant, the budget will be financed with the **Recovery and Resilience Facility** as part of the Recovery and Resilience Plan.

The **costs eligible for aid** shall correspond to those associated with the items referred to in Article 3 '*Material scope*' and Article 14 '*Concepts eligible for aid*' of the 'PROJECT OF ORDEN ETD/XXX/2023 TO BE ESTABLISHED IN THE CONCESSION OF THE CONCESSION OF AID FOR THE PROVISION OF THE ACTIVE AND INFRASTRUCTURE ACTIVE AND INFRASTRUCTURE CONVENTION FOR THE PROVISIONS from MÓVIAL COMMUNICATIONS SERVICES WITH 5G TECHNOLOGY IN NON-EXIST MOVIL 4G COBERTURE WITH 50 Mbps USE SERVICE AND PROCEDURE A FIRST AGREEMENT IN THE PLAN FOR RECUPERATION, TRANSFORMATION AND RESILIENCE – FINANCIAL BY THE EUROPEAN UNION – NextGenerationEU. Programme "UNICO 5G ACTIVE REDES" and shall be limited to those necessary for the provision of the service with the characteristics indicated in the eligible areas included by the applicant in its project.

— **Article 3: MATERIAL SCOPE.** The materialscope of this Order is limited to the provision of all active equipment and, where appropriate, the additional infrastructure that is necessary for the provision of 5G standalone services with the added-value characteristics of edge computing and network slicing, and with a minimum speed of 100 Mbps downlink and 5 Mbps uplink, in the geographical areas where it has been identified that it does not currently exist and is not expected to be provided in the next three years, coverage of 4G mobile communications networks providing at least 50 Mbps downstream.

The activated equipment<sup>1</sup> to be provided on a site must provide in the eligible areas within its scope, 5G standalone services with the added value characteristics of edge computing and network slicing, and with a speed of at least 100 Mbps for downlink. This equipment may include the following:

- Base band unit (BBU)Base band unit (BBU).
- Radio Unit (RU).
- Aerials.
- Additional elements.

If it is necessary for the provision of the 5G service with the characteristics established by the active equipment referred to in the previous paragraph, the infrastructure necessary to equip the site as a backhaul connection of optical fibre shall be eligible in addition for those sites which do not have this type of backhaul connection nor is it covered by measure UNICO 5G-REDES backhaul. This includes both the physical infrastructure to be built and the passive

elements of a dark fibre deployment, as well as active elements necessary for fibre lighting and for the management of data traffic generated by the mobile base stations to which the said fibre backhaul connection is provided at a given site, such as:

- Civil engineering works and facilities strictly necessary for the provision of backhaul connections covered by this project, ensuring the necessary space in the ducts to provide services to a minimum of 4 operators.
- Passive elements necessary for the deployment of dark fibre from the delivery point (EDP) 2 of the traffic at the station site to the appropriate interconnection point based on the beneficiary's project (PdI3).
- Active elements necessary for the lighting of the fibre.
- Active elements necessary for data traffic management.
- Additional elements.

The establishment of irrevocable use rights (IRUs) for the connection of the site to fibre backhaul will also be considered as an eligible investment in eligible cost. The IRU contract must include the requirements and obligations laid down in the regulatory bases for this aid in such a way as to meet the objective of the project, and must remain in place during the period of mandatory activity of the subsidised infrastructure since the end of the project's implementation. These subsidised infrastructures must comply with the specific implementing rules. In particular, standard UNE 133100 applies: 2021 (parts 1 to 5).

In the event that no suitable existing sites are identified to cover some of the areas identified as eligible, the provision of the necessary passive physical infrastructure for a new site may be included. This physical infrastructure to be built includes any element necessary to host the active elements listed in paragraph 2 of this Article, and shall allow a minimum of two operators of electronic communications services providing service from that infrastructure. This infrastructure includes the following elements:

- Towers, masts or poles.
  - Ducts, enclosures or building elements for hosting active equipment of access networks.
  - Energy supply systems or networks connecting to public energy networks.
  - Infrastructure protection elements and systems.
  - Infrastructure access roads.
  - Complementary elements, excluding any active element of the mobile communications access network for the end-user.
- **Article 14: CONCEPTS ELIGIBLE FOR AID.** The aid is intended to finance investments and expenditure which are directly related to and necessary for the implementation of the selected project and which take place in the period from the submission of the application to the date of completion of the project. Under no circumstances shall investments and expenditure which were committed or incurred prior to the submission of the application be

eligible for aid.

The following concepts associated with the project are considered to be eligible investments and expenditure, as provided for in Article 31 of Law 38/2003 of 17 November 2003 and Article 83 of its implementing regulation:

- Active equipment for the provision of 5G services.
- Additional infrastructure and civil engineering, such as backhaul connections or construction of new sites necessary for the objective of the aid measure.
- Equipment and other materials.
- Staff expenditure.
  
- Other general or indirect costs attributable to the project, such as project preparation, permit management, measuring equipment strictly necessary for carrying out the project, etc.

The establishment of irrevocable use rights (IRUs) for the connection of sites from which 5G service will be provided to areas eligible for fibre backhaul will also be considered as an eligible investment in eligible costs. The IRU contract must include the requirements and obligations laid down in the regulatory bases for this aid in such a way as to meet the objective of the project, and must remain in place during the period of mandatory activity of the subsidised infrastructure since the end of the project's implementation.

Detailed instructions or guidance on eligible and non-bankable investments and expenditure may be included in the calls.

- 2.5 Please provide a summary of the eligibility criteria and the methods for selecting the aid beneficiaries. In particular, please describe the following: (a) the methods used to select beneficiaries (e.g. scores), (b) the indicative budget available for each group of beneficiaries, (c) the likelihood of the budget being exhausted for certain groups of beneficiaries, (d) the scoring rules, if used in the scheme, (e) the aid intensity thresholds and (f) the criteria that the granting authority will take into account when assessing applications.

The **assessment** is carried out in accordance with **the assessment criteria** set out in *Article 23. Evaluation phase* of the regulatory bases together with their associated weighting, which are set out in *Annex III* to the call, with additional details on the procedure for the scale of each criterion.

The first call for applications has a **budget of EUR 482 million (provisional)**. The **distribution** of the financing of aid by competing area is laid down in *Article 38. Financing of projects* under the Call. The amounts allocated to each competing area must provide 5G services with the required characteristics at least **XX%** of eligible areas with population and

XX% of eligible areas of road sections (to be determined in public consultation).

**The aid intensity**, understood as the gross aid amount, expressed as a percentage of the eligible costs of the project, shall be the minimum necessary and in any case may not exceed the limit laid down in the table *in Article 38 'Financing of projects'* for each competing area. The maximum aid intensity is 90 %.

The call includes **50 competition zones corresponding** to the provinces in which the territory of Spain is divided administratively. Each project eligible for aid must adjust its geographical scope to one of the 50 competing areas, and a single project may be submitted by the same applicant for a competing area. Each applicant may submit one project for each of the 50 competing areas.

Among the **applications submitted** to each competition area, **the aid corresponding to the best assessed area will be granted**, provided that their assessment has reached the minimum score required in their case and that they meet the established requirements.

In the case of applications with an **equal score**, for the purpose of deciding the tie, the points obtained on the basis of criteria will be taken into account, following the order in which they appear in Annex III, starting with the first one until the tie takes place. If the criteria have been exhausted and the tie is maintained, preference shall be given to the initial application submitted earlier.

- 2.6 Please mention specific constraints or risks that might affect the implementation of the scheme, its expected impacts and the achievement of its objectives:

No specific risks that could affect the implementation of the scheme are identified.

S162. Beyond providing a general description of the objectives and eligibility rules of the scheme, the aim of this section is to assess how the eligibility and exclusion rules of the scheme may be used to identify the effect of aid. In some cases, the precise eligibility rules may not be known in advance. In those cases the best available expectations should be provided.

S163. Examples of negative effects are regional and sectoral biases, and the crowdingout of private investments induced by the aid scheme.

S164. Aid schemes defined in Article 1(2)(a) of Regulation (EU) No 651/2014 are excluded from the scope of the Regulation six months after their entry into force. After having assessed the evaluation plan, the Commission may decide to extend the application of the Regulation to such schemes for a longer period. Member States are invited to precisely indicate the intended duration of the scheme.

### 3. EVALUATION QUESTIONS

- 3.1 Please indicate the specific questions that the evaluation should address by providing quantitative evidence of the impact of aid. Please distinguish between: (a) questions related to the direct impact of the aid on beneficiaries, (b) questions related to indirect effects and (c) questions related to the proportionality and appropriateness of the aid. Please explain how the evaluation questions relate to the objectives of the scheme:

The **Common methodology for State aid evaluation** (SWD (2014) 179 final) sets out a common methodology for assessing State aid schemes and is designed to provide guidance to authorities responsible for planning and conducting evaluations.

The **overall objective of the State aid assessment** is to analyse the positive and negative effects of a scheme, i.e. the public objective of the aid in relation to its effect on competition and trade between Member States. The State aid assessment may explain whether and to what extent the original objectives of an aid scheme have been achieved (i.e. assess the positive effects) and determine the impact of the measure on markets and on competition (the possible negative effects).

In particular, the assessment carried out should make it possible to analyse the **direct incentive effect** on the aid beneficiaries (i.e. whether the aid has induced the beneficiary to adopt a different course of conduct and the significance of the impact of the aid). In addition, it should also provide a general indication of the **positive and negative effects of the aid in achieving the policy objectives** described above, and will examine the **proportionality and appropriateness of the aid**.

In this regard, having clearly established the intervention logic, which describes the needs and problems that the Plan proposes to address, the **beneficiaries and investments**, the general and specific objectives, and the **impact**, the **evaluation questions** corresponding to the specific intervention are established.

The evaluation plan should define the scope of the evaluation, including specific questions that can be answered quantitatively, accompanied by the necessary supporting documentation.

The analysis should be carried out following an *ex-post* evaluation approach attributable to the implementation of the assistance and taking into account relevant assumptions that may influence the implementation of the actions. In addition, some impacts will be analysed through the use of indicators reflecting quantified information on the results achieved by the action.

The questions should focus on the impact of the action and should deepen all relevant impact

areas, they can be categorised in:

### **1. Direct impacts**

- a) *Has the aid increased the uptake of 5G MIS by end-users, and especially by companies? (incentive effect)*
- b) *To what extent has the aid been an incentive for operators to increase investment in different areas by population area of the territory? (incentive effect)*
- c) *Has the aid increased the number of operators who have contracted optical fibre backhaul services at the sites?*
- d) *Did the aid improve the performance of the network (in terms of transmission speed, latency and reliability of operators' aggregated traffic)?*
- e) *What impact has the aid had on the volume of traffic of the sites?*

### **2. Indirect impacts:**

- f) *To what extent has the aid contributed to job creation and the reduction of the digital divide in municipalities with less than 10.000 inhabitants?*
- g) *To what extent do the wholesale access conditions applied to retail mobile operators contribute to the balance between positive and negative effects on the competitive structure of the market?*
- h) *On what average have you contributed to reducing energy consumption and improving visual impact?*

### **3. Proportionality and appropriateness of the model used**

- i) *Is the amount of State aid proportionate to the problem to be addressed?*
- j) *Has the intervention tool used proved to be the most effective in relation to 5G coverage achieved?*
- k) *What is the main evidence in terms of efficiency (cost) and effectiveness (transmission speed and reliability of the connection) of the model used?*
- l) *What was the rate of use of the existing infrastructure by the aid beneficiaries and what impact did this have on overall efficiency?*

The evaluation will assess the impact of the scheme at all three levels, addressing relevant issues in relation to the objectives. Furthermore, as mentioned above, the assessment of the direct effects of the aid is of paramount importance as it can provide valuable information on the impact of the aid.

## 4. OUTCOME INDICATORS

- 4.1 Please use the following table to describe which indicators will be built to measure outcomes of the scheme, as well as the relevant control variables, including the sources of data, and how each result indicator corresponds to the evaluation questions. In particular, please mention:
- (a) the evaluation question concerned, (b) the indicator, (c) the source of the data, (d) the frequency of data collection (e.g. annual, monthly, etc.), (e) the level at which the data are collected (e.g. at company, establishment, region level, etc.), (f) the population covered in the data source (e.g. aid beneficiaries, non-beneficiaries, all enterprises, etc.)

### Direct impacts

Evaluation question	Result indicator	Source	Frequency	Level	Population
<b>Has the aid increased the uptake of 5G MIS by end-users, and especially by companies? (incentive effect)</b>	Number of operators providing 5G services	Operators	Annual	National	Municipalities with less than 10.000 inhabitants
	Percentage of end-users adopting the 5G MIS at the sites covered (distinguishing between businesses and households)	Operators	Annual	National	Municipalities with less than 10.000 inhabitants
<b>To what extent has the aid been an incentive for operators to increase investment in these areas of the territory? (incentive effect)</b>	Number of operators located on the site	Operators	Annual	National	Municipalities with less than 10.000 inhabitants
	Number and type of services provided by operators in the action areas	Operators	Annual	National	Municipalities with less than 10.000 inhabitants
<b>Has the aid increased the number of operators who have contracted optical fibre backhaul services at the sites?</b>	Number of wholesale connections at least 1 Gbit contracted for aided sites	Beneficiaries/ Operators	Annual	National	Municipalities with less than 10.000 inhabitants
<b>Did the aid improve the performance of the network (in terms of transmission speed and connectivity reliability)?</b>	Latency of network <i>backhaul</i> connections created (ms)	Beneficiaries/ Operators	Annual	National	Municipalities with less than 10.000 inhabitants
	Availability (%) of backhaul connections created	Operators	Annual	National	Municipalities with less than 10.000 inhabitants
	Number of users using <i>Edge computing</i>	Beneficiaries/ Operators	Annual	National	Municipalities with less than 10.000 inhabitants
	Number of users using <i>Networkslicing</i>	Beneficiaries/ Operators	Annual	National	Municipalities with less than 10.000 inhabitants
<b>What impact has the aid had on the traffic of the sites?</b>	Transmission speed (Mbit/s) achievable by end-users under peak demand conditions	Operators	Annual	National	Municipalities with less than 10.000 inhabitants
	Transmission speed (Gbit/s) of backhauling connections	Operators	Annual	National	Municipalities with less than 10.000 inhabitants

## Indirect impacts

Evaluation question	Result indicator	Source	Frequency	Level	Population
<b>To what extent has the aid contributed to job creation and the reduction of the digital divide in municipalities with less than 10.000 inhabitants?</b>	Percentage increase in 5G coverage in action areas	Beneficiaries/ Operators	Annual	National	Municipalities with less than 10.000 inhabitants
	Evolution of the unemployment rate in municipalities with less than 10.000 inhabitants	Spanish Public Employment Service	Annual	National	Municipalities with less than 10.000 inhabitants
<b>To what extent do the wholesale access conditions applied to retail mobile operators contribute to the balance between positive and negative effects on the competitive structure of the market?</b>	Percentage of price developments for wholesale services in the action areas	Operators/ Beneficiaries/ CNMC optionally	Annual	National	Municipalities with less than 10.000 inhabitants
	Number and type of wholesale services provided in the action areas	Beneficiaries and Operators	Annual	National	Municipalities with less than 10.000 inhabitants
<b>On what average have you contributed to reducing energy consumption and improving visual impact?</b>	Switching from radio link to fibre by improving the landscape effect by reducing the visual impact of antennas	Beneficiaries and Operators	Annual	National	Municipalities with less than 10.000 inhabitants
	Indicators drawn from identified studies concerning the benefits of 5 g for energy consumption	Public sources	End of the Plan	National	Municipalities with less than 10.000 inhabitants

## Proportionality and appropriateness of the model used

Evaluation question	Result indicator	Source	Frequency	Level	Population
<b>Is the amount of State aid proportionate to the problem to be addressed?</b>	Indicators related to backhaul support and its performance in other countries that are pre-selected with a set of criteria identifying countries with characteristics similar to the case of Spain and that can be comparable	<i>Benchmarking</i>	End of the Plan	National	Municipalities with less than 10.000 inhabitants
	Indicators relating to aid granted in other countries for active equipment and performance evaluation, in those countries that are pre-selected with a set of criteria identifying countries with similar characteristics to the case of Spain and which can be comparable	<i>Benchmarking</i>	End of the Plan	National	Municipalities with less than 10.000 inhabitants
<b>What was the rate of use of existing infrastructure by beneficiaries and what impact did this have on overall efficiency?</b>	Rate of reuse of existing infrastructure	Beneficiaries	End of the Plan	National	Municipalities with less than 10.000 inhabitants
<b>Whatis the main evidence in terms of efficiency (cost) and effectiveness (transmission speed and reliability of the connection) of the model used?</b>	Percentage deviation in the investment made	Beneficiaries	End of the Plan	National	Municipalities with less than 10.000 inhabitants
	Analysis of the performance indicators of the network set up	Beneficiaries <i>See section 5</i>	End of the Plan	National	Municipalities with less than 10.000 inhabitants
<b>Has the intervention tool used proved to be the most effective in relation to the 5G coverage</b>	Time evolution of 5G coverage in action areas	Operators <i>See section 5</i>	Annual	National	Municipalities with less than 10.000 inhabitants

**Please explain why the chosen indicators are the most relevant for measuring the expected impact of the scheme:**

The evaluation questions lead to the choice of specific result indicators reflecting **quantified information on the results obtained by the scheme**, the detail of which (*indicator, data source, frequency, level and reference population*) is indicated in the tables above.

The indicators contained in this section should be considered as **the basis for articulating the impact assessment**. The actual feasibility of the set of evaluation questions, and their indicators, will depend on the **information available** to the evaluator and on the verification of measurements.

In addition, while some objectives will be quantified using **simple indicators** and their **variation over time will be analysed**, for direct impact analyses and some of the indirect impact analyses, a **quantitative assessment** will be required to ensure a robust analysis of the real impact of public intervention, which can therefore only be carried out using **specific impact measurement** techniques analysed in *section 5*.

In order to ensure that the evaluator is **sufficiently widely available**, the actions will require beneficiaries to make available to the evaluator the necessary information for the purpose of the evaluation. In particular, direct beneficiaries may be asked (for example and not limited to) information on subsidised network infrastructures, on retail mobile operators requesting access to such infrastructure, on the range and prices of wholesale services, and on the degree of use of existing infrastructure.

In addition, **beneficiary entities** will also be obliged to include in contracts for the provision of wholesalers a **clause** obliging operators requesting access to the infrastructure to provide data on the volume of traffic handled on the infrastructure, as well as on the procurement of the services and coverage by each type of user (households and companies by type of activity performed). This information is necessary to have a first approximation of the use and coverage of the subsidised infrastructure.

The **frequency** with which the information is to be provided by direct and indirect beneficiaries, as well as the level of data collection, is indicated in the tables above. Purely economic evaluations will be evaluated at the end of the plan.

The **approach to the questions** proposed in the *Common methodology for State aid evaluation* (SWD (2014) 179 final) has served as a guide for the identification of indicators capable of capturing information on the results achieved with the help. These indicators identify both direct and indirect impacts, including potential effects on competition and trade, as well as the appropriateness and proportionality of the measure.

In this regard, the **identification of direct impacts, indirect impacts and adequacy and proportionality** makes it possible to analyse in detail the **full impact** of the aid, taking into account its effects on the beneficiaries of the aid, as well as the justification for it.

## 5. METHODS ENVISAGED FOR CARRYING OUT THE ASSESSMENT

- 5.1 In light of the evaluation questions, please describe the envisaged methods to be used in the evaluation to identify the causal impact of the aid on the beneficiaries and to assess other indirect impacts. In particular, please explain the reasons for choosing those methods and for rejecting other methods (for example, reasons related to the design of the scheme) (S165):

The **objective of the action** is to provide support for the provision of all active equipment and, where appropriate, the additional infrastructure necessary for the provision of 5G standalone services with the added-value characteristics of edge computing and network slicing, and with a minimum speed of 100 Mbps downlink and 5 Mbps uplink, in the geographical areas where it has been identified that it does not currently exist and is not expected to be provided in the coming years, coverage of 4G mobile communications networks providing at least 50 Mbps downstream.

The use of public funds to subsidise actions that may have a potentially significant impact on the internal market must be accompanied, as requested by the European Commission, by an **analysis of the ex post causal effects** generated by this public aid, especially for those impacts that are considered socially relevant, and to verify that the aid was **appropriate** and the expenditure **proportional** to the objective. As regards the assessment of the **ex post impacts** of State aid, it is believed that the analysis should necessarily require a quantitative approach based on econometric methods indispensable to take into account the possible causal effects of public intervention.

In this respect, a State aid scheme can have an impact on a wide range of levels. It is normally expected to have a **direct effect** on the beneficiary. Understanding the scale of this effect is therefore crucial for assessing the **level of efficiency and effectiveness of the aid**. However, since such interventions target undertakings active in competing regions to attract economic activities, State aid normally also has indirect effects. These spillover effects materialise both the potential harm and the benefits stemming from state intervention in the economy. Therefore, the assessment of public measures also requires an assessment of the magnitude of these **spillover effects**.

Normally, the measurement of the direct and indirect effects of aid requires the **use of various instruments**. In this regard, we have indicators that do not require the specific use of an econometric methodology, as the calculation of these depends specifically on the collection of information by beneficiaries and operators mainly. However, for the calculation of indicators

requiring a more complex impact analysis, specific econometric evaluation methods will be used to isolate the effect of aid from other possible factors, in order to measure the causal effect that public aid has had on the achievement of the policy objectives set.

The aid submitted is intended to **ensure the provision of infrastructure enabling the provision of 5 g standalone services** with the added value characteristics of 'Edge computing' and 'network slicing'. Therefore, the impact of the aid shall be measured on the basis of the use of the **infrastructure** as well as the **end-user's end use with respect to 5G**. It is therefore particularly important to propose an ex-post quantitative analysis methodology to help quantify indicators that measure the causal effects of public intervention.

Thus, the causation analysis requires the use of very specific econometric evaluation techniques to isolate the effect of public aid from other possible concurrent factors. It is not only necessary to determine a correlation between the use of public funds and a specific result variable, but it is necessary to go into detail to assess what causal effect public subsidies have had on the achievement of a certain net policy objective of other concurrent factors (so-called '*confounding variables\**').

Thus, in the context of the evaluation of the "SINICO 5G Active Networks" programme, the *Difference in Differences (DID) method* will be considered as an ex-post evaluation analysis method. This method is a technique used in econometrics that measures the effect on the dependent or quantitative response variable over a period of time.

#### **Overview of the Difference in Differences methodology**

DID **methodology** is an analytical approach that facilitates causal inference even when randomisation is not possible. In this regard, it would not be necessary to draw causal conclusions when observing simple changes in results before and after, as other factors than intervention may influence the outcome over time; in addition, the comparison between interfered and uninterfered groups would also not be considered accurate due to the selection bias and differences in unobservable characteristics between the groups. Therefore, the *Difference in Difference methodology* combines these two methods to compare the changes before and after the outcome of the treatment and control groups and to estimate the overall impact of the aid.

Thus, the DID methodology includes the **following factors that allow the comparison to be accurate**:

- The methodology considers the difference from before and after in the results of the treatment group (*the interventional group*). By comparing the same group with itself, the first difference controls the factors that are constant over time in that group.
- To capture time-varying factors, the methodology takes the difference from before and after in the control group, which was exposed to the same set of environmental conditions as the treatment group.
- Finally, the difference in 'clean' differences all the time-varying factors of the first

difference by subtracting the second difference. This leaves us with the estimation of the overall impact.

In this regard, the DID methodology requires data on the results in the group receiving the intervention and the group that does not receive it, both before and after the programme.

In summary, the DID methodology generates an **econometric model** to compare whether the effect of the aid has had an effect in terms of a change in the variable response under study, and to be able to give a certain magnitude to that impact, which will be defined numerically.

Thus, in this case the idea would be to compare the reference result in areas with the infrastructure enabling the provision of 5G services, which receive the aid, with other areas that do not receive the aid, before and after the intervention. In other words, to compare the effect produced in the areas that have received the aid and implemented the actions, with the areas that have not yet received it, which is an example of what would have happened if there were no public aid.

In summary, the method works if, over time, both the beneficiaries and the control group are affected by the other factors that also affect performance in the same way. It can then be concluded that the aid is the only relevant factor explaining the observed change in the beneficiaries' performance in relation to the control group. The crucial assumption is that the differences between the beneficiaries and the control group are stable over time and that both groups are equally affected by common shocks (*deviations from the average*) during the period.

### **Use of Event Study Design**

However, if the areas subject to the aid scheme do not suffer the impacts at the same time (i.e. they do not receive the aid at the same time), what could happen is that the DID model would be distorted as there would not be a real control group in which all units are in the same condition in the observation period.

Therefore, the estimation method to be used is the **Event Study Design** methodology, which makes it possible to study the ex-post dynamics of the aid in order to analyse the speed with which impacts materialise.

An Event Study is a generalisation of DID in which the set of units of the study group receives the intervention at different points of time. This method provides for the allocation of fictitious variables capturing the impact of the action before and after it occurs, which makes it possible to study the ex post dynamics of the aid. In other words, we would generate a dynamic DID model, using statistical methods that allow us to use time as a dependent variable and search for variables that explain the duration of the event.

However, a potential problem with this analysis concerns the existence of pre-existing infrastructure and coverage, albeit with a performance below the intervention performance

threshold mentioned above, at the time of the launch of the Plan by the different existing operators (e.g. coverage by 4G networks in the areas under intervention), as well as the existence of a 4G MIS by the end user. In order to take this into account, it is necessary to collect data prior to the launch of the programme. In this regard, SETELECO launched a public consultation in which all operators, owners or operators of communications services networks, who provided the relevant information on their sites.

**Analysis of the appropriateness and proportionality of the aid**

The analysis to be carried out would also consider an assessment of the **appropriateness** and **proportionality** of the action.

**The level of adequacy** would be assessed by looking at how output variables evolve over time depending on the degree of deployment of the infrastructure. This correlation will be assessed both through simple qualitative indicators, as reported in section 3, and through the results that would be obtained from a causality analysis. Where, therefore, econometric analysis would show that the incentivised action through the aid programme has a positive and significant impact on the end-user's uptake of the service and on the technical performance of the network.

On the other hand, in order to assess **the proportionality of the aid**, i.e. to assess whether the action did not result in excessive spending in relation to the planned objective, reference will be made to data from similar public aid implemented in other European countries. In this regard, a series of selection criteria or variables will be established to identify countries with similar characteristics, with a view to drawing conclusions comparable to the Spanish case.

The **feasibility of the evaluation plan** depends on the implementation of the action in the expected time and form, and on the availability of the data. If for any reason the implementation deviates from the plan, SETELECO undertakes to contact the Commission as soon as possible in order to be able to define an alternative evaluation strategy that, in any case, is aligned with the *Common methodology for State aid evaluation*.

- 5.2 Please describe precisely the identification strategy for the evaluation of the causal impact of the aid and the assumptions on which the strategy relies. Please describe in detail the composition and the significance of the control group:

The causal analysis would be limited to the impact analysis on the specific measures, referring to the direct impacts of investments in 5G mobile networks in areas not covered by private operators in the Spanish territory.

In any case, it should be borne in mind that the timetable for the deployment of the 'ÚNICO 5G Active Networks' programme will be strictly defined in the regulatory bases and

specifications of the calls, and will include a reference to the milestones already foreseen in the Spanish Government's Recovery, Transformation and Resilience Plan (PRTR).

As a result of the implementation of the 5G Plan, it is considered important, from a political point of view, to assess the impact of this investment on the take-up of the service by both **households** and, above all, the **companies** covered.

Specifically, an *Event Study* model would be carried out, where the '**treated**' or intervened **areas** would be those that **receive subsidised coverage over time and where the service is being provided 5 g**. In this regard, this analysis will be carried out taking into account two types of end-users: **residential and business users**. In the case of residential users or households, it will be analysed whether the aid has led to an increase in the uptake of 5G connections in the areas subject to the aid. In the case of companies, it will be analysed whether the aid has resulted in an adoption of the 5G service.

With regard to the development of the *Event Study*, it is considered essential to identify and find the so-called control group, which we have previously discussed in the methodological development. **The control group** is defined as a group that is as close as possible in all respects to the treatment group, i.e. to which the aid is received, except for the aid itself. We consider it essential to ensure that the systematic difference between beneficiaries and non-beneficiaries does not distort the results of the analysis of the impact of the aid. The choice of the control group is the key to the validity of the method. In this specific case, the control group would be built under the eligible areas (inhabitants and companies located there) that have not received the aid.

When using this model, particular care should be taken in the construction of the control group if the non-beneficiaries themselves decide not to apply for the aid. In this respect, from a technical point of view, the selection of the control group would be carried out under a linear regression model. Under this model, the control group is chosen independently of the observable characteristics and is therefore broadly comparable to all the beneficiaries of the aid.

The empirical analysis would be complemented by **standard robustness and sensitivity tests** to assess the robustness of the results obtained. In this regard, if there are several potential control groups considered valid a priori, these robustness tests could be used. The first and most natural robustness check that could be used is to apply several estimators of differences in differences and compare results. In addition, it would also be possible to use these different control groups to build a more reliable estimate.

For the analysis, reference will be made to the data from SETELECO's request for information and mobile operators will be asked for information on the adoption of 5G networks by users in the areas of interest at least the year preceding the Plan's programme.

In addition, a **second analysis** to be carried out using the same methodology as described above will concern the assessment of the part of the plan relating to the **performance of the**

**network.** The objective shall be to assess whether the investment envisaged in the plan improves the technical performance of the infrastructure in terms of transmission speed, latency and reliability of the connection. This will be done using the same Event Study methodology. The analysis will make it possible to verify the impact of the aid in terms of improving the technological performance of the network.

- 5.3 Please explain how the envisaged methods address potential selection bias. Can it be claimed with sufficient certainty that observed differences in the outcomes for the aid beneficiaries are due to the aid?

If the methodology is carried out, the **objectivity** of the assessment would be ensured by defining **appropriate bases of comparison**, which would be used as control samples to assess the causal impact actually attributable to the notified aid measure, in accordance with the methodology described in the previous paragraphs.

Taking into account that the **causal impact** represents the difference between the result achieved with the aid and the result that would have been achieved without the aid, its correct identification ensures that the differences observed in the results between the beneficiaries of the aid are indeed due to the granting of the aid.

Indeed, State aid should be considered to be granted only and exclusively to eligible sites located in settlements of less than 10.000 inhabitants. However, the development of the methodology would consider and analyse in detail the demographic characteristics of the areas analysed to ensure the robustness of the results.

In any event, any systematic differences between **beneficiary and non-assisted areas** **would be taken into account in order** to avoid a bias in results.

- 5.4 Where applicable, please explain how the envisaged methods intend to address specific problems related to complex schemes, such as schemes implemented in a differentiated manner at regional level and schemes using different support instruments.

The notified measure would mainly be implemented through the **gap funding model**. In this case, the assessment should only take into account the specificities of the intervention at the level of the individual observation units. If different intervention models are adopted, a comparison in terms of impact between the different models chosen would be made.

## 6. COLLECTION OF DATA

- 6.1 Please provide information on the mechanisms and sources for collecting and processing data about the aid beneficiaries and about the envisaged counterfactual. (S166) Please provide a description of all the relevant information that relates to the selection phase: data collected on aid applicants,

The application form, model declarations responsible and other electronic documents necessary to complete and submit applications for support will be available on the website of the Ministry of Economic Affairs and Digital Transformation.

The application shall consist of two inseparable elements: the application form for aid and the project report. The application form must be completed using the electronic means of support available on that website, in accordance with the instructions published on that website. The project report containing the detailed technical information about the project, sites to which backhaul optical fibre connection is provided, feasibility, necessary infrastructure, etc., must comply with the minimum content, if any, to be established in the call.

Applicants wishing to include in their projects the use of existing infrastructure not owned by them must reach the necessary agreements for this purpose, taking into account the requirements laid down in the regulatory bases for the infrastructures subject to aid and complying with the CNMC guidelines for this purpose. Entities that own or control existing infrastructure that may be used for this project must provide the necessary information and negotiate the use of this infrastructure, in accordance with Royal Decree 330/2016 of 9 September (<https://www.boe.es/boe/dias/2016/09/15/pdfs/BOE-A-2016-8429.pdf>), which transposes into Spanish law Directive 2014/61/EU of the European Parliament and of the Council of 15 May 2014 on measures to reduce the cost of deploying high-speed electronic communications networks.

Evidence must also be provided that the applicant meets the status of duly authorised operator. To this end, it is sufficient to indicate the name, service and date of the decision entered in the relevant Register of Operators for verification by the investigating body. In the case of a group of undertakings, the document attesting to the formation of the group, its representative or sole agent must be provided, together with the information already given in respect of duly authorised operators.

In addition, information or documents proving the applicant's economic capacity and technical or professional capacity must be attached, in particular:

- a) Declaration of the amount of annual investments made in the three financial years preceding the year of the call.
- b) A list of projects of similar or higher characteristics carried out in the past five years, giving a brief description of the projects, the amount, dates and place of performance, together with a statement on the average annual workforce of the company and on

the academic and professional qualifications of the employer and of the company's managerial staff and, in particular, of the staff responsible for carrying out the project.

In accordance with Article 22 (4) of the Regulation approved by Royal Decree 887/2006 of 21 July, the submission of an application for aid shall require the applicant to authorise the granting body to obtain direct proof of compliance with tax and social security obligations by means of electronic certificates. However, the applicant may expressly refuse to give his or her consent, who must then provide such certification when requested by the investigating body.

- 6.2 Please provide information on the frequency of the data collection relevant for the evaluation. Are observations available on a sufficiently disaggregated level, that is to say at the level of individual undertakings?

The data for carrying out the Evaluation Plan will be collected through a process of comparison and validation between primary sources and different secondary sources that further ensure the robustness and reliability of the data, and the results obtained in the evaluation. In this respect, additional sources may be incorporated into the identification of information during the course of the evaluation.

In any case, the invitation to tender itself will include a series of obligations for the successful tenderer to provide information, and as far as possible, to the potential contractor.

In this regard, the primary sources, considered to be the main sources in the extraction of information, are detailed below:

- **Ministry of Economic Affairs and Digital Transformation supported by SETELECO (supported by the selected evaluation body):** to find information and documentation related to:
  - Information and documentation related to the selection of the target sites and the need for investment
  - Consultation procedures and selection of beneficiaries
  - Projects under way
  - Monitoring processes
  - Etc.
- **Beneficiaries of the aid**, in order to obtain information on the projects submitted to the aid programme, with particular reference to the expected and actual costs incurred, the progress of the projects, the technological and architectural details, the services provided, the use of existing infrastructure, etc.
- **Operators contracting access to the subsidised network**, to obtain information on the level of coverage and procurement of services, access to 5G subscriptions by

users, user traffic, market share, investment plans, etc.

- **Infrastructure operators in the areas concerned**, to obtain information on the technical equipment and additional telecommunications infrastructure implemented in those areas, in addition to the performance of the network.

In addition, primary sources will be accompanied by the following **secondary sources** (non-exhaustive list) to strengthen the information:

- **Comisión Nacional de los Mercados y la Competencia (CNMC)**, to obtain information on the electronic communications markets, the applicable regulations and regulations and other relevant information.
- National **Institute of Statistics (INE)** to obtain social, economic and demographic data at municipal and Autonomous Community level.
- **Local authorities which have been affected by the aid**, in order to obtain any relevant information on the areas to be invested.

The primary sources referred to in the previous point are capable of providing information with a detection frequency and a level of territorial detail appropriate to the purpose of the assessment. In addition, the collection of information and data involves the use of several methods, including:

- Submission of documentation and reports between the different parties involved in the actions.
- Meetings with project managers.
- Meetings with representatives of the main relevant institutions.
- Questionnaires, if deemed necessary.

- 6.3 Please indicate whether access to the data needed to carry out the evaluation could be hampered by the laws and regulations governing data privacy and how these issues would be addressed. Check any other problems related to data collection and explain how it could be solved.

The data collection procedures shall be defined in such a way as to ensure **full compliance with existing national and Community legislation**.

Access to the sources of information will be carried out in the framework of a coded procedure, which will formally define the specific conditions for confidentiality and use of each data.

In any case, the award decision shall include a requirement for beneficiaries as to their reporting obligations.

- 6.4 Do you plan to investigate aid beneficiaries or other companies, do you intend to use additional sources of information?

In the framework of the corresponding research surveys, additional information may be requested from the beneficiaries (direct and indirect) of the aid and concerning, inter alia, the following if necessary:

- a) Pre-measure investment plans;
- b) Models for the assessment of investment plans;
- c) Investments for the implementation of projects;
- d) Market potential enabled by the projects;
- e) Progress of projects;
- f) Enabled services, for the end-user and for third party operators;
- g) Evaluation of specific aspects of the measure.

## 7. PROPOSED EVALUATION TIMETABLE

- 7.1 Please indicate the proposed timeline for the evaluation, including the steps related to data collection, interim reports and stakeholder involvement. If applicable, please provide an annex illustrating the proposed timetable.

The evaluation schedule will be structured according to the following activities:

1. Selection of beneficiaries, in accordance with the procedure laid down in the regulatory bases for the action.
2. Evaluation of the activities proposed by the beneficiaries, consisting of the analysis of the elements relating to the timing and form of activation of services, hotspots, etc.
3. Final assessment of the progress of the construction, activation and management of infrastructure, with particular attention to the analysis of elements relating to the impact of the activities.

In a cross-cutting way, there will be phases dedicated to data collection, interim reporting and exchange of information between the different stakeholders.

- 7.2 Indicate the date on which the final evaluation report will be submitted to the Commission.

By **30 June 2027**, the final evaluation report for the period 2022-2026 containing the assessment of the direct and indirect impacts of the measure in the medium term shall be sent to the Commission and the documents shall be sent to the Commission no later than four years after the adoption of the decision.

The evaluation will continue beyond the duration of the programme. The additional evaluation report containing the final assessment of the effectiveness of the measure will be sent to the Commission by **31 December 2028**.

7.3 Please indicate the factors that could affect the expected timing.

The actual implementation of the aid programmes may be one of the factors that could affect the implementation of the planned timetable, as well as possible delays in the implementation of the activities by the beneficiaries.

## 8. DESCRIPTION OF THE ASSESSMENT BODY

8.1 Please provide specific information on the assessment body or, if not selected, on the timing, procedure and criteria for its selection.

According to the *Common methodology for State aid evaluation*, the assessment of the impact of State aid schemes should be objective, rigorous, impartial and transparent, should be carried out using appropriate methodologies, by experts with adequate and proven experience and methodological knowledge to that effect. Evaluations should therefore be carried out by a body which is at least functionally independent of the granting authority and which has the necessary and proven qualifications and the personnel appropriately qualified to carry them out.

The selection of the evaluation body will be made following a careful analysis of the curriculum demonstrating experience, competence and independence, as well as greater conformity with the needs of the contracting authority. The selection of the evaluation body will therefore be subject to a call for tenders containing all the criteria necessary for carrying out the evaluation in question.

The selection of the body will therefore be made later by public tender, while ensuring that the necessary information will be available, as it is considered indispensable for the success of the evaluation to ensure that the scheme can be evaluated as proposed and that the necessary data will be collected.



- 8.2 Provide information on the independence of the body in charge of the assessment, on how conflicts of interest will be avoided during the selection process.

The public tender guarantees the independence of the body, as the necessary conditions will be included in it.

The information shall be provided after a selection of the body responsible for the evaluation. In any case, a declaration of absence of conflict of interest shall be made as soon as participation in the procedure starts. The declaration will also be thoroughly monitored and updated throughout the period in which the evaluation body is working and, finally, a verification of the ex-post declaration will be carried out.

The procedures set out in SETELECO for the implementation of the measures included in the RRF ensure the absence of conflicts of interest throughout the procedure.

- 8.3 Describe the relevant experience and skills of the body carrying out the assessment or how these skills will be ensured during the selection process.

The information shall be provided after a selection of the body responsible for the evaluation. In any case, the body's proven experience and skills shall be checked and verified prior to its selection. In this respect, the body shall have the necessary and proven qualifications and suitably qualified personnel to carry out the assessment.

- 8.4 Please detail the arrangements issued by the granting authority for the management and monitoring of the evaluation process.

In accordance with procedures established in the implementation of previous grants, coordination of evaluation activities will be ensured through the establishment of a Steering Committee with the participation of the relevant Project Leader.

The Committee will ensure that all aspects of the project (resources, timetable, regulations, etc.) are properly implemented. In addition, regular progress checks will be carried out and relevant decisions will be taken regarding the implementation of the project. At the same time, the Committee shall define priorities and assess the need to draw up corrective action plans to ensure compliance with the deadlines and quality of the activity.

The Steering Board shall be composed of both SETELECO staff and those of the team of the selected evaluation body as deemed appropriate, and its tasks shall be clearly defined and delimited during the organisation and launch of the evaluation. This ensures coordination,

quality maintenance and monitoring and control of all the processes involved.

- 8.5 Please provide information, even if only indicative, on the necessary human and financial resources that will be made available to carry out the evaluation.

The information shall be provided after a selection of the body responsible for the evaluation.

## 9. PUBLICATION OF THE EVALUATION

- 9.1 Provide information on how the evaluation will be made public, i.e. by publishing the evaluation plan and the final evaluation report on a website.

SETELECO undertakes to publish the evaluation plan and the final evaluation report on the relevant official pages. In this regard, the plan and report will be published on its institutional website, as well as on other official pages of the Spanish government where SETELECO and other actors involved consider it appropriate.

All information necessary for its publication shall be made available to the Commission, taking into account, where appropriate, the confidential nature of the data.

- 9.2 Please indicate how the involvement of stakeholders will be ensured. Please indicate whether public consultations or evaluation-related events have been planned.

A public consultation was carried out in February 2023 requesting information on the connectivity status of network sites providing wireless broadband mobile electronic communications services that could be part of the network providing or providing 5G standalone (SA) services with the added value characteristics of 'Edge computing' and 'network slicing', and with a minimum speed of 100 Mbps for downlink and 5 Mbps for uplink.

In particular, the public consultation aimed to: 'Public consultation on the identification of areas without mobile network coverage providing a 4G service at a speed of at least 50 Mbps, on draft order ETD/XXX/2023 laying down the regulatory bases for granting aid for the provision of all active equipment and ancillary infrastructure necessary for the provision of 5G mobile communications services in areas where there is no 4G mobile coverage with a minimum service of 50 Mbps and launching a first call under the Recovery, Transformation and Resilience Plan – funded by the European Union – NextGenerationEU. Programme

“UNICO 5G Active Networks”, and on the demand for 5G services and applications in rural areas.”

In particular, SETELECO consulted all stakeholders (operators, public administrations, National Markets and Competition Commission and other actors) on the preliminary list of areas where it was identified that there is currently no coverage of 4G mobile communications networks providing at least 50 Mbps downstream (eligible areas). Eligible areas were identified on the basis of information provided by operators with national deployment of such networks. To facilitate the localisation and analysis of these areas, geographical layered files in KMZ format and shape were provided so that they could be viewed from any geo-referenced information system (GIS) and a link to a web application was made available with a map viewer with various types of maps on which the layer of pre-eligible areas can also be displayed.

The objective of the consultation was to consolidate this preliminary identification in order to obtain the final map of eligible areas, in which it was considered that, in accordance with State aid rules, it was possible to grant public aid to electronic communications service operators for the provision of active equipment and, where appropriate, ancillary infrastructure necessary for the provision of 5G standalone (SA) services with the added value characteristics of edge computing and network slicing , and with a minimum speed of 100 Mbps downlink and 5 Mbps uplink, in the geographical areas of the entire national territory identified as eligible areas.

The consultation also aimed at identifying existing and future demand for 5G connectivity in the short term by entities, businesses and industries located in rural areas or with low population density, in particular in the geographical area of municipalities with less than 10.000 inhabitants, where the eligible areas covered by this measure were located.

- 9.3 Please specify how the granting authority and other bodies intend to use the results of the assessment, e.g. for the design of subsequent or similar actions.

The conclusions of the evaluation will serve to define and develop future similar, or even continuation of, current action plans, with a more reliable and close-to-reality perspective and forecasts, in order to increase overall effectiveness and reduce potential negative impacts on the market and trade.

In this regard, the reports developed and their findings and recommendations may also be used to improve the design of future aid schemes and State aid rules.



- 9.4 Please indicate whether and under which conditions the data collected for or used for the evaluation will be accessible for further studies and analyses.

Access to the sources of information shall be permitted in a manner compatible with the conditions of confidentiality and use of each data, defined at the collection stage by the owner. The conditions of confidentiality of data and information shall be defined in advance.

For the purpose of carrying out new studies, the data collected during the assessment shall be accessible under conditions no more stringent than those imposed on the body carrying out the initial assessment.

- 9.5 Please specify whether the evaluation plan contains confidential information which should not be disclosed by the Commission.

The information contained in this evaluation plan is considered strictly confidential.

## 10. OTHER INFORMATION

- 10.1 Please provide any other information that is relevant to the review of the evaluation plan.

No additional information is included.

- 10.2 List all documents attached to the notification and provide hard copies or direct website addresses of the documents in question.

All documents are referenced in the main body of service.