Press release

ANNUAL REPORT Volume 2

Arcep publishes its "Connected Territories" report

Paris, 11 June 2024

Arcep is publishing the 2024 edition of its "Connected Territories" report (Volume 2 of its annual report), providing thematic factsheets on Arcep's regulation in support of connected territories.

The annual "Connected Territories" press conference will be held on 26 September, during which Arcep will provide local stakeholders with a status report on regulation, host a discussion on fixed and mobile connectivity issues and provide an opportunity to share their experiences on the matter of digital technologies' impact on the environment.

What were the highlights of Arcep's regional digital development work and actions in 2023?

Fibre rollouts and monitoring operators' commitments

At the end of 2023, 86% of premises in France were eligible to subscribe to FttH access, with 6 million still remaining to be passed for fibre. A number of public initiative networks (PIN) completed their deployments and are now entering into the live network stage, while others are accelerating their development. With just over 8 million additional premises passed for fibre over the past two years, the overall situation in 2023 was one of slowing FttH rollouts, particularly in the most densely populated parts of the country, as had already been observed in 2022.

Arcep monitors[1] operators' FttH rollouts in the least densely populated areas of France that are covered by private initiative (AMII[2] and AMEL[3] areas).

Mandated by the Government in both 2021 and 2022 to audit Orange's compliance with its rollout commitments in "AMII" areas, Savoie Connectée (XpFibre) rollout commitments in the "AMEL" area of the Savoie, and SFR rollout commitments in the "AMEL" area of the Nièvre, the Arcep Body responsible for settling disputes, legal proceedings and investigations (aka "RDPI" Body) ordered the concerned operators to comply with their commitments. Having ascertained Orange's failure to meet the first deadline of its FttH deployment commitments in AMII areas, Arcep's Restricted (aka "sanctioning") Body imposed a financial penalty of 26 million euros on the carrier in 2023. In early 2024, Arcep issued an opinion on Orange's new proposed commitments, which the Secretary of State for Digital Affairs accepted in March of this year. These new commitments from Orange come to replace the second deadline of the initial commitment made in 2018.

Quality of service on fixed networks

Fibre to the home (FttH) networks are due to become the new fixed infrastructure of reference in France. Improving the quality of their operation remains a top priority for Arcep, particularly as the majority of subscriptions in the country today are to a fibre plan. Addressing the issues that users have been encountering (line disconnected when a new subscriber is added, dilapidated street cabinets, temporary cut-offs, connection issues…), Arcep continued to work on remedying these problems, notably via the "FttH Operations" working group. To this end, the entire sector has been engaged in multiple workstreams to improve and more closely monitor the quality of the work performed by technicians in the field:

- Strengthening technicians' training by creating a system of accreditation;
- Monitoring and performing spot checks of service calls;

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[1] Pursuant to CPCE Article L. 33-13

[2] "AMII areas": those parts of the country where the Government has issued a call for investment letters of intent (*Zone d'appel à manifestation d'intention d'investissement*)

[3] "AMEL areas": those areas covered by calls for expressions of local interest (*Zone d'appel à manifestation d'engagement local*)

- Better monitoring the quality of connections;
- Upgrading dilapidated infrastructures through a rehabilitation plan.

In autumn 2022, operators Altitude Infra and XpFibre notified their rehabilitation plans to Arcep for sections of their networks that had been the subject of an unusually high number of user reports. Free Infrastructure notified an action plan in early 2023 for its high-capacity shared access points. Arcep works vigilantly to ensure that these rehabilitation plans are successfully executed, and monitors the evolution of the quality of these networks on an ongoing basis, in concert with the affected operators.

To give local authorities, and all stakeholders, the ability to measure the effects of the work undertaken by the sector, Arcep published the first two editions of its **FttH network QoS Scorecard** in July 2023 and February 2024, respectively. This scorecard provides information on network failure rates and connection failure rates that commercial operators have reported to the FttH infrastructure operator, for all FttH networks.

Meanwhile, the legacy copper network continues to serve a percentage of users in France. Its quality of service therefore remains a major issue, particularly in those areas that will not have fibre access any time in the near future: it is vital that operators be able to provide services with a decent level of quality to the homes and businesses that still depend on it.

Orange copper network switchoff

In late 2019, Orange announced its plans for the technical switchoff of its legacy copper network, which was to take place gradually, starting in 2023 and coming to completion in 2030.

After the publication of its switchoff plan, following an Arcep public consultation in 2022, the year 2023 was marked by the first copper switchoff trials, and the size of switchoff batches being expanded to entire municipalities, with three batches having now been made official. The progress made in 2023 thus took the process to the next stage, before entering into a period of more industrial switchoff phases in 2026. To support this transition, Arcep published three FAQs over the course of 2023 and 2024 aimed at users, local authorities and businesses.

Arcep is overseeing this copper switchoff by ensuring that it take place according to a pace and to rules that safeguard users' interests and guarantee satisfactory competition conditions between operators. One of the necessary conditions of the legacy copper network switchoff, stipulated by the regulatory framework, is ensuring the completeness of fibre deployments. Dialogue and transparency with local authorities are also crucial to the successful completion of the copper switchoff plan, and Arcep is committed to securing a good partnership with local officials and to the implementation of a governance process that involves all of the stakeholders.

Lastly, 2023 was also marked by the drafting of fixed market analysis decisions for the new regulatory period covering 2024 – 2028, and their adoption on 14 December 2023. These new decisions aim in particular to factor in the transition from copper to fibre.

Nationwide 4G access and increasing pace of 5G rollouts

On 1 February 2024, Arcep published a **progress report on the New Deal for Mobile**, which testifies to the significant strides that have been made in mobile coverage nationwide, along with an overall improvement in the quality of service measured since its launch, while noting that there is still room for improvement in rural areas and along railway lines.

At the end of 2023, 2,760 cell sites deployed under the New Deal for Mobile's targeted coverage scheme were in service.
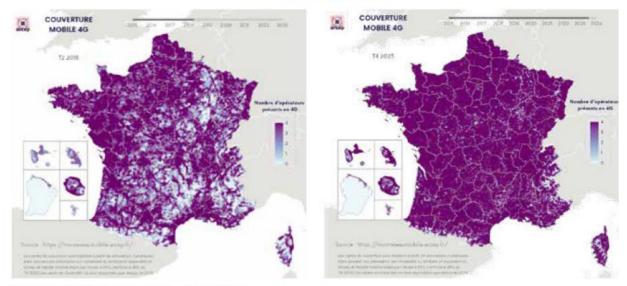
Operators continued their 5G rollout efforts. As of 31 December 2023, they had activated between 8,800 and 18,600 5G cell sites, depending on the operator (including 5,500 to 8,700 cell sites in the 3.5 GHz band, depending on the operator).

For the sake of transparency with citizens and elected officials, and to allow everyone to be informed about mobile operators' rollouts and obligations, Arcep makes data and mobile network performance monitoring tools available, and continues to enhance them on a regular basis.

Comparison of 4G coverage in Metropolitan France: mid-2018 vs. December 2023

VISION COMPARÉE DE LA COUVERTURE EN 4G EN FRANCE MÉTROPOLITAINE MI 2018 ET FIN 2023

Source : Arcep à partir des données transmises par les opérateurs

Mobile network sharing

Mobile network sharing consists of having several operators share all or a portion of the equipment that makes up their mobile networks. Pursuant to the adoption of the "REEN" Act on reducing the digital environmental footprint, on 15 November 2021, Arcep's annual report includes an account of the level of active and passive telephony infrastructure sharing in France. As of 31 December 2023, 27,089 cell sites[4] were being shared in Metropolitan France (+1,712 YoY, and 47.3% of all sites) – 30.9% of which were shared by all four operators.

Frequency awards in the overseas territories

Regarding frequency assignments in France's overseas territories, after the public consultations conducted by Arcep, acting on a proposal by the Authority, the Government issued multiple calls for candidates, which resulted in Arcep's award of licences to use frequencies in the 700 MHz and 3.5 GHz bands in Guiana, in Saint-Martin and in Saint-Barthélemy in July 2023, and in the 900 MHz band in Réunion in April 2024.

Arcep also held a public consultation in late 2023 on the draft rules and procedures for assigning frequencies in the 700 MHz, 900 MHz and 3.4 – 3.8 GHz bands in Guadeloupe and Martinique. On 8 May 2024, the Government launched the assignment procedures for these frequencies.

Lastly, Arcep held public consultations in 2023 and early 2024 on the draft rules and procedures for assigning frequencies in the 900 MHz, 1800 MHz and 2.1 GHz bands in Mayotte, Guiana, Saint-Martin and Saint-Barthélemy, and in the 1800 MHz and 2.1 GHz bands in Réunion, Guadeloupe and Martinique, where all or a portion of existing frequency licences are set to expire on 30 April 2025.

Environmental issues: a full-fledged regulatory chapter for Arcep

In late 2021, the legislature conferred new powers and responsibilities on Arcep regarding digital technologies' environmental footprint, notably the power to collect environmental data from operators. After two editions of the annual "Achieving digital sustainability" survey, which focused on telecom network operators, Arcep published the third edition of the survey on 21 March 2024, whose scope was expanded to include device manufacturers and data centre operators, and measured multiple new indicators.

Commissioned by the Government, in 2022 Arcep and ADEME published the first two parts of the study on the assessment methodology and analysis of digital technologies' environmental footprint in France in 2020. The third and final part of the study, providing a forward-looking assessment of the digital environmental footprint in France up to 2030 and 2050, was delivered to the Government on 6 March 2023.

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[4] Masts, rooftops, towers…

Finally, the legislature assigned Arcep and Arcom, in tandem with ADEME, the task of defining the content of a General policy framework for the ecodesign of digital services. This Policy framework was published on 17 May 2024.

The annual "Connected Territories" conference in September 2023 hosted a roundtable on "Digital technologies' environmental footprint: what does it mean for local players?" The 2024 edition of the "Connected Territories" conference, taking place on 26 September, will once again provide stakeholders with an opportunity to discuss these important issues.

A three-volume annual report: three facets of Arcep's actions

In accordance with the Independent Authorities Act (*Loi sur les Autorités administratives indépendantes*, AAI) adopted in January 2017, every year Arcep publishes its annual report in three volumes:

Volume 1 "Arcep and regulated markets" provides an update on Arcep's responsibilities, actions and decisions. It also details Arcep's European and international activities, which have contributed to the construction of European regulation, and the global outreach of French telecoms regulation. The 2024 edition, covering the work done in 2023, will be published on 20 June.

Volume 2 "Regulation in support of connected territories", being published today, is devoted to Arcep's actions in support of connectivity in the territories. This document is geared to elected officials, local authority representatives, regional State representatives, consumer associations and operators.

Volume 3 "The State of the Internet in France" – A scorecard and outlook on Arcep's activities. It is devoted in particular to the actions taken to monitor compliance with Net neutrality and the use of IPv6 addressing technologies, in accordance with the European Open Internet Regulation and the Independent Authorities Act. It also includes chapters on internet quality of service, ISPs' data interconnection, achieving digital sustainability and regulating gatekeeper platforms. The 2024 edition, covering the work done in 2023, will be published (in French and English) on 4 July.

Associated documents:

- Volume 2 of the Annual report: "Arcep and regulated markets" 2024 edition
- Editorial by Arcep Chair, Laure de La Raudière
- Arcep Field Notes
- Snapshot of mobile connectivity in France in 2023
- Snapshot of fixed connectivity in France in 2023
- Data-driven regulation: how territories and citizens can become regulatory actors
- Fixed and mobile connectivity: tools for everyone + tools designed for local authorities
- What does Arcep do for territories?
- J'alerte l'Arcep: citizen action to improve the country's networks
- Environment: a new regulatory chapter for Arcep: what new actions need to be taken?
- Taking it to the top: fixed and mobile connectivity in mountain regions
- The new period of fixed network market analysis (2024-2028): outlook and key issues

Arcep at a glance

The Regulatory Authority for Electronic Communications, Postal Affairs and Print Media Distribution (Arcep), a neutral and expert arbitrator with the status of independent administrative authority (IAA), is the architect and guardian of internet, fixed and mobile communications and postal networks in France.