

BUSINESS CASE

Start by mapping existing infrastructure/operators & their 3-year investment plans

The missing element is the gap in the business case – i.e. where & why the PA should intervene – need to understand the numbers involved. Is about the wider socioeconomic case rather than the more narrow financial business case (i.e. need to understand social, economic, health needs, etc.)

Need to understand characteristics of households/businesses not connected, socio-demographic factors, etc. (including income and willingness to pay for infrastructure) – demand surveys might be a useful tool here

Also need to understand private business case and how can best lever this

Understanding public & private will mean can identify any co-investment opportunities & develop a funding plan that is believable and trustworthy

Need to put in context of broader development/economic regeneration plans & infrastructure needed to support this

Short-term (<3yrs) – focus on penetration & operational costs

Medium-term (4–5yrs = political term; 5–7yrs = EU funding cycle) – focus on development/regeneration

Guidelines could include ready reckoners so can do easy CBA/cost-effectiveness assessments

Need to consider maintenance costs as critical part of operational costs

FUNDING MODELS

Budget needs to split investment (which is where public intervention comes in) and operational costs (which should be privately financed and need to be covered for sustainability) – i.e. split table into 2 (lines 1 & 2 about investment; line 3 about revenue generation – e.g. maintenance costs paid back by 3rd line only)

There are potentially some opportunities for public services to provide operational costs for networks, though there are questions of State aid eligibility

Assess private funding first & can then assess gap

Where public funding comes in to support (dependent on amounts available)

Need to consider how public funding is provided to ensure State aid compatible (incl. differences for grey vs. white areas)

STATE AID

State + users can co-invest to get connections

Need to understand the Block Exemptions fully

Need to understand Vouchers and how apply within State aid

These are essentially ways *around* State aid rather than having to get State aid approval

Procurement also key to State aid – e.g. call-off procedure of all key ISPs and users choose

Important that State investment is not competing with existing market enterprises

PROCUREMENT

Voucher Schemes (e.g. Galicia – get into EC Guidelines) – how ensure compliance with State aid

Ensure calls for tender don't exclude satellite in the way the calls are written – e.g. for infrastructure rather than access &/or focus on FTTP/B as long-term goal

TECHNOLOGY SOLUTIONS

Mobile (4G/5G) being promoted as broadband solution but it needs fibre itself, has issues with capacity & doesn't penetrate (esp. new green) buildings well (80% usage is indoors)

Buying satellite capacity as way of providing broadband – need to understand this opportunity

Potential to provide free service in public areas (where market failure, incl. no mobile coverage)

DEPLOYMENT

This should be before procurement model, as that drives this