

Observations from the appraisal of broadband projects

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Independent Quality Reviews requested by Member States:

- Bretagne THD (FR, FttH)
- La Réunion - Plan Régional Très Haut Débit (FR, FttH)

Post-Submission Appraisals requested by the Commission:

- Sicily NGA deployment (IT, FttC)
- National Major Project Ultra Broadband - White Areas (IT, FttX)
- Syzefxis II –resubmission (GR, public IT infrastructure)
- Martinique THD (FR, FttH)

Observations from project appraisal

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- **Project description:** - business model (scope of contracts)
 - national programmes
 - geographical scope
- **State aid:** - preventing overlaps between measures
 - presenting cost information under Art. 61(8)
- **Demand analysis:** affordability, credible forecasts, sources
- **Options:** - policy-making processes to be explained
 - question of wireless networks
- **Project costs:** - CAPEX, OPEX and revenue streams
 - unit costs

Observations from project appraisal

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- **Residual value:** asset life to be explained
- **Financial discount rates:** consistency constraints
- **Profitability:** FRR range, claw-back
- **Economic analysis:** trend of diminishing benefits
- **Risks:** if low residual risk, qualitative analysis suffices
- **Climate change:** vulnerability assessment
- **Availability of funding:** must add up to project cost
- **Procurement:** OJEU/S publication
- **Indicators:** physical indicators
- **Timetable:** 2023 limit

- **Unit costs:** Very remote locations can bring cost per home passed above EUR 1000
- **Gigabit society:** New policy objectives justify more projects, to what extent is their implementation required?
- **Upstream / downstream capacity:** Submarine cables can constrain insular projects; for backhaul projects, the need for capacity comes from NGA deployments downstream
- **Interaction with sector-specific regulation:**
 - Tariffs and affordability: retail NGA may cost more (PED?)
 - Demand forecasts/targets: do they apply to ESIF projects?
 - Existing infrastructure: mapping obligations, access
 - Discount rates: regulatory FDRs applicable per 480/2014?

More Information

For info or further questions on this seminar and the activities of the JASPERS Networking Platform, please contact the JASPERS Networking and Competence Centre at the following email:

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