

Advanced Broadband Services the Top Infrastructure Investment Priority for Enterprise - Forfás

Forfás has today (Monday 7 November 2011) called for action on and outlined the steps necessary for the delivery of advanced broadband services in Ireland.

Martin D. Shanahan, Chief Executive, Forfás, speaking at the launch of the Forfás report, *Ireland's Advanced Broadband Performance and Policy Priorities* said, "Delivering advanced broadband speed is the top infrastructure investment priority for enterprise. The availability of advanced broadband services offers significant development opportunities to Ireland to capture new growth for entrepreneurship and jobs in existing and emerging sectors (e.g. digital media, cloud computing, education), to achieve productivity growth, to improve competitiveness across all sectors and to support regional development. The best solution for delivering advanced broadband services is that the market invests but in the event the market does not deliver, the State will need to intervene."

The report outlines that while the advanced broadband needs of ICT-intensive enterprises are generally well met in the large urban centres, businesses, particularly SMEs outside the main urban centres, have significantly less choice and less access to good quality services. Just 13.4% of broadband lines in Ireland have speeds of 10 Mbps and above versus an EU average of 38.9%. It also highlights the urgency for action with the report setting out a goal of rolling out advanced broadband services in all towns with a population of 1,500 or above within five years.

Shanahan noted, "In recent years Ireland has made significant progress in terms of the widespread availability and take-up of basic broadband services by firms and households. Forfás is concerned, however, that Ireland is lagging competitor countries in the rollout and take-up of advanced broadband services. Given the weak telecommunications investment climate in Ireland, dispersed population patterns and the recession, there is a strong risk if appropriate action is not taken quickly that Ireland will fall even further behind as other countries move decisively ahead to deploy advanced telecoms networks. It is critical that we act now. We need to make it easier for the private sector to invest in rolling out advanced broadband services and we set out specific actions to do this in the report. These include measures to lower investment costs, reduce red tape and stimulate demand. We need to quickly agree the advanced broadband targets and milestones for Ireland, identify the infrastructure deficits nationally and then develop and implement a plan to achieve these targets".

To ensure the timely delivery of advanced broadband services in Ireland, the State needs to:

- Develop an implementation plan which would include mapping existing telecommunications networks and concrete investment plans and then identifying the deficits that exist nationwide in terms of the availability of advanced broadband services;
- Having identified the deficits, design a mechanism (e.g. competition/procurement process) to determine the level of market interest in addressing the identified deficits through a collaborative approach between the industry players and the State;
- Make a firm commitment to providing or sourcing the funds required to achieve the goals set out in the Programme for Government, and set objectives and targets to ensure the timely rollout of advanced broadband services. The level of funding required will depend on the extent of the advanced broadband deficits identified by the mapping exercise, the degree to which the market players can invest and how the deployment of advanced broadband infrastructure is phased; and
- If the competition/procurement process is not successful in leveraging investment from the market players to support the State's broadband objectives and targets, progress with a

State asset collaboration approach using the existing state telecommunications infrastructure. In this context, Forfás has examined in detail how such a State asset collaboration could deliver advanced broadband services to all towns with a population above 1,500.

As enterprises generally tend to locate in urban centres, the Forfás report focuses on delivering advanced broadband services to all towns with a population greater than 1,500, which is an interim milestone to achieve the Digital Agenda 2020 targets and the targets proposed in the Programme for Government.

ENDS.

Notes to Editors

Advanced Broadband Services: Forfás defines advanced broadband services as services offering download speeds of 100 Mbps or more, with significantly higher upload capability (including the widespread availability of symmetric services for enterprise) and low latency (speed of response of the system to the user).

Next Generation Broadband Taskforce: The Minister for Communications has established a Next Generation Broadband Taskforce to progress the delivery of advanced broadband services. The taskforce is focusing on identifying private and public investment plans, the removal of barriers to investment and the establishment of appropriate targets and programmes to ensure Ireland delivers high speed broadband in line with its EU targets. The group is made up of the CEOs of the main telcoms companies in Ireland.

EU targets: In August 2010, the EU adopted the Digital Agenda which sets out a roadmap for developing a single digital market by 2020 to support sustainable long term economic growth and social progress. The biggest challenge to achieving this objective is ensuring advanced telecoms services are widely available across all member states. To this end, the Europe 2020 Strategy set three targets for member states:

- Access to basic broadband should be available to all citizens by 2013: Ireland has made significant progress in ensuring near universal access to basic broadband. The recently completed National Broadband Scheme has supported the early achievement of this target.
- Access to broadband with speeds of 30 Mbps or above should be available to all citizens by 2020; and
- 50 per cent of European households should be subscribed to services of 100 Mbps or higher by 2020.

Programme for Government: It proposes that NewERA will co-invest with the private sector and commercial semi state sector to provide next generation broadband to every home and business in the State. This will be achieved by delivering fibre to the home or kerb for 90 per cent of homes and businesses in Ireland with the remaining 10 per cent provided with high speed mobile or satellite broadband.