
Topic: Consultation on Broadband Investment Fund - Feedback on the draft process and criteria for urban and rural funding applications

Purpose: To provide - Feedback on the draft Broadband Investment Fund (BIF) process and criteria for urban and rural funding applications

To: Broadband Investment Fund submission
ICT Regulatory Team, Ministry of Economic Development

From: Mark Horgan, Secretariat, Education Sector ICT Standing Committee

Date/Time: 30 June, 2008.

1. Focus of Response

- 1.1. The following is provided in response to the Ministry of Economic Development (MED), ICT Regulatory Team, request for feedback on the draft Broadband Investment Fund (BIF) process and criteria for urban and rural funding applications.
- 1.2. The agencies participating in the Education Sector ICT Standing Committee¹ (ICTSC)'s work on connection, content, confidence and capability strongly support the MED's proposal announced in Budget 2008 to facilitate high speed broadband connections to businesses in urban centres and key users in the health and education sectors, to extend the reach of broadband into underserved regions, and to improve the resilience of New Zealand's international connections. The proposed Broadband Investment Fund is an extremely useful vehicle to accelerate progress towards these goals.
- 1.3. This response is a combined response on behalf of the ICTSC agencies.

2. Process

- 2.1. Given that a number of municipalities and regions have already undertaken significant assessment and planning as a result of their own independent broadband strategies, or as part of their applications for the MED's earlier Broadband Challenge Fund, it is highly likely that a number of parties would be able to work against a much more aggressive timetable in the first BIF round than the full year (initial application in July 2008 with final decisions advised in June 2009).
- 2.2. We recommend that a fast-track process be developed for BIF round 1 to accelerate the roll-out of this critical initiative.

3. Criteria – Urban & Rural

- 3.1. The experience of the Broadband Challenge Fund was that applicants whose municipalities or region had not already developed a broadband strategy found it extremely difficult to get all of the necessary partners aligned in support of their application.
 - (a). We therefore strongly recommend that the Expression of Interest (Eoi) stage include as a core criteria the necessity for the applicant's municipality or region to

¹ Comprising the Chief Executive Officers of Career Services Te Rapuara, Correspondence School, Education Review Office, National Library of New Zealand, New Zealand Teachers Council, Ministry of Education, Ministry of Research Science and Technology, New Zealand Qualification Authority, and the Tertiary Education Commission.

have a published and agreed broadband strategy upon which their application is based;

- (b). Alternatively, we recommend that preference be given to applications that are based upon a published and agreed municipality or region broadband strategy.
 - (c). The EoI criteria will need to be changed to incorporate this requirement.
- 3.2. The criteria noted under the EoI stage seek to reveal the applicant's strategic intent in applying for funds and should include a requirement to explain the core/key objectives and outcomes sought. We therefore recommend that the:
- (a). EoI stage include requirement to explain the core/key objectives and outcomes sought.
 - (b). Eligibility Criteria 'Nature of the Project' include a detailed description of the core/key objectives and outcomes sought.
 - (c). Assessment Criteria include analysis of the core/key objectives and outcomes sought under the benefits analysis.
 - (d). Information required include 'Objectives/Outcomes' as part of the Project Description.
- 3.3. As MUSH (municipal, universities/polytechnics, schools, hospitals) entities, particularly key users in the health and education sectors, are the core focus for the BIF, we strongly recommend that the criteria include requirements that:
- (a). the Market Assessment note the number of and type of such entities that will be able to use the services;
 - (b). the applicant state the number of the key health, education and municipal entities in the area concerned that they commit to connect, within a specified timeframe, AND the assessment criteria be weighted to favour those applicants who commit to connect the greatest number; or
 - (c). alternatively, the applicant commit to connecting at least, say, 50% of the key health, education and municipal entities in the area concerned, within a specified timeframe, AND the assessment criteria be weighted to favour those applicants who commit to connect the greatest number.
- 3.4. Open Access Principles are at the core of the requirements:
- (a). the definition of this term should be included in the Index of Key Terms.
 - (b). 'Objectives in Providing the Seed Funding' should include interconnection under open access principles with other networks to ensure that the particular initiative is not a 'networked island', but rather contributes to a fully networked New Zealand.

4. Further Information

- 4.1. Should you require any further information on any of the above, please contact Mark Horgan (Secretariat, Education Sector ICT Standing Committee).

Mark Horgan
Secretariat, Education Sector ICT Management Committee