



30 June 2008

Broadband Investment Fund Submission
ICT Regulatory Team
Ministry of Economic Development
PO Box 1473
Wellington

Broadband Investment Fund - Feedback on Draft Process and Criteria for Applicants

The Ministry of Health strongly supports the Ministry of Economic Development'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 (BIF) is an extremely useful vehicle to accelerate progress towards these goals. Increased availability of high speed, high capacity broadband is fundamental to enabling electronic coordination of care between health care providers and improved efficiency and effectiveness of health care delivery throughout the health system. In particular, the Ministry is keen to promote improved broadband connectivity to remote/rural locations and between primary and secondary care providers.

Process

Given that a number of organisations 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).

We recommend that a fast-track process be developed for BIF round 1 to accelerate the roll-out of this critical initiative.

Criteria – Urban & Rural

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

- i. [If the above recommendation is not accepted] We recommend that preference be given to applications that are based upon a published and agreed municipality or region broadband strategy.
- b. 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:
 - i. EoI includes the requirement to explain the core/key objectives and outcomes sought.
 - ii. Eligibility Criteria 'Nature of the Project' include a detailed description of the core/key objectives and outcomes sought.
 - iii. Assessment Criteria include analysis of the core/key objectives and outcomes sought under the benefits analysis.
 - iv. Information required include 'Objectives/Outcomes' as part of the Project Description.
- c. 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:
 - i. the criteria include a requirement that the applicant commit to connecting at least 50% of the key health, education and municipal entities in the area concerned.
 - ii. the Market Assessment notes the number of and type of such entities that will be able to use the services.
- d. Open Access Principles are at the core of the requirements:
 - i. the definition of this term should be included in the Index of Key Terms.
 - ii. '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.

Yours sincerely,

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