



30 June 2008

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

broadband.investment@med.govt.nz

Dear Sir/Madam

Development West Coast wishes to put forward the following submission on the Broadband Investment Fund.

Yours sincerely

A handwritten signature in black ink, appearing to read "Warren", written over a circular scribble.

Warren Gilbertson
Regional Development Manager



**Submission to the
Ministry of Economic Development
On the
Broadband Investment Fund**

Development West Coast commends the Government on this initiative and makes the following submission on the basis of four key points to the Broadband Investment Fund.

1. From the perspective of a rurally isolated region and having undertaken extensive infrastructure development, Development West Coast advocates the need for flexibility in assessing proposals as broadband infrastructure issues and solutions vary and will have a unique set of conditions to be considered. This flexibility should extend to the \$500,000 cap on projects which should be considered on their merits.
2. While 50% funding has been proposed as a benchmark, rural communities, this may present difficulties to some rural communities and possibly inhibit Expressions of Interest. Generally, the more remote the community, the higher the cost is likely to be for the infrastructure and the smaller the rating base from which to generate the local share of funding. Communities in these areas, that potentially need this infrastructure the most, may be the least likely to be able to afford it. The fund is therefore limited to those areas that can afford a contribution. Development West Coast believes that for rural applications, this benchmark should be removed and each case considered on its merits.
3. Development West Coast promotes the objective of the fund to also include strategic infrastructure projects which may have a higher cost but present a long term benefit, as in the Fox Glacier to Haast fibre option (highlighted in previous submissions).
4. Utilisation of only 30% of the total funding in any one year should be considered with more flexibility. If projects are ready to be advanced and meet the criteria, they should be progressed while the momentum, personal and organizational infrastructure is in place.