



**South-East Regional Authority
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Submission to the
Commission for Communications Regulation (ComReg)
Discussion Document (Doc. No. 09/56)
“Next Generation Broadband in Ireland”

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Introduction

The South-East Regional Authority (SERA) welcomes this opportunity to submit its views to the Discussion Document “Next Generation Broadband in Ireland”, the outcome of which should set down a framework through which the State future-proofs its telecommunications infrastructure. Broadband is one of the, if not the, key pieces of infrastructure required for economic and social development, particularly in the context of the development of a knowledge economy with a focus on research and development. Broadband availability has also been identified as critical to ensuring that balanced regional development, a key objective of the National Spatial Strategy and successive National Development Plans, is achieved.

The South-East Regional Authority (SERA)

The SERA is one of eight regional authorities established in Ireland in 1994, under the provisions of the Local Government Act 1991, (Regional Authorities) (Establishment) Order, 1993. The Authority comprises 37 elected members nominated by the six constituent local authorities in the region. The principal functions of SERA include: promotion of co-ordination in the provision of public services in the region; promotion of co-operation, joint action, etc. between local authorities, public authorities and/or others; reviewing the overall development needs and investment priorities of the region; preparation of statutory Regional Planning Guidelines and reviewing Development Plans of local authorities in the region.

The South-East Region

The South-East Region covers the counties of Carlow, Kilkenny, Waterford, Wexford and South Tipperary. The area of the region is 9,406 sq. kms., (which is about 13.5% of the area of the state) and the population is 460,838. The region is predominantly rural in character with the main urban centres being Waterford City, Kilkenny City and the towns of Carlow, Clonmel and Wexford. The region has a balanced urban structure with the main urban centre in each of its five counties having a population exceeding 17,000. In addition, it has a range of smaller towns and villages evenly distributed across the region as well as a strong rural settlement pattern.

SERA and Broadband in the Region

The SERA has been to the forefront regionally in recent years in developing and promoting Information and Communications Technology (ICT) and broadband - from setting out the broadband and associated requirements of the region in policy frameworks to the physical construction of broadband infrastructure throughout the region. Briefly detailed below are some of the principal areas of Authority involvement:

- *‘SEISS’ Regional Information Society Strategy*
The Authority developed an Integrated Regional Information Society Strategy and Action Plan in 2001. Its purpose is to ensure that the South-East Region does not slip behind in the rapid global development of the information society and that the

region at every level is fully geared up to maximise the benefits and opportunities that these developments offer to those that are prepared.

o ***The South-East Broadband Projects - Phases I and II***

These projects, carried out under the government's Regional Broadband Programme, entailed the construction of fibre-optic broadband Metropolitan Area Networks (MANs) in eleven cities/towns in the region - Waterford, Kilkenny, Carlow, Clonmel, Wexford, Dungarvan, Tipperary, Cashel, Cahir, Thomastown and Carrick-on-Suir. This involved the laying of almost 150 kms. of duct, sub-duct and fibre-optic cables and the provision of co-location facilities in these centres.

o ***Regional Broadband Programme - Phase III***

As part of the Department of Communications, Energy and Natural Resources (DCENR) considerations for a Phase III of the Broadband Programme, the SERA has submitted a priority list of nine towns to be a part of Phase III - Enniscorthy, New Ross, Gorey, Tramore, Bagenalstown, Tullow, Callan, Castlecomer and Dunmore East.

o ***County and Group Broadband Scheme (CGBS)***

The CGBS provided broadband to communities with a population up to 1,500, mainly in rural areas or in underserved areas of larger urban centres. It was discontinued by the DCENR at the end of 2006. The SERA employed a Co-ordinator to promote the Scheme and to assist in the preparation of applications. In total eleven projects incorporating 94 communities in the South-East were approved by the DCENR for funding. Roll-out of the DCENR's National Broadband Scheme (NBS), the successor to the CGBS, commenced earlier in 2009.

Issues for Consideration

The following issues/points are raised by the SERA for consideration by ComReg in this consultation process:

- 1) Leadership Role by Government;
- 2) Improving Competition and Availability of Advanced Service Offerings;
- 3) Regional Differences in Broadband Performance - Backhaul;
- 4) Regional Differences in Broadband Performance - Rural Areas;
- 5) Stimulating Demand for Broadband Take-up;
- 6) Strategic and Inclusive Approach to Implementation at Sub-national level.

1) *Leadership Role by Government*

The Government must continue to provide a clear and strategic leadership role with regard to broadband. It needs to ensure that the availability of broadband is seen as a basic infrastructure utility, in the same light as electricity, water and waste water, and that the

development of Next Generation Broadband (NGB) receives the proper resourcing (policy, financing, etc).

A related point is the role that local authorities can play. Local authorities partly paid for the construction of the MANs and own the MANs (with the State). Despite this close involvement, there is no incentive provided to them to directly participate in the take-up of, or do anything with, the MAN infrastructure. Local authorities exist at the local level and, if correctly utilised and resourced by Government, can 'champion' the MANs. In addition, the rate of connection by local authorities to the MANs has been relatively slow. The local authorities should be leading by example in connecting to their respective MANs and acting as local reference examples advocating the use of broadband.

2) Improving Competition and Availability of Advanced Service Offerings

Competition between and within platforms in the Irish broadband market is gathering pace, but from a very low base. Whilst coverage is still important (particularly to areas without access), speed of connection, resilience and the applications that can be supported are becoming key issues. Government policy and the regulatory environment must ensure that service providers are allowed to compete freely and aggressively across all platforms so that consumers and businesses are the ultimate beneficiaries.

3) Regional Differences in Broadband Performance - Backhaul

A key Government objective in the current National Development Plan is the achievement of balanced regional development. The location of indigenous and foreign direct investment in the regions will be critical to this. The availability of adequate broadband services will be an important factor in the location choice for any investment. The roll-out of the MANs is an important step towards supporting the broadband needs of enterprise in the regional locations. Nevertheless, the MANs will represent isolated "islands" unless they have competitive backhaul capacity to connect to national and international nodes and to each other. For MANs to truly maximise their potential, they must have backhaul that is effective, efficient and not overly expensive. Also, real competition must exist between backhaul providers for their service. The Government needs to implement innovative options to extend and open-up the backhaul network. A possibility in this regard is integrating all existing fibre-infrastructure networks of state-owned utilities to create a comprehensive state-wide fibre broadband backbone network.

4) Regional Differences in Broadband Performance - Rural Areas

Due to Ireland's demographic profile, providing a high-quality broadband service to certain rural areas at a reasonable cost to the consumer is a challenge. But it is one that must be tackled by Government in order to ensure that the present "digital-divide" between urban and rural areas does not widen further. If left solely to the market, rural areas will suffer a market failure in terms of broadband availability. Government intervention is warranted. If properly implemented, the roll-out of the long-awaited NBS will go some way to addressing this.

Mobile broadband and wireless technologies are shoring-up the limitations of fixed-line options in providing last mile solutions to these rural areas. An opportunity exists for Ireland to become “world-class” in the delivery of broadband solutions in areas of dispersed population. The Government should be strongly encouraging and supporting leading-edge research and development by the education and private sectors in such technologies.

5) Stimulating Demand for Broadband Take-up

Further actions are also needed to stimulate demand for broadband take-up. Initiatives to promote more sophisticated use of broadband by the general public and SMEs, enhanced e-government services and a more integrated and intensive approach to ICT education could spur broadband demand and investment.

Collaborative Industry/Government sustained marketing, publicity and demand stimulation campaigns highlighting the benefits of broadband are required. In terms of designing demand stimulation campaigns there is a need to give practical examples in non-technical language of how the ordinary citizen and the business process will benefit from broadband technology – terms such as ‘1 meg. or 100 megs.’ are meaningless to a majority of people other than implying high costs. Another option may be Regional Road Shows and mobile demonstration facilities to demonstrate the usefulness of ICT and broadband.

The present day school-going population represents the future market for broadband services. All school-going children must, equally, be provided with the means, opportunities and facilities to become ICT-proficient. Providing broadband access to schools under the Broadband for Schools Programme must represent only the first step in the integration of ICT into learning and education. Key to achieving this will be the provision of appropriate ICT-related professional development of teachers, provision of adequate time on the school curriculum for ICT activities and the continual upgrading of both ICT equipment and broadband access to keep pace with technological advances.

6) Strategic and Inclusive Approach to Implementation at Sub-national level

While the present consultation process is welcome, the Government and the DCENR should nevertheless adopt a more inclusive and strategic approach for driving forward and coordinating NGB development in Ireland.

In particular, Government should utilise the potential and resources that exist in regional and local authorities and in other appropriate agencies at sub-national level to implement a well-defined strategy for promoting and delivering ICT and NGB initiatives at regional and local level. Good examples of what can be successfully achieved are to be found in the role that the regional and local authorities play in the implementation of the MANs Programme.

The successful implementation of Government policy in this area will depend upon support from a number of different agencies and to achieve that support will require the development of close working relations between these agencies. Appropriate structures to co-ordinate implementation and to facilitate ongoing monitoring and evaluation will need to be put in place. This will involve considerable horizontal and vertical integration.

At national level, there is a need for the DCENR to link across all Departments which are impacted by NGB roll-out, e.g. Education and Enterprise, Trade & Employment. At regional level, an integrated, co-ordinated approach should operate within defined territorial boundaries. It is strongly recommended that the Regional Authority structure be utilised for this purpose. NGB development is a key requirement for the achievement of balanced regional development for which Regional Authorities are tasked to implement at the regional level. Through utilisation of the Regional Authority structure, linkages can also be created with the National Spatial Strategy and Regional Planning Guidelines implementation process. At local level, it will be important that structures to provide local support and linkages are in place. Local authorities, County Development Boards and County/City Enterprise Boards, amongst others, have a role to play in this regard.

Conclusion

The SERA, if requested, would welcome and is available to meet with ComReg to discuss its submission further, in particular, the role that the SERA can play in the delivery and implementation of NGB in Ireland.