



PRESS RELEASE

FTTH Council Europe Welcomes the European Commission's Guidelines on State Aid Rules for Public Funding of Broadband Networks

New guidelines provide important clarification on the role of public sector finance in building fibre-to-the-home networks.

BRUSSELS – 18th September 2009 The FTTH Council Europe welcomes the publication of the European Commission's guidelines on state aid rules for the public funding of broadband networks.

"Community guidelines for the application of state aid rules in relation to rapid deployment of broadband networks" outlines the rules and conditions on how public funding could be provided to build broadband networks in line with the EU state aid rules. These rules exist to channel public funding to areas where private companies have no commercial incentives to invest.

That the Commission felt it was necessary to publish the guidelines and the emphasis it places on fibre networks not only reaffirms how important it is that Europe moves quickly to a fibre-to-the-home solution, but also indicates that public finance will have a significant part to play in achieving that objective.

"The role of the State is particularly important in driving the pace of fibre deployment, either by making the investments directly or as a partner with private investors. The Guidelines also cover circumstances where the State may act more indirectly to accelerate fibre-to-the-home deployments by ensuring that facilitators such as passive infrastructure elements are available on terms which would allow operators to quickly deploy their networks," said Karel Helsen, FTTH Council Europe President.

The FTTH Council Europe believes that market forces should deliver fibre-to-the-home for the mass market; however the Council also recognises that certain geographic regions will not support fibre-to-the-home commercially without some form of public intervention.

Local governments and municipalities will have an important role to play in moving Europe towards a fibre future. The publication of the state aid guidelines is therefore a welcome and necessary clarification of the rules surrounding public finance, which should facilitate more active participation by the public sector in achieving widespread fibre-to-the-home deployment across Europe.

- ends -

About The FTTH Council Europe

The FTTH Council Europe is an industry organisation with a mission to accelerate the availability of fibre-based, ultra-high-speed access networks to consumers and businesses. The Council promotes this technology because it will deliver a flow of new services that enhances the quality of life, contributes to a better environment and increased competitiveness. The FTTH Council Europe consists of more than 115 members companies. Its members include leading telecommunications companies and many world leaders in the telecommunication industry.

www.ftthcouncil.eu

Press contact:

Community.pro

info@community.pro

+32 (0) 476 572 287

For more information:

Sally Van den bemden

FTTH Council Europe

+32 (0) 473 415 015

communication@ftthcouncil.eu