



Intel Corporation comments to the consultation on “The Draft Revised Guidelines on State Aid for Broadband Networks”

To: European Commission
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Intel Corporation (Intel) welcomes the opportunity to respond the consultation on “The Draft Revised Guidelines on State Aid for Broadband Networks”.

If our comments are unclear in any area or if additional information is required, we would be pleased to provide the necessary clarification or additional information in whatever appropriate format the European Commission desires.

Intel’s general comments are contained in the subsequent pages.

General Comments

Introduction

Intel commends the European Commission for efforts to accelerate the high-speed, high-quality broadband in the European Union aligned with the 2025 connectivity objectives in the Gigabit Communication.

Intel's global broadband objectives are the same as that of most governments and consumers: we want to enable high-speed and high-quality, widespread, affordable broadband in all countries extending computing technology to connect and enrich the lives of every person on earth. We strongly encourage all Administrations to establish competitive, technology and service neutral policies, expeditiously assign spectrum (both licenced and unlicensed), and permit compliance to globally recognised standards.

Importance of State Aid for the Digital Economy and Society

In general, Intel believes State aid and relevant legislations (including subsidies, incentives) are very important for the digital economy and society. Intel supports the objectives of EU for State Aid to be used for the rollout of high-speed broadband networks to address market failures where there is no current incentive for commercial operators to provide sufficient broadband coverage. State aid is also important to increase the investment of local and international investors in the EU. In this context, Intel would like to thank the European Commission and EU countries for helping to accelerate the investment of Intel in the European Union, especially for the new semiconductor plants, which are very important for the EU's economy and to enable high-speed intelligent broadband networks.

Effective Use of State Aids for Gigabit-capable Broadband Networks

Effective use of State aids for Gigabit-capable broadband networks/connectivity and timely implementation requires a very good coordination at the national and EU level with measurable implementation plans and targets. For this objective, we recommend establishing national and EU level committees for the coordination and implementation of Broadband State Aids for example, under the "European Broadband Competence Offices Network"). Committees can contain relevant experts of the European Commission, States, Operators, Municipalities, Ministries of ICT, Regulators, Economy, Health, Education, Agriculture etc.), and of course the NRAs (National Regulatory Authorities). Responsibilities and objectives of each partner can be clearly defined in guidelines and an implementation plan.

There is also a need for the effective use of State Aids to accelerate the introduction of new Gigabit networks (like 5G, Wi-Fi 6E).

Coordinated and harmonized approaches for the mapping of existing broadband coverage and the collection of relevant information is also necessary. Experience of other leading countries can

be useful such as USA's "National Broadband Availability Map"¹. The Federal Broadband Commission (FCC) is in process of updating the maps for greater accuracy. Its important to have accurate maps in particular identifying the unserved and underserved populations and should be frequently updated.

Strategies of Other Leading Countries

It is also important to benefit from the strategies and plans of other leading countries such as USA, South Korea, Japan, the UK. The European Commission can organize international level workshops on Broadband State Aid to share the successful projects among the countries.

Importance of Demand Side Programs

Supply and demand sides are complementary. Effective use of State Aids for demand creation programs and Gigabit-capable technologies are necessary to accelerate broadband adoption. State aids should also be used effectively for the provision of high-speed broadband connectivity and devices for low-income households/students, schools, industrial areas, SMEs etc. High-speed broadband connectivity is not sufficient, and these groups also need devices (smartphones, computers, routers etc.) for access to high-speed broadband Internet such as for remote learning and health. User devices (computers, Routers/Access Points etc.) should also have high-speed broadband capability such as 5G, Wi-Fi 6E². Wi-Fi 6E is also very important for the SMEs and SME Europe's Webinar "How Can Wi-Fi Contribute to the EU Digital Decade?)" explains the importance of Wi-Fi and Wi-Fi 6E for the SMEs in Europe.

One useful example from Italy to encourage broadband adoption is the use of a voucher program for both for high-speed broadband connectivity and devices for low-income families. This program is a good example to enable "NGA – Next Generation Access - broadband internet services as well as of the supply of a tablet or a personal computer by households in a fragile economic situation"³. In a similar example, Greece's State Aid "Broadband voucher scheme for students"⁴ covers the cost for a new or existing subscription to broadband internet access services.

Integration of ICT in Education

Integration of ICT in Education is also necessary for the broadband demand creation. State aid can also be used for the smart learning in education in schools (high-speed broadband infrastructure and devices in schools and classrooms etc.). And support for remote learning in households through programs for high-speed broadband connectivity and devices. Croatia's "e-

¹ <https://broadbandusa.ntia.doc.gov/map>

² https://www.wi-fi.org/download.php?file=/sites/default/files/private/Wi-Fi_6E_Highlights_202112.pdf

³ https://ec.europa.eu/competition/state_aid/cases1/202037/286902_2187163_119_2.pdf

⁴ https://ec.europa.eu/competition/state_aid/cases1/20212/288333_2230042_140_2.pdf

Schools Project”⁵ is a good example for the integration of smart learning in schools and education.

Conclusion

Coordination is very important for the effective and timely implementation of State Aids. State Aids should be used both for the supply and demand creation programs. It is also important to benefit from the strategies of other leading countries. In addition to fiber, there is also a need for the acceleration of new Gigabit technologies like 5G and Wi-Fi 6E.

Intel would like to thank again for the opportunity to respond to the consultation on “The Draft Revised Guidelines on State Aid for Broadband Networks”.

⁵ https://ec.europa.eu/regional_policy/sources/docgener/factsheet/eschool_en.pdf