



ROYAL NORWEGIAN MINISTRY OF
TRADE, INDUSTRY AND FISHERIES

European Commission
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Your ref

Our ref

Date

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**Draft revised Guidelines on State aid for broadband networks –
comments from Norway – HT.5766**

Norway welcomes the draft revised Guidelines on State aid to broadband networks and would like to thank the Commission for the opportunity to submit comments.

Norway is a long and narrow country, with the world's second longest coastline and inland dominated by mountains. We have large areas of low population density, 2.5 million households and 16 inhabitants per square kilometre.

Our model in broadband deployment has mainly been based on private investments and rather successful. However, building high-capacity network coverage in Norway is very expensive and demanding.

According to the Digital Economy and Society Index (DESI) Norway ranks among the top 5 countries in Europe broadband and mobile connectivity. 99,9 % of the population have mobile connectivity, and 86 % of the households have Gigabit connectivity. In central areas we are close to a coverage of 95 %, while the coverage is lower in low population density areas, close to 60 % for Gbps.

The State aid scheme applied in Norway since 2014 is designed to give access to white areas and has resulted in a total of 120.000 connected homes. The remaining areas are challenging and expensive to cover due to the topology and low population density, regardless of the choice of technology. It is not unusual in Norway to have areas applying for State aid consisting of only 5 – 10 households.

Based on this, we would like to highlight the following:

Fixed and mobile networks

The draft Guidelines appear to consider the market for fixed broadband services as separate from the market for mobile broadband services, cf. paragraph 35. From Norway's point of view, a flexibility to combine fixed and mobile services in particularly challenging areas in a single State aid scheme, would be appreciated. There are many low population density areas in Norway that are geographically distanced and topologically challenging. In such areas or pockets mobile coverage could be the most cost-effective and fastest solution to address a lack of end user connectivity.

GBER 52a (11) stipulates when publicly funded mobile networks may be used to offer fixed wireless access. The draft Guidelines, however, do not seem to refer to such requirements. Norway would appreciate if the Commission would clarify whether such requirements apply under the Guidelines, and what these requirements are. In our experience it may, in certain specific areas, be challenging to achieve the broadband speed required for mobile networks in Article 52a (11) of the GBER.

Wholesale access

The Norwegian authorities welcome that paragraph 150 gives flexibility to limit the provision of access products. Wholesale access is very important in the State aid scheme. It should, however, be practised with a careful balancing of additional costs of the investments and benefits to competition in such areas. It should also be considered whether reasonable demands for wholesale access are present or will emerge.

Use of existing infrastructure

The Norwegian authorities agree with the Commission on the importance of re-using existing infrastructure to reduce the cost of broadband roll-out, and that a national database on the availability of such infrastructure should be available. For economic reasons, the EEA States should be allowed to adapt and use existing national infrastructure databases, such as the single information point, rather than having to set up a separate infrastructure database solely for this purpose. As mandatory information may already be available in the existing database, it could also reduce the amount of information required from operators when calling for tender.

Mapping

Regarding recommended mapping methodologies, cf. Annex I, Norway would like to stress the importance of an efficient and proportionate approach to the collecting of relevant mapping data from broadband operators. The same data should not be requested multiple times in a short time span, except in exceptional cases, as it involves considerable efforts on the part of the operators.

As national authorities comply with the geographical survey provisions (GS) set forth in Article 22 of the EECC, and these GS are available and considered sufficient by the EEA

States, they should be the unique source for the purpose of State aid notifications. Should new needs for data be identified for specific purposes, exceeding the scope of Article 22, these should be complementary and reasoned. Moreover, as the information required for State aid notifications depends on specific circumstances and intervention (*i.a.* technologies already present and geography), we find that the national authorities should have the competence to assess their needs for data and the proportionality of data requests in each case. This applies to both existing and planned deployments and forecasts.

Yours sincerely

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