

EUROPEAN COMMISSION

MEMO

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Frequently asked questions: "Connected Communities"

What is "Connected Communities"? [See <u>IP/14/819</u>]

Connected Communities is a European Commission initiative to support regions and cities in their broadband networks development. The aim is to identify and support a number of innovative pilot projects for deploying high speed broadband which can be replicated across the European Union. The initiative will map potential European broadband projects, and identify the most mature ones, which will be prioritized for "technical assistance" services under the <u>Connected Europe Facility</u> (CEF), in partnership between the European Commission and the World Bank. The initiative will also create a community of stakeholders which will work towards closing the high speed broadband gap.

Who can submit a high-speed broadband project plan?

Any local, regional or national, public, semi-public or private entities can present a broadband project. The broadband project must be located in one or more EU Member State.

What is the deadline to submit a project?

The first phase of the call will be open until 15 October 2014.

What information is required to submit a project?

The call consists of some basic questions about the project proposal, the promoter and the local community interested by the project. The questionnaire to be filled in also includes some questions about the current state of the infrastructure and the expected socioeconomic gains from connecting the local community.

What is "technical assistance"?

Technical assistance encompasses a broad range of project financing aspects: it can be related to financial structuring, to technical aspects of the project (such as network architecture or the business model), or to legal aspects such as state aid screening.

What are the criteria for applying for CEF technical assistance?

In order to be eligible for CEF Technical Assistance, a project must be aligned with the criteria for funding provided for in <u>Article 6.7</u> of the CEF and in the Annex to CEF telecom guidelines. These criteria include:

- contribution to the Digital Agenda for Europe targets (i.e. to deliver high-speed broadband of at least 30 Mbps);
- cover areas that will not be covered by other investors;
- use advanced technology which is deemed most suitable to address the needs of the geographic area in question, taking into account social and economic factors;
- technology best suited for the specific project, in terms of speed, transmission security, network resilience, and cost efficiency;
- a possibility to replicate the project in another country or region.

Will all the projects be selected for the technical assistance?

No. The submitted proposals will be grouped into three categories, and the results will be communicated to the applicants by 1 November 2014.

The projects will be grouped into these categories:

- **Drawing Board:** the project is not mature enough. Project proposals in this group will be invited to join the online community to discuss the project further if they wish to do so.
- **Intervention logic**: the project proposal has identified the main stakeholders (project promoters, financiers), with a general idea about areas to be covered, technology and costs. Project proposals in this group will be invited to submit additional information and relevant documents under the second phase and will be enrolled in the online community to discuss the project further.
- **Business plan:** a comprehensive business plan already exists and the main stakeholders have been identified, although some aspects are under developed and have to be clarified; and a tentative budget is included. Project proposals in this group will be invited to submit additional information and relevant documents under the second phase and will be enrolled in the online community, with a view to giving technical assistance.

After the first phase is completed, a **second phase** will open, to refine the information provided under the first phase and complement it. The second phase will be opened until 31 December 2014. Then the projects will be evaluated by European Commission and World Bank experts and will obtain project-specific feedback (tentative date for this is 28 February 2015). The best projects will then be receive a proposal of technical assistance.

Can technical assistance be sought if the project is funded through the European Structural and Investment Funds?

Yes, unless the project is designed to be funded 100% through grants.

What is the relation of the Connected Communities initiative to the Connecting Europe Facility?

The Connected Communities initiative is independent from Connecting Europe Facility and its calls. Submitting a project proposal is not linked to receiving funding from the European Commission and is not a precondition for submitting proposals to the Connecting Europe facility of the European Investment Bank. However, the most advanced projects identified through Connected Communities will receive the Commission's "seal of approval", and will be referred to the joint European Commission / World Bank technical assistance platform.

What is the advantage of becoming part of the Connected Communities initiative?

Submitting a proposal under Connected Communities offers several opportunities for learning, partnering, efficiency gains and creation of new business:

- Visibility: take part in action on a European scale with a broad coalition of partners;
- **Networking**: engage with others to get new ideas and feedback;
- Best practices: learn from others and exchange best practices;
- Feedback: receive feedback from experienced professionals about your proposal;
- **Receive technical assistance** and/or guidance about technical assistance sources other than the European Commission / World Bank partnership.