## Operation 2.2. ICT Network

# Specific objective

To provide access to broadband infrastructure in the context of transition to information society.

## Operation rationale

Internet access at the national level has shown significant improvement over last year in terms of connectivity, speed and accessibility of the price. The most critical is the slow development of broadband infrastructure in less urbanized areas, where in recent years have seen a very slight improvement in comparison with other indicators. This limits the population in these regional broadband internet access and receive advanced broadband services and consigns him to a growing "digital exclusion".

On the other hand the central, regional and local administrative bodies should serve people by providing electronic government services to businesses and individuals within the electronic government (e-health, e-security e-mobility, e-learning, e-commerce). As a key driver and coordinator of the processes associated with construction of broadband, Ministry of Transport, Information Technologies and Communications (MTITC) makes the necessary personnel to mobilize considerable potential in this high-tech field and to organize a public discussion with prominent experts from sufficiently representative organizations to adequately address the tasks.

The first step in this direction has been to set up a national strategy for broadband development in Bulgaria, which was adopted by the Council of Ministers in November 2009. The National Strategy provides the vision, objectives and basic guidelines to ensure the dissemination, accessibility and promote the benefits of broadband as a key factor in overcoming the "digital divide" between different regions of the country.

At this stage, the country has built several telecommunication backbone networks of national significance that provide communications connectivity to all 28 large regional cities and a significant number (a total of 264) municipal cities.

Although it is normal to expect market mechanisms to stimulate and contribute greatly to ensuring the establishment of basic telecommunications infrastructure of national importance, in reality there are significant gaps in the local connection with such infrastructure and the consequent lack of provision of services population. This applies most strongly to less densely populated and economically underdeveloped, and agricultural areas of the country where it is not always economically justified for the private sector to invest in the development of electronic communications infrastructure and the development of information and communication services. These settlements are located in the "white" and "gray" areas, according to the classification guidelines of the European Commission for the implementation of State aid.

It is this inability pure market forces alone to provide automatic and development of e-communications infrastructure for broadband access, broadband services, respectively, timely, affordable to all citizens regardless of their geographical location within the country, justifies the need for state intervention to protect the public interest.

In this sense, the operation will support the completion of the modernization of telecommunications transmission network, expansion of the local telecommunications network in sparsely populated and economically undeveloped and in agricultural areas of the country (located in the "white" and "gray" area) and future digitization of this network. To achieve higher efficiency of investment is essential to be covered in a large number of people in the projects financed under OP "Regional Development". Moreover, it is preferable that the investment will be realized in areas where along with the above conditions, there are cumulatively and other favorable conditions:

- presence of public institutions as a prerequisite for active public relations and social (schools, hospitals, community centers, etc..)
- presence of economic activity, or prerequisites for the emergence of this (tourism, farming, etc..)
- presence of willing or ready for use in the population of broadband services;
- there are opportunities for realization of successful forms of public private partnership.

Adherence to these considerations, it is important to provide the necessary economic incentive for private business, that shall use an "open access" to the built by the state infrastructure to develop and provide the relevant broadband services.

Once selected the appropriate areas for inclusion in projects financed under OP "Regional Development", it is necessary to build their broadband backbone connectivity to existing communications networks to broadband access with national significance. Within this process it is significant to build an infrastructure of regional or municipal cities, which reaches to the existing broadband networks and backbone in medium and smaller settlements to reach out to their constituent municipalities and localities selected for inclusion in projects. To achieve the above objectives, technologically neutral design decisions will be implemented.

After building the communication infrastructure, providing an opportunity for broadband access to the targeted areas and settlements, all willing private operators will be given access to the infrastructure on equal terms to use it advisedly for provision of broadband services to the population ..

### List of indicative activities to be supported

- Construction of broadband connections to broadband connections to urban surroundings and poorly urbanized territories and rural areas;
- Development of critical, secure, dependable and trusted public-owned infrastructure.

### **Beneficiaries**

Executive Agency "Electronic Communication Networks and Information Systems"