

State aid: Commission approves Italian scheme to bridge digital divide in Lombardy

The European Commission has approved under EU state aid rules funding for a network to bridge the digital divide in the Italian region of Lombardy. The Italian scheme is fully in line with the Commission's Broadband Guidelines (see [IP/09/1332](#) and [MEMO/09/396](#)) and will contribute to reach the EU's objective of increasing broadband connectivity to all European citizens while at the same time stimulating competition in areas where private operators were not present before.

Competition Commissioner Neelie Kroes commented: "Investment in broadband can contribute to fighting the economic crisis and to spurring economic growth. I welcome the good cooperation we had with the Italian authorities in designing a well-targeted aid scheme that will help to achieve these goals and reduce the digital divide, without crowding out private investment and unduly distorting competition."

In Italy, as in other EU Member States, state-of-the-art broadband services are available to citizens and businesses in more densely populated areas, whereas broadband infrastructure is inadequate or outright lacking in rural, mountainous and geographically disadvantaged areas. These areas are not commercially attractive for telecommunication operators and this leaves citizens and businesses in such areas without the possibility of adequate broadband access and services.

The Italian scheme aims at bringing broadband connectivity of at least 2 Mbps to at least 90% of the population in unserved areas of Lombardy, where the existing infrastructure is inadequate or non-existent. By using a public tender procedure, imposing access obligations and respecting the principle of technological neutrality, the Italian authorities expect that an offer combining different technological platforms would deliver broadband coverage to almost 100% of the population in the remote areas.

The Commission has also assessed positively that public funding will be available only for multi-fibre ducts and that access to these ducts will be open to all interested operators, without any time limit. This will foster infrastructure competition for future investment in next-generation networks.

In line with the Commission's Broadband Guidelines, public funding under the Lombardy scheme will only be used where no private operator would invest on market terms and will only be handed out after a public tender. Open, non-discriminatory wholesale access will allow several broadband service providers to offer competitive services on the new networks.

The non-confidential version of the decision will be made available under the case number N 596/2009 in the [State Aid Register](#) on the [DG Competition](#) website once any confidentiality issues have been resolved. New publications of state aid decisions on the internet and in the Official Journal are listed in the [State Aid Weekly e-News](#).

See [MEMO/10/31](#) for other examples of broadband state aid approved by the Commission since the adoption of the 2009 Guidelines.