

**Opening Statement to PAC on 28 March 2019**

**Mark Griffin, Secretary General**

**Department of Communications, Climate Action and Environment**

I understand that the Committee wishes to resume discussions in relation to the National Broadband Plan and the Metropolitan Area Networks by way of follow-on to my appearance before the Committee last December and the appearance of the telecommunications companies in February.

The National Broadband Plan (NBP) is a key Government commitment and a core component of Project Ireland 2040. The proposed State Intervention under the National Broadband Plan takes place against the backdrop of significant and rapid transformation in technology and digitalisation, which in turn is driving exponential growth in the demand for quality, reliable, high speed broadband. Continued commercial investment, in parallel to the progression of the State's Intervention, is important and the recent announcements by industry are welcomed.

Given the pace of developments, it is clear that the NBP network needs to be future proofed and capable of meeting increasing data demands, supporting new ways of working and new technologies. In relation to data demand, it is notable that in Q4 2018 an average fixed broadband subscriber used 170GB of data per month. This was a 17% increase from the same quarter in 2017 and more than double the volume of data used when compared to Q4 2015 when

the procurement process for the NBP commenced. This illustrates the exponential growth in data use on these networks.

The NBP will provide the foundation for Ireland to meet Europe's 2025 targets for the creation a Gigabit society. Widespread access to such connectivity, underpinned by a scalable, responsive and reliable digital infrastructure is fundamental to maintaining and enhancing Ireland's competitiveness at this critical juncture, and will allow all citizens to embrace digital transformation to innovate, be creative and thrive, resulting in sustainable economic growth and positive social dividends.

Since I last appeared before the Committee on 6 December, my Department has continued with the assessment of the Final Tender. That process is now reaching a conclusion and as the Minister has indicated, he intends to bring a recommendation to Government shortly.

The technology solution proposed by the bidder is predominantly FTTP (Fibre to the Premises). This is the same technology which is being rolled out by commercial companies in urban areas. While the procurement did not specify the technology to be used, all three bidders proposed similar FTTP solutions. As a result of the choice of fibre technology, the basic NBP wholesale entry product will be 150Mbps download speed, with speeds of up to 1 Gigabit available to businesses. The FTTP solution ensures additional capacity can be added over time to meet future needs at low incremental cost. The bid involves maximising re-use of existing pole and duct infrastructure across the

country. A wireless solution will likely be used for a small percentage of premises which are the most remote and difficult to reach.

Turning to the State-owned Metropolitan Area Networks, this infrastructure continues to play an important role in the regional telecommunications market. The creation of the MANs as an exclusive fibre network facilitates service providers, large and small, in responding to the ongoing growth in demand for bandwidth capacity.

Some 70 service operators are using the MANs infrastructure in connection with the provision of fixed and mobile broadband services to over one million citizens and business customers, which include domestic fixed and mobile customers, State entities, educational institutions, SMEs, industrial estates and multinationals. The MANs are an important element of the Intervention Area solution.

I look forward to assisting the Committee members with any questions they have today.

**ENDS**