Press Release

BSG comments on Caio Review



The Caio Report on Next Generation Broadband is a key step towards UK consumers getting superfast broadband, according to the Broadband Stakeholder Group, the government's advisory body on broadband.

Kip Meek, Chairman of the Broadband Stakeholder Group, says, "Importantly, this report states that although there is no government money on the table, there is a key leadership role for both government and Ofcom, and that everyone involved in the provision of broadband must work more closely together if we are to address the challenges of deployment of next generation, super-fast, broadband in the UK."

BSG believes that the report is important for three reasons:

• Firstly it is saying that government needs to come off the fence and recognise that next generation broadband will be of fundamental importance to the UK economy

- BSG agrees and believes that government and Ofcom together must show leadership in creating the right environment for investment to take place.

 Secondly, it is saying that we shouldn't expect a single entity to deploy a single fibre network universally across the UK. Instead we are likely to see different networks, being deployed in different areas, by different organisations using a mix of fibre and wireless technologies.

- This is borne out by the BSG's recent cost modelling work which concluded that universal Fibre to the Home (FTTH) would cost £28.8 bn.

 Thirdly, while it rejects the need for blanket subsidies, it is saying that local innovative projects, involving the public and private sector and local communities should be encouraged and supported both as a stimulus to competition and as a way of extending coverage into more rural areas.

- BSG research earlier this year demonstrated that if built on international best practice, such projects can be both efficient and effective. But coordination is required at national level.

The BSG is committed to assisting government and the regulator in implementing the recommendations from the Caio Review.

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Notes to Editors

Recent BSG inputs to the next generation broadband debate

On 08 September the BSG published its input to the Caio Review, 'The costs of deploying fibre-based next generation broadband infrastructure'. The report highlighted that bringing fibre to the cabinet to the UK would cost £5.1bn, and fibre to the home would cost between £24.4bn and £28.8bn depending on the choice of technology. The report is available at www.broadbanduk.org/fibrecosts

The report is the third in a series of reports published this year by the Broadband Stakeholder Group on next generation broadband. It complements earlier reports on the economic and social value of next generation broadband (available at <u>www.broadbanduk.org/value</u>) and models for efficient and effective public sector interventions (<u>www.broadbanduk.org/psi</u>). It reflects the BSG's commitment to ensuring an informed and detailed public debate on next generation broadband in the UK.

About the Broadband Stakeholder Group

The BSG was established as a cross-sector government advisory group in 2001 to help the UK lead the G7 in broadband penetration and connectivity. It provides a neutral forum for collaboration between organisations across the converging broadband value-chain with the ultimate aim of helping to create a strong and competitive UK knowledge economy

It aims to be a critical friend of government and the regulator, and comprises companies from the telecoms and technology sectors through to content providers and rights holders. It also has direct representation from government departments and Ofcom. It is funded through a combination of government funding and industry sponsorship.

The BSG focuses on strategic, medium- to long-term challenges, which have latterly included next generation access networks, predicting future bandwidth requirements, the EU Television without Frontiers Directive, digital inclusion and self- and co-regulation in the audiovisual media market.

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