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**Subject: State aid N 646/2009 – National broadband plan for rural areas in Italy**

Sir,

## **I. SUMMARY**

- (1) I am pleased to be able to inform you that the European Commission has assessed the measure "*National broadband plan for rural areas in Italy*" and decided not to raise objections as the State aid contained therein is compatible with Article 107(3)(c) Treaty on the Functioning of the European Union (TFEU)<sup>1</sup>.

## **II. PROCEDURE**

- (2) With a letter notified on 19 November 2009, pursuant to Art. 108(3) of the TFEU, the Italian Government informed the Commission of its intention to adopt a national plan to rollout broadband infrastructure in the rural areas of Italy. This information was complemented by an additional submission dated 3 December 2009 and by other clarifications provided during *ad hoc* meetings between the Italian authorities and the Commission case team. A request for information was sent on 3 February 2010 and the Italian authorities sent their reply on 3 March 2010.

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<sup>1</sup> With effect from 1 December 2009, Articles 87 and 88 of the EC Treaty have become Articles 107 and 108, respectively, of the TFEU. The two sets of provisions are, in substance, identical. For the purposes of this Decision, references to Articles 107 and 108 of the TFEU should be understood as references to Articles 87 and 88, respectively, of the EC Treaty where appropriate.

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### III. DESCRIPTION OF THE MEASURE

#### Factual background

- (3) In the framework of its European Economic Recovery Plan and with the aim of achieving 100% high speed internet coverage for all citizens by 2010, the Commission has injected EUR 1.02 billion into the European Agricultural Fund for Rural Development (EAFRD) for deployment of broadband infrastructures in rural areas.<sup>2</sup> The total amount of over 1 billion was subsequently allocated to the European member States to be invested in anti-crisis measures, with a special focus on broadband networks.
- (4) With such a view, the Commission also asked Member States, regions and other local entities to amend and integrate their Rural Development Plans, so as to channel additional resources towards broadband infrastructures.
- (5) In line with the above policy and in order to overcome the digital divide existing between the rural and urban areas of Italy, the Italian Government decided to assign nearly the totality of the mentioned EAFRD funds for rollout of broadband networks. Accordingly, Italy has modified the National Plan of Rural Development for the years 2007-2013 by introducing measures aiming at funding the deployment of broadband in rural and low-density areas, where broadband is either not present or inadequate.
- (6) In Italy, the availability of broadband is inhomogeneous. While broadband connectivity is available nearly in 100% of the urban areas and in some cases with a speed up to 20 Mbps, in rural and low-density areas, the current infrastructure is not sufficient to ensure an acceptable and uniform level of connectivity.
- (7) In recent years, both public and private investments in broadband networks have endeavoured to reduce the digital divide. At the end of 2007, ADSL coverage in rural area reached 81.7% (+31 percentage points relative to December 2006) and the DSL rural gap with national coverage decreased from 38.5% in 2006 to 12.3% in 2007.<sup>3</sup>
- (8) However, in several instances, the broadband upgrade relied on the pre-existing PSTN network, once used for voice traffic only, whose characteristics *de facto* prevent its use for data traffic. In some areas, indeed, the Italian incumbent telecom operator has attempted to make available ADSL services on the existing copper infrastructures, *i.e.* without rolling out any optical fibre to the exchanges. Use of the (fibre) transport network is a necessary input for retail telecommunication operators to provide (high speed) access services to the end users. As a consequence, currently, the technology used does not allow access speeds higher than 640 Kbps. Although this solution constitutes a short-term improvement with respect to the old PSTN modem connections, the gaps in connectivity are still remarkable.
- (9) Currently, approximately 8% of the Italian population is excluded from the benefits of broadband connectivity, as a consequence of the failure to upgrade the "backhaul

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<sup>2</sup> See Regulation (EC) No 473/2009 of 25.05.2009 amending Regulation (EC) No 1698/2005 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) and Regulation (EC) No 1290/2005 on the financing of the common agricultural policy, (OJ L 149, 9.6.2009, p. 3).

<sup>3</sup> Source: IDATE 2008. Broadband coverage in EU.

network" from the traditional copper wiring to optical fibre. Such market failure is due to the circumstance that, in rural areas, where economies of scale are absent, network providers do not find it profitable to make investments in technological upgrades. The notified measure, thus, is envisaged in order to overcome such deficiency.

#### Objectives of the measure

- (10) The notified measure aims at bringing broadband connectivity in rural or low-density municipalities which are currently facing an infrastructure and connectivity deficit. In relation to the classification in white, grey and black areas set forth by the *Community Guidelines for the application of State aid rules in relation to rapid deployment of broadband networks*<sup>4</sup> (hereinafter: "Broadband Guidelines"), the Italian authorities represent that approximately 2.000 municipalities fall within the definition of "white areas", while approximately 3.000 of them are in "grey areas". The measure will be addressed only to those municipalities falling in the category of "white areas" according to the definition of the Guidelines.
- (11) Having the list of 2.000 municipalities as starting point, the final identification of the areas eligible for public intervention will be carried out through a **public consultation** involving operators of electronic communications and other stakeholders. The consultation will have the two-fold objective of verifying (i) the effective absence of the basic broadband infrastructure, and (ii) the intention of the operators to invest in broadband connectivity in the short term. Such mapping exercise will determine the final pattern of the network to be funded.

#### The public consultation with the stakeholders

- (12) As of 2004, the Italian Ministry for Economic Development, in cooperation with all telecommunication and satellite operators active in Italy, has carried out a monitoring exercise on the coverage of broadband in Italy. The exercise resulted into a study which, starting from the existing infrastructures and network facilities provides the map of the broadband connectivity and highlights the areas where demand is still unmet.<sup>5</sup> In the period 2004-2009, additional consultations have taken place between the Italian authorities and the operators and the study has been periodically revised.
- (13) In addition to (and on the basis of) the abovementioned study, the Italian authorities will now launch a public consultation, involving the regions and the operators, in order to further update the broadband connectivity map and locate the areas where the need for broadband connectivity is more intense and which are thus eligible for state aid financed projects. The consultation will take place at both regional and national level and will target operators and stakeholders to the largest extent possible.
- (14) In compliance with the Broadband Guidelines, during the consultation, the Italian authorities will request the operators to show their intention to invest in the rural areas through the submission of (i) a business plan for the following three years, (ii) a calendar

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<sup>4</sup> OJ C 235 of 30.9.2009, p. 7.

<sup>5</sup> The study involved the following operators: Telecom Italia, Fastweb, Wind-Infostrada, BT, Vodafone, H3G, Infracom-Autostrade tlc, Eutelia, Albacom, Basicel, Elitel, Kingcom, Colt, Evia, Global Crossing, Eurostrada i-21.

of the investments already planned for this period, (iii) evidence of possessing financial resources adequate to the planned interventions, and (iv) any other evidence of the viability of their plans.

#### Legal Basis

- (15) The legal basis for the measure includes the National Development Programme and the Regional Rural Development Programmes 2007-2013 prepared by the individual regions.

#### Design of the project

- (16) Upon completion of the mapping exercise, the Italian authorities envisage two types of initiatives. The first solution (*Technical Solution A*) entails the set up of a backhaul infrastructure in optical fibre. The second solution (*Technical Solution B*) will provide a connectivity solution for the remaining "white" areas which, due to particular geographic conditions, cannot be reached by the backhaul infrastructure.

#### Technical solution A

- (17) In the first place, the Italian authorities envisage the rollout of backhaul broadband infrastructure in optical fibre to serve "white" areas. Optical fibre ensures support to broadband services at least up to 20 Mbit/s. A backhaul in optical fibre allows a long period of use before becoming obsolete (30 years) and thus provides a reliable technology platform for the construction of the next generation access network (NGA).
- (18) The project expressly foresees that **existing infrastructures** (including dark fibre and ducts) will be used wherever available for the deployment. The set up of the infrastructure will be adjudicated by **public tenders**. The funds will first be transferred from the central government to the Regions, which in turn will be in charge<sup>6</sup> of running the tenders for the rollout of the portion of the network located in the territory under their jurisdiction. The Regions will also retain ownership of the infrastructure.
- (19) Once completed, the optical fibres posed and lit in the network infrastructure will be assigned in concession to various broadband operators. The tender activities for the granting of the licenses, the management of the licenses and all the administrative and ancillary operations will be either carried out by the regions themselves or, as a result of an open competition, tendered to an *ad hoc* entity. In the latter case, such entity will receive compensation for both organising the tender of the licences and for managing the licences themselves. The consideration for the first task shall amount to 2% of the starting amount for the tender (according to the Italian procurement rules), while the compensation for the second task will be 10% on the rents paid by the licensees of the fibres.
- (20) A **claw back mechanism** is foreseen to ensure that any profit generated via the public network in excess of the costs (including the due compensation) will be reinvested to upgrade or expand the network, under the supervision of the concerned regions. Indeed, in order to make the mechanism effective and assess possible extra-profits, all costs for the construction and management of the infrastructure shall be included in a business plan

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<sup>6</sup> Directly or through a delegate, such as a controlled company.

and shall be in line with those borne by an efficient operator for the realisation of a similar project. In addition, in order to ensure prompt recovery of the extra-profits, the business plan shall include a clause mandating the repayment or the reinvestment of such amounts. In this respect, a reinvestment clause would be more efficient than a simple repayment obligation, as the former ensures that extra-profits are reinvested in broadband to white areas identified by the mapping exercise. Furthermore, every year, a financial statement shall be drafted outlining the revenues and the costs associated to the infrastructure and its operation.

- (21) The ducts used for the deployment of the network will be made available to other operators interested in posing their own infrastructure. Inside the ducts, the optical fibres will be accessible by third parties. Indeed, in areas which will be served by less than four retail operators, these operators will have an obligation, regardless of the significant market power possibly held,<sup>7</sup> to grant wholesale access to the network at fair, reasonable and non-discriminatory conditions. Access wholesale prices will be based on the average published (regulated) wholesale prices that prevail in other comparable, more competitive areas of the country or the Community or, in the absence of such published prices, on prices already set or approved by the National Regulatory Authority for the markets and services concerned. In areas served by four or more operators the optical fibre will be licensed on an exclusivity basis, as the market conditions can be considered adequate to stimulate the operators with band capacity in excess to sell it on the wholesale market.
- (22) Regardless of the abovementioned access mechanism, the inspiring principle of the measure, with particular respect to the open access to the ducts and other posing infrastructure, is to favour competition between independent infrastructures deployed in the ducts (*i.e.* optical fibres), rather than opting for the sharing of the same infrastructure (*e.g.* sharing of a single fibre).
- (23) The measure is **technologically neutral**, as it envisages the possibility that all telecommunication operators, regardless of the technology employed, may have access and use the infrastructure and the network access facilities<sup>8</sup>.
- (24) In summary, the project to set up a broadband infrastructure envisages that network ownership will remain with the Regions financing the project; that already existing infrastructures be used for the installation of cables and other equipment; that any solution adopted be technologically neutral; that all infrastructures be accessible to third parties at fair, reasonable and non discriminatory terms and that tender procedures be employed in order to adjudicate the necessary works. The administrative entities in charge of the implementation of the project will be the Regions or *ad hoc* bodies delegated by them. In case the tender for the construction of the infrastructure is awarded to an operator providing also retail services, or to a group of undertakings including a retail operator, a mechanism of functional separation will ensure that the department in charge of the setup of the optical fibre deals at arm length with the retail business.

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<sup>7</sup> This provision does not encroach on the national regulatory provisions on significant market power and does not prevent NRAs to impose access obligations and other asymmetric measures which the market conditions might require.

<sup>8</sup> All electronic communication operators can benefit of the rollout of a backhaul infrastructure, which can be used to collect data traffic, while delivery to the end-user can be done with the preferred technology.

### Technical solution B

- (25) The Italian authorities envisage also a complementary solution, alternative to the terrestrial backhaul, to overcome the digital divide. Such solution entails the financing of users' access (e.g. decoders, modems, dishes, *etc.*) for citizens residing in areas where morphologic conditions make either impractical or economically unviable the set up of terrestrial or other wireless facilities within 31 December 2015. In other words, after the mapping has been finalised and the path of the network identified, for the areas remaining uncovered, users access will be subsidised directly.
- (26) In smaller villages, the financial contribution will be made available directly to users (thus saving the administrative costs of launching a tender), which will then be able to select the most convenient offer. In larger agglomerates, the regional administration will launch a tender, in compliance with the principles laid down by public procurement legislation, in order to select a provider who will receive aid to provide broadband access to users, including the necessary equipment. In order to limit the amount of the aid to the minimum necessary, the call for tender shall indicate (for mere organizational reasons) a provisional number of users to be supplied (determined on the basis of the mapping exercise), but shall not bind the public administration to buy a minimum quantity of equipment. Upon adjudication of the tender, users will receive from the selected supplier the connection equipment. Accordingly, payments to the selected suppliers shall only take place on the basis of periodic account statements submitted by the supplier to the funding administration and evidencing the exact number of users supplied with equipment. The regional administration will be monitoring the implementation of this part of the aid measure and will ensure that that if the beneficiary fails to comply with the rules, the aid granted will be recovered. (See also paragraph 31)

### Other characteristics of the measure

- (27) The **budget** for the measure amounts to EUR 154.5 million consisting of Community funds from the European Agriculture Fund for Rural Development" (EAFRD) and national funds. A further integration of EUR 56 million might be approved in the future by the Italian Ministry for economic Development.
- (28) The **intensity** of the aid is up to 100% of the total admissible costs, for the technical solution A, and of the cost of terminal equipment, for technical solution B.
- (29) The **duration** of the aid covers the period 2009-2015.
- (30) **Beneficiaries.** With respect to the technical solution A, the direct beneficiaries of the aid will be the Regions, while the indirect beneficiaries will be the electronic communication operators which will gain access to the infrastructure at lower costs and with less investment than they should have faced otherwise. Moreover, firms and businesses located in the targeted areas will indirectly benefit from the possibility of purchasing broadband access at lower costs than those entailed by existing market solutions, In relation to technical solution B, the benefit goes to public administrations, undertakings and households which will be financed for the purchase of terminal equipment. In this second case, beneficiaries of the measure will also be operators which will sell additional subscriptions to end-users and, possibly, providers of the terminal equipment.

- (31) **Monitoring.** The project measure envisages the adoption of a monitoring scheme capable of aggregating all the information concerning the main implementation steps in the various regions involved in the initiative. The information will be gathered by the Ministry of Agriculture and then forwarded to the Commission in periodic reports.

#### IV. STATE AID ASSESSMENT OF THE MEASURE: PRESENCE OF AID

- (32) According to Article 107(1) of the TFEU, “*any aid granted by a Member State or through State resources in any form whatsoever which distorts or threatens to distort competition by favouring certain undertakings or the production of certain goods shall, in so far as it affects trade between Member States, be incompatible with the common market*”. It follows that in order to be qualified as State aid, the following cumulative conditions have to be met: 1) the measure has to be granted out of State resources, 2) it has to confer an economic advantage to undertakings, 3) the advantage has to be selective and distort or threaten to distort competition, 4) the measure has to affect intra-Community trade.
- (33) The current measure will be financed by state resources, namely from resources of the Italian government (Ministry of Agriculture and Ministry for Economic Development).
- (34) It will provide selective economic advantage to the electronic communication operators selected via the tender procedure and also for third party electronic communication operators that will be able to offer their services via wholesale access to the subsidised network. There will be also an advantage for the businesses located in the targeted areas. In relation to technical solution B, the measure will also provide selective economic advantage to the operators which will sell additional subscriptions to end-users and providers of the terminal equipment.
- (35) The measure has the potential to distort competition. At the level of network operators, support given to one operator may discourage other competitors to deploy or expand their own networks in the targeted areas. Distortion of competition could also arise at the level of business customers of the broadband network: public funding could encourage local undertakings to subscribe to the services offered via the subsidized network instead of more expensive market-based solutions. Insofar as the intervention affects providers of electronic communications services from other Member States and distorts competition between end users located in Italy and elsewhere in Europe, the measure has an effect on trade. The markets for electronic communication services are open to competition between operators and service providers, which generally engage in activities that are subject to trade between Member States.
- (36) Therefore, as laid down in paragraphs 10-16 of the Broadband Guidelines, the Commission considers that the scheme constitutes State aid within the meaning of Article 107(1) of the TFEU.

#### V. COMPATIBILITY ASSESSMENT

- (37) The Commission has assessed the compatibility of the scheme according to Article 107(3)(c) of the TFEU and in the light of the *Community Guidelines for the application of*

*State aid rules in relation to rapid deployment of broadband networks*<sup>9</sup> (hereinafter the "Broadband Guidelines").

- (38) The Broadband Guidelines contain a detailed interpretation of Article 107(3)(c) of the TFEU in this area of State aid law. As regards the applicable substantive provisions, the Commission has essentially analysed the measure in the light of the criteria developed in particular in paragraphs 31-51 of the Broadband Guidelines.

### **The balancing test and its application to aid for broadband network deployment**

- (39) As described in points 34 and 35 of the Broadband Guidelines, in assessing whether an aid measure can be deemed compatible with the common market, the Commission balances the positive impact of the aid measure in reaching an objective of common interest against its potential negative side effects, such as distortions of trade and competition.
- (40) In applying this balancing test, the Commission will assess the following questions:
- a. Is the aid measure aimed at a well-defined objective of common interest (*i.e.* does the proposed aid address a market failure or other objective)?
  - b. Is the aid well designed to deliver the objective of common interest? In particular:
    1. Is the aid measure an appropriate instrument, *i.e.* are there other, better placed instruments?
    2. Is there an incentive effect, *i.e.* does the aid change the behaviour of firms?
    3. Is the aid measure proportional, *i.e.* could the same change in behaviour be obtained with less aid?
  - c. Are the distortions of competition and the effect on trade limited, so that the overall balance is positive?
- (41) The individual steps of the balancing test in the field of broadband are set out in detail in Sections 2.3.2 and 2.3.3. of the referred Broadband Guidelines.

### **Objective of the measure**

*The aid is in line with the Community policy*

- (42) The current measure targets "*white areas*"<sup>10</sup>, where adequate broadband is currently not available and where, based on the findings of the public consultation launched by the Italian Government, there are no plans by private investors to roll out such infrastructure in the near future. Hence the objective of the measure is in line with paragraphs 37-40 of the Broadband Guidelines, by extending broadband coverage to such unserved areas, the Italian authorities pursue genuine cohesion and economic development objectives.

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<sup>9</sup> *Community Guidelines for the application of State aid rules in relation to rapid deployment of broadband networks*, OJ C 235, 30.9.2009, p.7.

<sup>10</sup> See paras 41 and 42 of the Broadband Guidelines.



- (43) In addition, the notified measure addresses a market failure in areas where difficult geographic conditions and/or low density of the population make unviable for private operators to invest in the realisation of a proprietary backhaul network. Accordingly, the measure has the potential to help lowering barriers to entry in more difficult geographical markets, will foster competition and contribute to bring advanced broadband services to the citizens and businesses of Italy.
- (44) Furthermore, in the context of the financial and economic crisis affecting severely the European economies, it was recognised by the Commission<sup>11</sup> that broadband investments can be considered as "*smart investments*" that are able to provide short term (employment)<sup>12</sup> benefits and long term (economic) advantages for the EU economies. Hence by accelerating broadband deployment, the current measure is also in line with the European interest to support fast recovery of the European economies.<sup>13</sup>

*Aid is the appropriate instrument*

- (45) As set out in paragraphs 47 and 48 of the Broadband Guidelines, in the situation currently under assessment, despite efforts undertaken by the Italian authorities through alternative instruments, private investments have taken place in the targeted areas only to a limited extent. Without further public intervention, reducing the "*digital divide*" between rural and urban areas seems not possible, which could lead to the economic and social exclusion of the local citizens and undertakings. Hence in the current situation, State aid is an appropriate instrument to achieve the set objectives.

*The aid provides the right incentives to operators*

- (46) As set out in paragraph 50 of the Broadband Guidelines, regarding the incentive effect of the measure, it needs to be examined whether the broadband network investment concerned would not have been undertaken within the same timeframe without any State aid. According to the results of the public consultation and market research referred to above in paragraphs (12) and subsequent, in the targeted areas no investment would take place without public funding within three years, hence the aid produces a change in the investment decisions of the operators. Moreover, as explained in paragraph (18) and (19), the partners for the setup and operation of the network will be selected by public tender. The measure aims at creating an infrastructure essential for the provision of a wide array of advanced services. Its result, therefore, will be to attract to rural areas additional investments by undertakings active in a number of heterogeneous industries and stimulate them to offer high value added services exploiting the broadband infrastructure.

**Design of the measure and the need to limit distortions of competition**

- (47) As set out in paragraph 51 of the Broadband Guidelines, in assessing the proportional character of the notified measures in "white" areas a number of necessary conditions has

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<sup>11</sup> Brussels European Council, 19/20 March 2009 Presidency Conclusions.

<sup>12</sup> See also Katz et al. (2009) in the paper of "*The Impact of broadband on jobs and the German economy*" estimate that broadband network development within the framework of the National Broadband Strategy of Germany could create 407.000 jobs between 2010 and 2014 as a result of network construction and network externalities.

<sup>13</sup> Communication from the Commission to the European Council: *A European Economic Recovery Plan*, Brussels, 26.11.2008.

to be met in order to minimise the State aid involved and the potential distortions of competition:

- (a) *Detailed mapping and coverage analysis, consultation with stakeholders:* the Italian authorities have undertaken an analysis of the existing broadband infrastructures in order to clearly identify the areas where state intervention is necessary. By consulting existing operators and updating the target areas accordingly and by consulting with the relevant stakeholders (such as the National Regulatory Authority) in an open and transparent manner, the Italian authorities ensure that public funds are used only in areas where it is necessary and limit the possibility of crowding out private investments and distortion of competition to the minimum possible.
- (b) *Open tender process* the Italian authorities will select the undertakings for the construction, the operation and the maintenance of the network through open and transparent competitive procedures, with the application of the principles and safeguards provided for by the rules on public procurement (see paragraph 26 above). Open tender procedures are considered to be effective means to minimise the aid necessary for the measure.
- (c) *Most economically advantageous offers:* within the context of an open tender, the Italian authorities will select the most economically advantageous offers among those presented by the operators. Pursuant to the Broadband Guidelines, the awarding criteria are established in the call for tender and include: lowest price, most innovative solutions, timing and maintenance. At similar quality conditions, the bidder with the lowest amount of aid requested should receive more priority points in the assessment of its bid
- (d) *Technology neutrality:* The current measure does not favour any particular technology or network platform leaving it to commercial operators to come up with the most appropriate technological solutions to provide broadband services to end users.
- (e) *Use of existing infrastructures:* as described in paragraph (18), the Italian authorities will ensure that during the tender procedure existing civil infrastructures are considered by the bidders in the design of their offers. Moreover, coordination with other civil works shall be taken into account by the tenderers in order to limit the use of public funds.
- (f) *Open wholesale access:* the operator of the new network will provide open wholesale access to all interested parties in an open, transparent, non-discriminatory manner for at least seven years. As mentioned above in paragraph (25), should a vertically integrated telecom operator be selected for the construction and/or operation of the infrastructure, the Italian authorities envisage a specific obligation to keep the construction/wholesale and retail business separate, so as to prevent any conflict of interest, undue discrimination and any other hidden indirect advantages to the own retail service operator. Moreover, such provision should foster competition in the targeted areas by incentivizing the wholesale operator to attract retail service providers.
- (g) *Price benchmarking:* In order to ensure effective wholesale access and to minimise potential distortion of competition, wholesale prices on the subsidized network will be benchmarked as explained in paragraph (21) and will be monitored by the National Regulatory Authority with the objective to offer similar retail access prices to those charged in non-subsidised areas in conformity with paragraph 51(g) of the Broadband

Guidelines. Price benchmarking is an important safeguard to ensure that the aid granted will serve to replicate market conditions like those prevailing in other competitive broadband markets.

- (h) *Monitoring and claw-back mechanisms to avoid over-compensation*: the project will be examined on a regular basis and the monitoring mechanisms implemented will ensure that if the beneficiary fails to comply with the rules, the granting authorities will be in the position to recover the aid granted. Furthermore, by ensuring that any extra profit generated through the operation of the networks will be clawed back (see paragraph 20 above), the Italian authorities ensure that the recipient of the aid will not benefit from overcompensation and will minimise *ex post* and retroactively the amount of aid deemed initially to have been necessary. In addition, a reinvestment obligation will automatically channel extra-profits towards white areas which, although identified in the context of the mapping exercise, might have been initially excluded from the measure for lack of funds.

## Conclusion

- (48) The Commission concludes that the compatibility criteria set out in the Broadband Guidelines are met, hence the aid involved in the notified measure is compatible with Article 107(3)(c) of the TFEU.

## VI. DECISION

- (49) On the basis of the foregoing assessment, the Commission has accordingly decided that the aid measure "*National broadband plan for rural areas in Italy*" is compatible with Article 107(3)(c) of the TFEU.
- (50) The Italian authorities are reminded that, pursuant to Article 108(3) of the TFEU, they are obliged to inform the Commission of any plan to extend or amend the measure.
- (51) If this letter contains confidential information which should not be disclosed to third parties, please inform the Commission within fifteen working days of the date of receipt. If the Commission does not receive a reasoned request by that deadline, you will be deemed to agree to the disclosure to third parties and to the publication of the full text of the letter in the authentic language on the internet site:  
[http://ec.europa.eu/community\\_law/state\\_aids/state\\_aids\\_texts\\_en.htm](http://ec.europa.eu/community_law/state_aids/state_aids_texts_en.htm).
- (52) Your request should be sent by encrypted e-mail to [stateaidgreffe@ec.europa.eu](mailto:stateaidgreffe@ec.europa.eu) or, alternatively, by registered letter or fax to:

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Yours faithfully,

*Joaquin ALMUNIA*  
Vice-President of the Commission