

Citizens' fibre

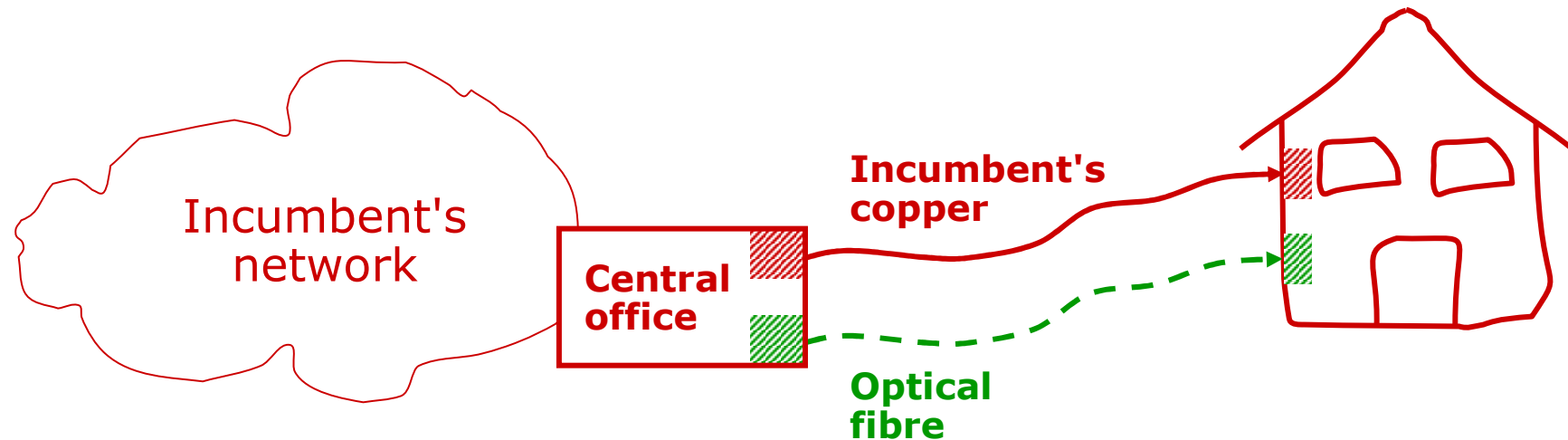
Whole-Country customer ownership of an optical fibre local loop

- Bottom-up FTTH at no cost
- No digital divide any longer

Summary

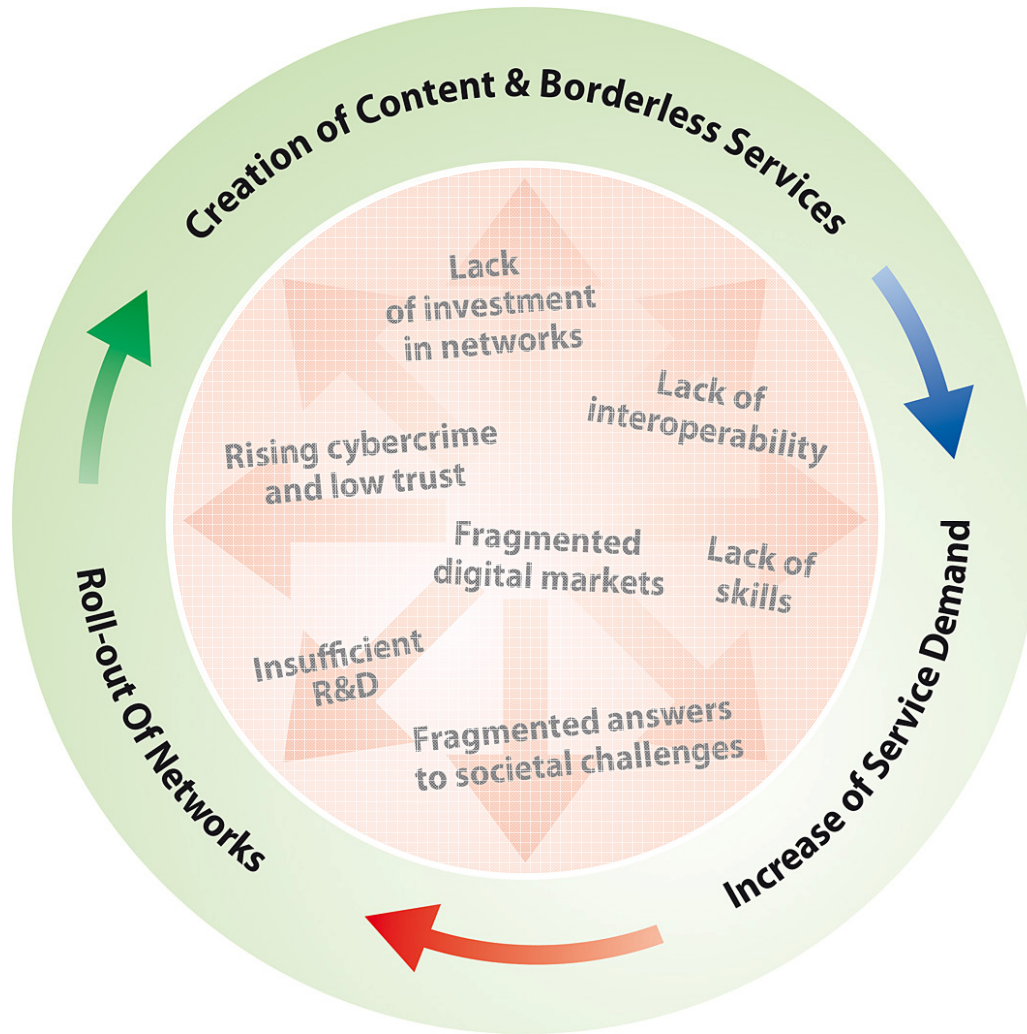
- Incumbents will not develop any broadband optical fibre network, ...unless it is paid for by public money
- Citizens, on the contrary, can build it – as their property! – with a bottom-up approach which entails no cost for the state and even no new cost for them
- The twin innovation – from copper to fibre, and from incumbents' access ownership to citizens' – will boost democracy, by placing the power to communicate rightly in the hands of people

Incumbents will not develop any optical fibre network ...unless it is paid for by public money



- As long as ADSL can fulfil the customers' needs, there's no reason to invest in fibre deployment (except privileged zones demanding advanced services)
- Market failure creates digital divide today, and will continue to create it in the future

EU Digital Agenda's virtuous circle is actually a vicious one



- The creation of new services waits for the deployment of new networks
- The deployment of new networks waits for the demand of new services...
- The demand of new services waits for a new service offering

Five unsolved problems

Regulation

- Letting other operators access the local loop

Economics

- Providing proper return of investment

Strategy

- Inventing new services

Finance

- Finding the money

Digital divide

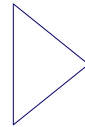
- Overcoming the market failure

Alternative digital agenda

From 101 EU initiatives...

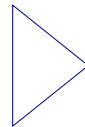
...to just 3 "focused enablers"

- **Whole-Country customer ownership of the local loop**



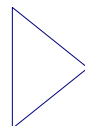
- **Broadband; power to communicate; no digital divide**

- Simple SME / PA digitalization



- No IT costs, risks, delays, incompleteness, rigidities

- Full transparency of public spending, as "open data" on the web



- Crowdsourced spending review

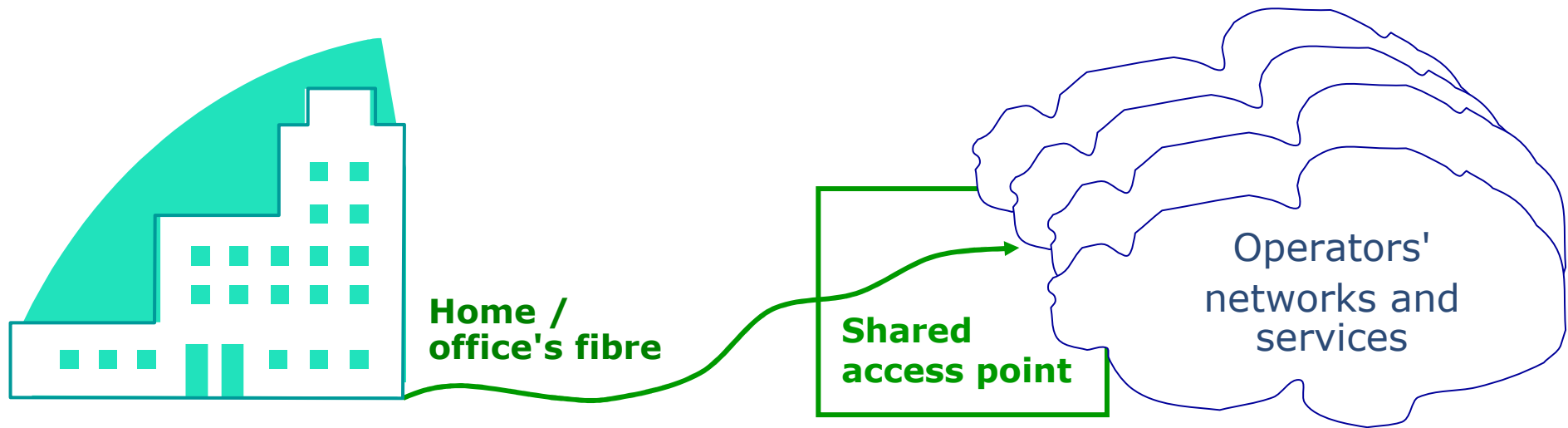
Old good solution

**Customer ownership of the local loop.
A solution to the problem of interconnection**
P.B. Schechter, University of Colorado
Telecommunications Policy, Volume 20,
Issue 8 , **October 1996**, p.573-584

It could be named also

- "Homes / offices with tail"
- "Citizens' access network"
- "To everybody his/her own fibre"

Homes / offices with tail



The customer chooses the operator he/she prefers and buys the services he/she wants

- **Real, full competition**
- **True customer choice**

All problems are solved

Regulation • The customer will choose the operator

Economics • No issue about return on investment

Strategy • No service to invent before market request

Finance • The money...? *...comes from the local loop fixed fee*

Digital divide • The market failure...? *...is overcome by equalizing costs*

The money comes from the local loop fixed fee,
with no cost for the state and no new cost for the citizens

ITALIAN FIGURES

- Families and SMEs: 20m
- Local loop maintenance expenses: 30€/y per customer
- Local loop fixed fee: 180€/y per customer
- Money free to be used better: 150€/y per customer
- Money available for investment: **12€b** (150€/y x 4y x 20m)