



COHESION ACTION PLAN: DIGITAL AGENDA IN BASILICATA REGION

**Quick appraisal of
major project application**

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European Commission DG REGIO

**Quick appraisal of major project
application:**

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**PIANO AZIONE COESIONE: AGENDA
DIGITALE NELLA REGIONE
BASILICATA**

**COHESION ACTION PLAN: DIGITAL
AGENDA IN BASILICATA REGION**

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1 *Project overview*

The appraised project aims to complete the deployment of the local fiber optic infrastructure in Basilicata Region, in order guarantee to local users the access to high speed internet services ensuring at least more than 20 Mbits/s access speed.

In particular, in line with the target established by the European Digital Agenda, the main project objectives are the following:

1. ensure that any citizens in the region may have access to at least 30 Mbps access within 2020;
2. ensure that at least 50% of the regional citizens may access to very high speed connection of 100 Mbps;

According to the project proposers the achievement of the above targets will contribute to foster the regional socio-economic development. The investment in high speed broadband is the prerequisite to create a fertile environment for local communities business development as well as for the provision of advanced digital services and to reduce the digital divide in rural areas. This will be pursued by connecting local public offices and the Regional health organisations that, according to proposers, will boost local e-government services as well as provide business opportunities to local productive districts (ASI).

The envisaged investment aims to reduce the “digital divide” in Basilicata region where, without a relevant public intervention, private operators will not make any investment to overcome the present situation and therefore set up a local optical fiber infrastructure.

The objectives are aligned with the National Strategy called “*Progetto Strategico Agenda Digitale Italiana: implementare le infrastrutture di rete. Caratteristiche e modalità attuative*” and it is coherent with the European Commission indications contained in the 2009/C 235/04 document whose aims are to ensure that any European citizens will get a 30 Mbps connection within 2020 and at least 50% of population will reach 100 Mbps connection at the same deadline.

The initiative goal is to ensure that high speed internet-based services are provided across the whole Basilicata Region. This purpose will be achieved by the provision of fiber-based access network infrastructure organised in primary and secondary optical fiber networks (rings). However, no information on the number of kilometres of fiber that will be deployed is provided. According to the analysed documentation at least 122.128 premises with a population of 268.889 inhabitants will be reached with the primary network in order ensure at least 30 Mbps connection. Furthermore, the secondary network will reach 97.702 premises with a population of 215.111 that can obtain ultra fast access at 100 Mbps.

According to the Annex XXII of application dossier the total investment cost is € 94.180 millions (VAT included). Excluding the VAT (€16.345 millions) the total project eligible cost reaches € 77.835 millions. The investment will be funded via a considerable share of national and regional public capital. The EU contribution amounts at € 26.152 millions, which represents almost 27,8% of the total investment cost and almost 33,6% of the eligible cost. The National and the regional support is supposed to be € 28.3 millions. Private support is envisaged for a contribution of € 23.350 millions.

2 Appraisal approach

The main objective of the “Quick Appraisal” is to verify how well the project has been planned and whether the application submitted to the Commission is compliant with the requirements established in the relevant regulations governing the use of EU funds.

The “Quick Appraisal” was performed through a desk-based analysis and the assessment of the project application dossier.

The appraisal approach is based on the following criteria:

1. The completeness of the application documentation submitted to the Commission, based on the requirements set in the relevant EU and local regulations;
2. The quality of the application submitted and of the project itself, based on an in-depth analysis of the project application dossier; among other things this quality assessment should verify the compliance and consistency of the application with relevant regulatory requirements and guidance established by the Commission and by local authorities.

The “Quick Appraisal” Report aims to support the European Commission in assessing:

- The quality of the application dossier;
- The value of the proposed project;
- Its consistency with EU policies and priorities;
- Its capacity to support the achievement of the priorities and objectives of the Operational Programme.

Based on this report the European Commission should be able to verify whether:

- The project objectives are well defined and the project is technically sound;
- The project is worth co-financing;
- The public contribution is justified;
- The project is consistent with other EU policies.

Whenever possible the report suggests possible improvements to the application dossier or the project itself.

The application dossier appraisal has been mainly performed using the following documents:

1. Allegato II: Analisi del rapport costi/benefici (Annex II: Cost / Benefit Analysis)
2. Allegato XXII: Piano Azione Coesione: Agenda Digitale nella Regione Basilicata (Annex XXII: Coesion Action Plan: Digital Agenda In Basilicata Region).

3 *Completeness assessment*

The completeness assessment consists in checking whether the information provided in the project application dossier matches the requirements set by the European Commission. The outcome of this assessment is presented in the completeness assessment checklist in Appendix 1.

As a general comment –though the investment is relevant and could potentially be very beneficial for the economic development of the Region and contribute to reduce the digital divide - the dossier is not complete. Some important elements are missing, which are summarised following:

- The application dossier includes a preliminary demand analysis in section C1.1. According to the information provided, the beneficiaries of the investment are the local public organisations (Hospitals, schools, Universities, Public Administrations), firms and people living in the region that will get benefits from an advanced ICT infrastructure in terms of improved living conditions, social inclusion and business environment. However, the local demand analysis is very poor, it is mainly performed using national indicators. Local needs analysis is superficially performed and it relies on digital divide indicators that show a digital divide of 22,8%¹ of population. This indicator falls at 11,1% when considering the mobile networks. The majority of the demand analysis focuses on describing a national situation without any detailed description of the benefits arising from the investment for the local population except very general statements.
- Some regional data are derived by national averages by applying a corrective factor. It would be useful if the applicant will provide references on other studies and/or reports that validate such approach.
- The demand analysis core is the estimation of the potential premises and/or consumers that will be connected: in particular the project aims to provide broadband connections to 39 municipalities and therefore to achieve the following targets: 268.889 consumers served by connection at 30 Mbps and 215.111 consumers served by connection at 100 Mbps. Such targets will be achieved by connecting respectively 122.128 and 97.702 premises. However, except the indication of the above quantitative targets, nothing is highlighted in details about the new services that will be boosted following the optical fiber network deployment. Only some general statements are provided regarding telemedicine, e-learning services, teleworking, e-commerce, etc.
- There are no estimations in terms of number of the potential client-base which can be targeted and access the offered services neither a categorisation of such clients in terms of different typologies of services they can buy (e.g. how many users will buy e-health services, how many tele-working services, etc.). Therefore, more specific regional and local data, highlighting specific local needs, problems still to be tackled, and future service demand trends are necessary to justify the investment. Therefore it is strongly suggested, where possible, to obtain such data in a meaningful and representative way.
- The optical fiber deployment will involve 39 municipalities, however the project's technical proposal does not include a map detailing the interventions planned during the deployment of the infrastructure. A Gantt scheme with a schedule of activities/tasks description is missing.
- The application dossier provides a technical description of the investment highlighting how to deliver the services, using the FTTH (Fiber To The Home) technological approach, that consists in connecting the household to the local cabinet and the cabinet to the network by using the optical fiber. However, no information is available about the extension of the network to be deployed neither in terms of extension area to be covered nor in kilometres. That would be a useful indicator to assess the cost analysis correctness and therefore to justify the public contribution.

¹ Digital divide means that population has not access to internet or it is ensured by very slow connections up to 2 Mbps.

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- An analysis of the alternative options, using wireless technologies including their cost calculation, is provided. However it is very weak and the proposer should provide evidence that the considered alternative options are less technically and economically sound than the proposed investment solution.
 - There is no mention /companies features / competencies of the company which will take care of the local optical fiber infrastructure deployment. It is just mentioned that the service provider will be chosen through a public tender managed by the Regional authority. A brief analysis of the companies who may be able to deliver the infrastructure would have been helpful to understand the annual work feasibility.
 - A transparent description of the profit structure and a more detailed explanation of the indicators calculation should be provided to guarantee the financial performance credibility of the investment. In particular, an in-depth revenue analysis should be performed taking into account not only the potential connections and monthly fees but also (i) an estimation of the additional value-added services potentially requested by customers following the availability of the optical fiber infrastructure(ii) the impact of the investment in the overall regional economy, highlighting the indirect effect in terms of generation of new employment and business opportunities.

4 *Quality assessment*

This section of the “Quick Appraisal” aims to evaluate the quality of key elements of the application dossier submitted to the European Commission. It also involves checking the compliance of the application dossier with relevant regulatory requirements and its alignment with relevant guidance established by the Commission. The outcome of this quality assessment is presented in the quality assessment checklist provided in Appendix 2.

4.1 *Context and project objectives*

The project aims at accelerating the deployment of the Broadband infrastructure in Basilicata Region, and to complete the broadband optical fiber infrastructure already existing in the Region. The project aim is to provide a very fast network to the local population in order to achieve the EU Digital Agenda whose targets are:

1. ensure that any citizens in the region may have access to at least 30 Mbps access within 2020;
2. ensure that at least 50% of the regional citizens may access to very high speed connection of 100 Mbps;

The Regional network infrastructure mainly relies on copper cables that will not permit to reach very fast connection to the net, this depending by the distance of users from the nearest cabinet. The project objectives are aligned with the Digital Agenda for Europe and the Regional strategy to overcome the digital divide. It is also aligned with the National Digital Agenda managed by the Italian Government.

In particular, to achieve the above two main objectives the main targets expected from the investment realisation are the following:

- To extend the regional broadband network to 39 additional municipalities;
- To reach a number of 122.128 premises and a population of 268.889 users that may access to a 30 Mbps network;
- To reach a number of 97.702 premises and a population of 215.111 users that may access to a 100 Mbps network
- To enable a set of services using the high speed network such as: digital democracy, digital logistics, cloud computing, e-health services, tourism and cultural heritage valorisation, etc.

The investment project is ambitious and could generate a significant potential economic social impact since it aims to bring broadband services access to 82,5% population in the Region.

The project appraised aims to eliminate the digital divide and to start creating a friendly digital environment to support the public administration services SMEs, citizens and the local production system. Citizens can get added-value services from a broadband network such as: i) to use e-health services, ii) to increase tele-working opportunities, iii) to improve business and life conditions in rural areas, iv) to guarantee social inclusion in rural areas, etc. Indeed, the project will improve the regional backhaul network by deploying a broadband services network using FTTH (Fiber to the Home) technologies.

4.2 Project identification

According to the application dossier (Annex XXII) the project will involve almost 220 buildings within the Region. Considering the local population our estimations suggest that 82,5% of the local population will be involved by the project. The project is expected to ensure the following coverage targets:

- 122,128 premises will have access to speeds of at least 30 Mbit/s
- 97.702 premises will have access to speeds of at least 100 Mbit/s

As for the technical realisation of the broadband network, the application dossier says that the optic fiber deployment will be done in order to ensure a minimal inconveniences to the local community and environment. The optical fiber deposition will be done exploiting the existing sewer system as well as the existing electricity and telephone networks. In case new excavations would be necessary these will be made by using trenchless technologies that will reduce inconveniences to local population.

The project reference architecture is the FTTH (Fiber To The Home) that means the optical fiber will be brought to houses. Furthermore, the Fiber will be deployed to the backhaul system, from the local cabinet to the network, In addition, the mobile communication ground stations as well as the WiFi and WiMAX hotspots will be cabled by the project.

Besides the above technical information, additional main aspects and objectives of the project, the technical engineering features of the infrastructure are missed, including key figures and indicators such as the number of Km of optical fiber placed. Furthermore, a map detailing the interventions planned during the construction of the infrastructure, the length of the network and the investment costs per local municipality would represent an important information for the dossier assessment.

Therefore, the project presentation in the application dossier is not detailed enough . Additional information and technical documentation should be provided concerning the impact , the effectiveness and the qualitative and quantitative impact of the investment project.

4.3 Project timetable and maturity

The project timetable is presented in section D.1 of the application dossier. The realisation phases outlined in the dossier are generic (in particular the future ones) and thus lack of sufficient details to properly judge whether the timeframe appears realistic or not.

At the time of submission the project is at a very early stage of realisation and only Feasibility study / Business plan, Cost-benefit analysis and Environmental impact assessment have been performed. The future phases are the Construction phase and the Operational phase. The Construction phase, which will last from March 2013 to September 2015.

The GANTT chart has not been provided by the promoter. A list of work packages with a proper naming and/or description of investment activities is also missing.

A brief analysis of the contractors who may be able to deliver the infrastructure is missing. Such analysis would have been helpful to understand the annual work feasibility.

4.4 Feasibility and options analysis

The application dossier provides a technical feasibility analysis whose major details have been summarised in the above section. It should be noted that the network deployment will be made by a third company selected

through a tender managed by the Basilicata Region. The firm winning the tender should present a detailed plan of activities to deploy the network (progetto esecutivo) as well as take care of obtaining all the necessary authorisations (from land owners, provinces, municipalities, etc.) to execute the work.

An analysis of multiple possible technology approaches (scenarios) has been provided. This analysis considers two options: the 'status quo' (do nothing) and the alternative one relying on the mobile connections based on the existing and coming technologies. The do-nothing scenario consists in maintaining the present situation dominated by the ADSL/VDSL technology whose technical limit is to offer connection at a maximum speed of 5/10 Mbps. The mobile system technologies can improve the do nothing scenario pushing the connection rate at a maximum of 362 Mbps (un downlink); this is the case of the coming LTE technology that is the one all Mobile operators are implementing in Italy in the next months. It should be stressed that the above scenarios have been described just in qualitative terms; no information about the likely cost of each scenario has been examined, as well as a cost comparison analysis is provided, very useful to understand whether the optical fiber option is the best one.

4.5 Financial analysis

The financial analysis presented in the application dossier has been performed on the basis of the following assumptions:

1. The investment cost is € 77.8 million. Including the VAT the investment cost rises up € 94.1 million.
2. The discounted rate used is 8%. This is higher than the one suggested by the EC for such projects (the recommended one is 5%). The applicant justified the higher rate adoption with the fact that it is closer to the one used by the private sector when making the same investment. This approach can be considered correct, however since the public funds cover the majority share of the investment cost, the adoption of the standard rate suggested by the EC would be also a right approach.
3. According to the Annex XXII section H2.2. of the applicant dossier, the investment will be funded by a mix of public and private funding sources. The Regional and the National contribution to the investment amounts at € 28,3 million, the EC contribution is expected at € 26.1 million. The private investment is figured out at € 23,4 million plus the VAT, that equals to € 16.3 million. The sum of all above contributions covers the total investment cost of € 94,1 million. It should be stressed that there are some inconsistencies among the above figures and the ones reported in the document Allegato II: Analisi del rapporto costo benefici in section 4.1.3. Furthermore, It should be noted that no supporting document, showing the regional and national authorities commitment to finance the project, is available.
4. The revenues calculation, as it is described in 4.1.4. of the Allegato II, is not clear . It is not possible to understand how the applicant, starting from the unitary prices to hire the optical fiber, once it is available, calculates the overall revenues for each year considered in the plan. There are no data on how much optical fiber is hired per each year in the plan. Revenues are not detailed by category neither logical links between the revenues and the demand analysis are evident. Therefore, it is impossible to check the reliability of these estimates. A more detailed set of assumptions should be included to allow a better appreciation of the reliability and validity of the business plan supplied. Given also the limited availability of technical details and the inadequacy of the demand analysis, the reliability of the presented amounts is questionable.

Tables in paragraph 4.1.4. give an overall overview of the project financial analysis, without EU intervention, providing a series of undiscounted cumulated cash-flow in a period of 20 years. The total net cash flow over the 40 years considered in the Tables is negative and amounting at € - 27. Millions.

According to Annex XXII section H.3., the EU grant contribution is expected well in advance in 2009 for € 11.5 millions, in 2010 for € 10.5 million, in 2011 for € 3 million and in 2012 for € 1.15 million. Such financial plan

seems to be in contradiction with the schedule of activities as described in section D.1. of Annex XXII and tables included in section 4.1.3. of Allegato II.;

The financial analysis presented in the application dossier (Allegato II and Allegato XXII) shows a negative FNPV/C without EU funding equal to € -54.06 million as it is reported in section E.1.3 of Annex XXII and page 90 and 91 of Allegato II.

When considering the EU support, the FNPV/K becomes positive and amounting at € 53.9 million euros. However, differently from the FNPV/C neither the Allegato II and the Annex XXII provides tables to check whether the FNPV/K has been correctly figured out. It has been indicated just the PNPV/K amount (in section E.1.3. of Annex XXII) without any explanation of its calculation.

The financial rates of return (FRR) are respectively -3,1% in the situation without EU intervention (FRR/C) and 10,75% when considering the EU intervention (FRR/K).

4.6 Economic analysis

The Socio-economic analysis is summarised in section E.2. of the document Annex XXII. Furthermore, a detailed explanation of the socio-economic analysis is provided in the Allegato II section 4.2. According to the applicant the main socio-economic benefits coming from the investment project are the following:

1. Increase in property values due to the connection to the optical fiber;
2. Increase of the local per capita GDP
3. New benefits to local citizens due to digitalisation of Public Administration services

Regarding the above points 1 and 2 the Allegato II of the application dossier provides good explanations about the methodologies used to quantify such benefits.

Concerning point 3. the main benefits for citizens consist in timing savings in obtaining service from the public administration. In particular, the broadband network can reduce the time that each citizen employs to ask for and receive health services. The same when asking services to the local municipality. The benefits are partially summarised in page 108 of Allegato II, however It seems that a material mistake has been done since such a table nominally refers to Sicily Region .

The analysis lacks of information and quantification of the tangible benefits for citizens and the local production system, that can not be referred just to the time savings. For example it would have been useful to investigate how the new infrastructure can stimulate added value e-health services, such us the telemedicine ones, and how these services would benefit the local citizens by saving times and money to get them directly with the broadband network rather that going to hospital. An analysis of health system cost savings would be very useful.

The socio-economic analysis does not provide any indication of the SMEs that could benefit by the broadband network neither provides estimations on the number of SMEs that can be created as result of the optical fiber investment. As a general remark an essential part on the impact in the local economy is missing in the documentation.

According to data of section 4.2.4. of Allegato II, the employment effects would be of indirect 76 permanent jobs due to the optical fiber deployment plus other 9 due to the engineering services. Additional 37 permanent jobs will be created to manage the network. There are not figures about the jobs that can be created as indirect effects to the local productive system.

The economic analysis is presented in E.2 section of Annex XXII where a summary of the used assumptions is provided. The key indicators of these analysis are the following:

1. A social discount rate of 3,5%

2. An economic rate of return of 89,90%
3. An economic net present value of € 3,4 billions
4. a benefit cost ratio of 33.4%

As for the financial analysis we met and extreme difficulty to find the right data to check the correctness of the above indicators.

4.7 Risk assessment

The risk and sensitivity analysis exercise has been performed using the approach detailed in the EC's Guide to Cost-Benefit Analysis of investment projects. In particular, the risk assessment was carried out in two steps:

- Sensitivity analysis – identify critical variables and for each calculate its corresponding switching value
- Risk analysis – assign a probability distribution to each critical variable and calculate the probability distribution for economic NPV

The sensitivity analysis shows that socio-economic variables have not to be considered critical for this project. According to sensitivity test summarised in section E.3.2. of the application dossier, the considered socio-economic variables impact more than proportionally on the performance indicators.

The risk assessment has been performed using the Montecarlo method. We suggest requesting greater details on calculations performed and the distribution curves assumed for each parameter. With reference to the Montecarlo simulation we suggest to increase up to 10.000 trials to get a better analysis.

The application dossier didn't extend the risk assessment to the financial analysis.

4.8 Consistency with EU policies and law

The project is compatible and coherent with EU, national and regional policies and laws. The investment project is coherent with "Operational Programme - European Regional Development Fund Basilicata 2007-2013" as approved by the European Commission on 19.12.2012 (C(2012)9728) and in particular with the axis II.1.2.A whose objective is "building the knowledge-based economy".

The project is in line with the regional planning regarding the Digital Divide and in particular with: i) "Strategia regionale per la ricerca, l'innovazione e la società dell'informazione" approved by the regional government on February 2009 and ii) "Linee guida e strategie territoriali per il superamento del digital divide in Basilicata – No digital divide" approved by the local government in May 2009.

The project is consistent with the Agenda Digitale Italiana the national strategy (Decree 18 October 2012, n° 179) to foster the Public Administration digitalisation and renew the economy.

The project is consistent with the EU's 2020 Digital agenda whose objectives are to ensure Europeans by 2020 with broadband connections (30Mbit/s or above) as well as 50% or more of European households have to subscribe connections of more than 100Mbit/s.

Although the project has no significant environmental impact the preferred bidder will take any technological solution to prevent and/or minimise the environmental risk.

The project deployment may have effects on Natura 2000. In case the project implementation will really involve Natura 2000 sites, permissions to the national Commission will be asked.

5 Overall project appraisal

5.1 Are the project objectives well defined and is the project technically sound?

The main project objective is to provide fiber-based access network in Basilicata Region, in order guarantee to local users the access to high speed internet services ensuring at least more than 20 Mbits/s access speed. The type of connection is fiber-to-the-House (FTTH) technology. The optical fiber network will be deploy by a company that will be selected with a tender managed by the region. The company will take care of the network deployment and management.

The objectives are aligned with the National Strategy called “*Progetto Strategico Agenda Digitale Italiana: implementare le infrastrutture di rete. Caratteristiche e modalità attuative*” and it is coherent with the European Commission indications contained in the 2009/C 235/04 document whose aims are to ensure that any European citizens will get a 30 Mbps connection within 2020 and at least 50% of population will reach 100 Mbps connection at the same deadline. These objectives will be reached by bringing the optical fiber to 122.128 premises with a population of 268.889 inhabitants (primary network) in order ensure at least 30 Mbps connection and reaching 97.702 premises with a population of 215.111 that can obtain ultra fast access at 100 Mbps (the secondary network).

Throughout the application dossier alternative scenarios with different options are presented, despite it is not clear why the selected solution is more effective for reaching the stated objectives.

The project objectives appear sound and could be potentially very significant despite it is not clear nor demonstrated from the project whether the local demand can justify the proposed investment.

5.2 Is the project worth co-financing?

The project would be worth co-financing as it contributes to key objectives of the EU regional policy addressing real problems related to fill in the digital divide in the Basilicata region. However, as described in the previous paragraphs, there are some weak points that need to further investigated before providing a green light to the investment. The demand analysis for instance lacks of relevant data. Figures on how many km of optical fiber to be deployed are missing. Therefore without a deeper analysis of the local demand and a more focused analysis of the socio-economic impact, especially towards the production and economic regional system, the project at this stage can not be proposed for the EU support.

5.3 Is the public contribution justified?

The project addresses one of the most important problems at European level, regarding the development of peripheral areas of European countries. The application report stresses the importance of high-bandwidth ICT in terms of social inclusion, public administration services digitalisation. Without the public sector intervention, the Basilicata region will not receive a optical fiber broad band network, since the expected incremental revenues will not allow to payback the necessary investments in the period considered in the project (20 years). This is a typical market failure situation where the public intervention is needed.

The project relies on public and private financing. National, Regional and EU funding allows the project to be sufficiently profitable in the future producing positive net cash flow thus providing a quicker answer to local needs through the private intervention. In this specific case, the EU contribution seems necessary to finally trigger the private investment, that can count on future positive revenues flow.

However, it should be stressed that there is no evidence of the National and Regional commitment to cover part of the investment. Only the European Commission public contribution is foreseen at the beginning of the

project. According to us this situation should be clarified and a real commitment of the others actors (National Local authorities) to invest in the project, has to be obtained in order to respect the plan of project activities .

5.4 Is the project consistent with other EU policies?

The current investment project proposals, to establish a optical fiber broadband in Basilicata, are thus completely aligned with strategic policy at all levels (European, National and Regional).

At the EU level, the objectives are compliant with the targets set out by the Digital Agenda for Europe, which underlines the importance of broadband deployment in promoting social inclusion and competitiveness in the EU. The Digital Agenda for Europe restated the objective of bringing basic broadband to all Europeans by 2013 and seeks to ensure that, by 2020:

- all Europeans have access to much higher Internet speeds (30Mbit/s or above)
- 50% or more of European households subscribe to Internet connections of more than 100Mbit/s.

In addition, the project aims to deliver modern, competitive broadband infrastructure for the whole of Basilicata Region. Broad utilisation of this infrastructure has the potential to make a significant positive contribution to the local sustainable development.

6 Recommendations

6.1 Recommendations for the organisation responsible for project implementation

Overall, significant additional work is needed to improve the application dossier. The most important recommendations to the organisation responsible for the project implementation are the following:

- The application dossier should include a regional demand analysis to detail local needs not just in terms of households and/or consumers potentially connected to network but also in terms of potential customers and value-added services potentially required. It is suggested to obtain such data in a meaningful and representative way
- The application dossier should include a more detailed estimation of future potential clients buyers of the offered services (e-health services, tele-working, smart-grid services, cloud computing, etc.). Therefore, more specific regional and local data, highlighting the market needs and demand trends, are necessary to justify the EU investment.
- The application dossier should include an in-depth analysis on benefits for local SMEs served by the infrastructure and in particular the potential impact for their business development.
- The applicant should include the National and Regional authorities commitment to financial sustain the project.
- The application dossier should provide a plan detailing the interventions to deploy the optical fiber network, indicating the areas of intervention, the kilometres of fiber deployed and any further information useful to justify the investment as well as the public contribution.
- The application dossier should include a brief analysis of the companies who may be able to deliver the infrastructure would have been helpful to understand the annual work feasibility.
- Additional details should be provided on the revenues source as well as operating costs that need for explanations regarding the related amounts.
- An analysis of the alternative options, using wireless technologies including their cost calculation, is provided. However it is very weak and the proposer should provide more data and proofs to demonstrate that the considered alternative options are less technically and economically sound than the solution proposed
- The applicant should provide calculations of the FNPC/K (with EU intervention)

6.2 Recommendations for the European Commission

The project can contribute to address the digital divide existing in Basilicata region by fostering economic and social development thanks to the presence of high speed connections. However, the project documentation fails to provide a sufficiently detailed description of the demand analysis and the technical features as well as a detailed description of the operational programme is missed. Some inconsistencies appear in tables reported. The applicant should be requested to improve and expand upon the documentation presented according to feedback set forth in this “Quick Appraisal.”

The project has a financial and socio-economic justification just in the case of a public intervention including the EU intervention. Despite the potential benefits, the project cannot be retained at this stage considering the present quality level of the application dossier.

However, given the potentially relevance of this type of investment whose impact can be strong in order to reduce the digital divide - the European Commission can give another chance to the applicant by requesting a revised and updated application dossier addressing the issues raised in this document and notably clarifying the issues regarding further technical details as well as the demand analysis, to have assurance on the technical and economic feasibility of the project.

7 Appendix: Quick Appraisal Checklists

7.1 Completeness assessment checklist

APPLICATION SECTION	ASSESSMENT	COMMENTS/REFERENCES
ADDRESSES AND REFERENCES		
Authority responsible for the application	Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/>	Section A.1 of the application dossier (Annex II)
Organisation responsible for project implementation	Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/>	Section A.2 of the application dossier (Annex II). It is reported the National Organization (Economic Development Ministry) that will contribute to the project funding
PROJECT PRESENTATION		
Title of project / project phase	Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/>	Section B.1 of the application dossier (Annex II)
Categorisation of project activity	Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/>	Section B.2 of the application dossier (Annex II)
Compatibility and coherence with the Operational Programme	Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/>	Section B.3 of the application dossier (Annex II)
Project description	Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/>	Section B.4 of the application dossier Annex II)
Project objectives (and location)	Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/>	Section B.5 of the application dossier Annex II)
PROJET FEASIBILITY		
Demand analysis	Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/>	Section C.1.1 of the application dossier
Options considered	Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/>	In the Allegato II. Option analysis needs for further investigations.
Summary of feasibility studies conclusions	Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A <input type="checkbox"/>	
Capacity considerations	Y <input type="checkbox"/> N <input type="checkbox"/> N/A <input checked="" type="checkbox"/>	
TIMETABLE		
Project timetable	Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/>	Section D.1 of the application dossier (Annex II)
Project maturity	Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/>	Section D.2 of the application dossier (Annex II)
COST-BENEFIT ANALYSIS		
Financial analysis	Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/>	Section E.1 of the application dossier

Socio-economic analysis	Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/>	(Annex II) Section E.2 of the application dossier (Annex II)
Risk and sensitivity analysis	Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/>	Section E.3 of the application dossier (Annex II)
ANALYSIS OF ENVIRONMENTAL IMPACT		
Contribution to/respect of environmental sustainability	Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/>	Section F.1 of the application dossier (Annex II)
Consultation of environmental authorities	Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/>	Section F.2 of the application dossier (Annex II)
Environmental Impact Assessment	Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A <input type="checkbox"/>	Section F.3 of the application dossier (Annex II)
Assessment of effects on NATURA 2000/sites of nature conservation importance	Y <input type="checkbox"/> N <input type="checkbox"/> N/A <input checked="" type="checkbox"/>	Section F.4 of the application dossier (Annex II)
Additional environmental integration measures	Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A <input type="checkbox"/>	Section F.5 of the application dossier (Annex II)
Cost of measures taken for correcting negative environmental impacts	Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/>	Section F.6 of the application dossier (Annex II)
Consistency with sectoral/ integrated plan and programme (in case of projects in the areas of water, waste water and solid waste).	Y <input type="checkbox"/> N <input type="checkbox"/> N/A <input checked="" type="checkbox"/>	
JUSTIFICATION FOR THE PUBLIC CONTRIBUTION		
Competition	Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/>	Section G.1 of the application dossier (Annex II)
Impact of EU assistance on project implementation	Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/>	Section G.2 b) of the application dossier (Annex II)
FINANCING PLAN		
Cost breakdown	Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/>	Section H.1 of the application dossier (Annex II)
Total planned resources and planned contribution from EU funds	Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/>	Section H.2 of the application dossier (Annex II)
Annual financing plan of EU contribution	Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/>	Section H.3 of the application dossier (Annex II)
COMPATIBILITY WITH EU POLICIES AND LAW		
Other EU financing sources	Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A <input type="checkbox"/>	Section I.1.1 and I.1.2 of the application dossier (Annex II)
IFI financing	Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A <input type="checkbox"/>	Section I.1.3 and I.1.4 of the application dossier (Annex II)
Existence of legal procedure for non-compliance with EU legislation	Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A <input type="checkbox"/>	Section I.2 of the application dossier (Annex II)
Publicity measures	Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A <input type="checkbox"/>	Section I.3 of the application dossier (Annex II)
Involvement of JASPERS in project preparation	Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A <input type="checkbox"/>	Section I.4 of the application dossier (Annex II)
Public procurement	Y <input type="checkbox"/> N <input type="checkbox"/> N/A <input checked="" type="checkbox"/>	Not included

Previous history of the recovery of assistance	Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A <input type="checkbox"/>	Section I.5 of the application dossier (Annex II)
ENDORSEMENT OF COMPETENT NATIONAL AUTHORITY		
Signed endorsement	Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/>	Section J of the application dossier (Annex II)
ANNEXES		
Declaration by authority responsible for monitoring Natura 2000 sites/sites of nature conservation importance	Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A <input type="checkbox"/>	See Allegato II
Cost-Benefit Analysis	Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/>	
Technical sheets	Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A <input type="checkbox"/>	
Feasibility study (summary)	Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A <input type="checkbox"/>	
EIA non technical summary	Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A <input type="checkbox"/>	
Copies of relevant decisions permits & other documents	Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A <input type="checkbox"/>	
Maps	Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A <input type="checkbox"/>	
Others (please provide detail)	Y <input type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/>	

7.2 Quality assessment checklist

ASSESSMENT QUESTIONS	ASSESSMENT	COMMENTS/REFERENCES
CONTEXT AND PROJECT OBJECTIVES		
The social, institutional and economic contexts of the project are clearly described	Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/>	Demand analysis should be improved
The project objectives are clearly defined	Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/>	
The expected project benefits are identified and clearly defined in terms of socio-economic indicators	Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/>	The socio-economic analysis should be improved
The foreseen socio-economic benefits are likely to be attainable with the implementation of the project	Y <input type="checkbox"/> N <input type="checkbox"/> N/A <input checked="" type="checkbox"/>	
All the most important socio-economic effects of the project have been considered in the context of the region, sector or country concerned	Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A <input type="checkbox"/>	The socio-economic analysis should be improved and detailed
The project is coherent with the EU objectives of the Funds? (Art. 3 and Art. 4 Reg. 1083/2006 for the ERDF and CF, Art. 1 and Art. 2 Reg. 1084/2006 for the CF; Art. 1 and Art. 2 Reg. 1085/2006 for the IPA)	Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/>	
The project is coherent with the overarching national strategy and priorities defined in the national strategic reference frameworks and the operational programmes (Art. 27 and Art. 37	Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/>	

<p>Reg. 1083/2006 for the ERDF and CF, Art. 12 Reg. 1080/2006 for the ERDF)</p> <p>The means of measuring the attainment of objectives is indicated, and their relationship, if any, with the targets of the Operational Programmes is defined.</p>	<p>Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/></p>	
<p>PROJECT IDENTIFICATION</p>		
<p>The project constitute a clearly identified self-sufficient unit of analysis</p>	<p>Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A <input type="checkbox"/></p>	<p>Additional elements have to be provided most of all regarding the demand analysis and the project implementation.</p>
<p>The project is defined with appropriate quantified indicators</p>	<p>Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/></p>	<p>Yes the number of premises and people served by optical fiber are estimated. Targets about speed connection objectives are provided.</p>
<p>The project's concept, outputs and capacity increase to the baseline are meaningful</p>	<p>Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/></p>	<p>The project realization will permit to offer optical fiber to almost all population in the Region.</p>
<p>The indirect effects of the project been properly considered (or excluded if appropriate shadow prices are used)</p>	<p>Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A <input type="checkbox"/></p>	<p>Not all the indirect effect analysis should be improved</p>
<p>The network effects of the project have been considered</p>	<p>Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A <input type="checkbox"/></p>	
<p>The economic welfare calculation is based on a consideration of costs and benefits for all potentially affected parties</p>	<p>Y <input type="checkbox"/> N <input type="checkbox"/> N/A <input checked="" type="checkbox"/></p>	
<p>PROJECT TIMETABLE AND MATURITY</p>		
<p>The project phases have been clearly and correctly identified</p>	<p>Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A <input type="checkbox"/></p>	<p>There is just a schedule of the steps to be done for the project execution. A Gantt scheme has not been provided and a detailed description of the implementation phases is missed.</p>
<p>The maturity of the project has been correctly assessed</p>	<p>Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A <input type="checkbox"/></p>	<p>It is succinctly described</p>
<p>The project implementation timeframe is realistic and reasonable</p>	<p>Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/></p>	
<p>Dependencies and constraints have been properly taken into account in the project timetable</p>	<p>Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A <input type="checkbox"/></p>	
<p>FEASIBILITY AND OPTIONS ANALYSIS</p>		
<p>The application dossier contains sufficient evidence of the project's feasibility (from an economic, engineering, institutional, management, implementation, environmental...point of view)</p>	<p>Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A <input type="checkbox"/></p>	<p>The application dossier provides very limited information on the engineering, institutional framework and implementation</p>
<p>The do-nothing scenario ('business as usual') has been analysed to compare the situations with and without the project</p>	<p>Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A <input type="checkbox"/></p>	<p>The cost analysis of the different scenarios is missed</p>
<p>Other alternative feasible options have been adequately considered (in terms of do-minimum and a small number of do-something options)</p>	<p>Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/></p>	

<p>The chosen technical solution(s) is/are appropriate and sustainable according to market and technological developments, future demand and capacity constraints, etc.</p>	<p>Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/></p>	
<p>Demand for the project outputs has been properly analysed and is and/or will be adequate and significant (long run forecasts)</p>	<p>Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A <input type="checkbox"/></p>	
<p>The location of the investment is suitable and the local context is favourable to the project (i.e. there are no physical, social or institutional binding constraints that could threaten the project feasibility)</p>	<p>Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/></p>	
<p>Appropriate technology is available for the project implementation</p>	<p>Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/></p>	
<p>In the case of productive investments/R&D/energy, the relevance and impact on public infrastructures have been properly considered, e.g. necessary links to transport network (air, road/rail connections, etc.), links to other utilities, public sector responsibilities to provide "new services", etc.</p>	<p>Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A <input type="checkbox"/></p>	
<p>The incentive effect of the requested aid has been assessed and found to be significant (i.e. the proposed aid is necessary to produce a real incentive effect to undertake investments which would not otherwise be made in the area, or to ensure that the beneficiary undertakes (additional) investment in the region concerned)</p>	<p>Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/></p>	
<p>FINANCIAL ANALYSIS</p>		
<p>Depreciation, reserves, and other accounting items which do not correspond to actual flows have been eliminated in the analysis</p>	<p>Y <input type="checkbox"/> N <input type="checkbox"/> N/A <input checked="" type="checkbox"/></p>	<p>They use a bigger one 8%.</p>
<p>The determination of cash flows has been made in accordance with an incremental approach</p>	<p>Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/></p>	
<p>The choice of discount rate is consistent with the Commission's or Member States' guidance</p>	<p>Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A <input type="checkbox"/></p>	
<p>The choice of the project's time horizon is consistent with the values recommended per sector for the 2007-2013 period²</p>	<p>Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/></p>	
<p>The residual value of the investment has been calculated</p>	<p>Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/></p>	
<p>A nominal financial discount rate been employed (in the case of using current prices)</p>	<p>Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/></p>	
<p>The main financial performance indicators have been calculated (FNPV(C), FRR(C), FNPV(K), FRR(K)) considering the right cash-flow categories</p>	<p>Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/></p>	
<p>The project's calculated financial rate of return is at an appropriate level to justify a potential</p>	<p>Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/></p>	

² 25 years for Energy, 30 years for Water and environment, 30 years for Railways, 25 years for Roads, 25 years for Ports and airports, 15 years for Telecommunications, 10 years for Industry, 15 years for Other services.

EU contribution		
Private partners in the project are expected to earn normal profits as compared with some financial benchmarks (if applicable)	Y <input type="checkbox"/> N <input type="checkbox"/> N/A <input checked="" type="checkbox"/>	
If the project does not benefit from any form of state aid, the financial analysis demonstrates the existence of a funding gap and the need for EU assistance in order to make the project financially viable	Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/>	
If the project benefits from state aid, the requested EU grant has been properly calculated (the EU contribution may not exceed the maximum state aid allowed for a project)	Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/>	
If the project is a revenue generating project ³ , the amount to which the EU co-financing rate applies has been identified in accordance with EU regulations (Art. 55 Reg. 1083/2006) ⁴	Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/>	
ECONOMIC ANALYSIS		
The cost-benefit analysis (CBA) demonstrates that the project yields a positive economic net present value considering its impact on the development of the area where it is to be implemented.	Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/>	
The prices of inputs and outputs have been considered net of VAT and of other indirect taxes	Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/>	
The prices of inputs, including labour, have been considered gross of direct taxes	Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/>	
Subsidies and pure transfer payments have been excluded from the analysis	Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/>	
Externalities have been included in the analysis, including environmental externalities (e.g. application of the polluter pays principle and assessment of effects on NATURA 2000 sites)	Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/>	The analysis is incomplete
Shadow prices have been used to reflect the social opportunity cost of the resources employed	Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/>	
Sector-specific conversion factors been applied (in the case of major non-traded items)	Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/>	
The appropriate shadow wages have been chosen in accordance with the nature of the local labour market	Y <input type="checkbox"/> N <input type="checkbox"/> N/A <input checked="" type="checkbox"/>	
The chosen social discount rate is consistent with the Commission's or Member States'	Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/>	

³ A revenue-generating project means any operation involving an investment in infrastructure the use of which is subject to charges borne directly by users or any operation involving the sale or rent of land or buildings or any other provision of services against payment (Article 55 of Council Regulation 1083/2006).

⁴ For revenue-generating projects, the maximum eligible expenditure is identified by Article 55(2) Regulation (EC) N. 1083/2006 as the amount “that shall not exceed the current value of the investment cost less the current value of the net revenue from the investment over a specific reference period”. Such identification of the eligible expenditure aims at ensuring enough financial resources for project implementation, avoiding, at the same time, the granting of an undue advantage to the recipient of the aid (over-financing).

<p>guidance</p>		
<p>The main economic performance indicators have been calculated (ENPV, ERR and B/C ratio)</p>	<p>Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/></p>	
<p>If the economic net present value of the project is negative, there important non-monetised benefits to be considered</p>	<p>Y <input type="checkbox"/> N <input type="checkbox"/> N/A <input checked="" type="checkbox"/></p>	
<p>RISK ASSESSMENT</p>		
<p>The choice of the critical project variables is consistent with the elasticity threshold proposed</p>	<p>Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/></p>	
<p>The sensitivity analysis has been carried out variable by variable and possibly using switching values</p>	<p>Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/></p>	<p>It is not easy to understand the results of such analysis.</p>
<p>The expected value criterion has been used to evaluate the project performance</p>	<p>Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A <input type="checkbox"/></p>	
<p>Ways to minimise the level of optimism bias have been considered</p>	<p>Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A <input type="checkbox"/></p>	
<p>Risk mitigation measures have been identified and are adequate</p>	<p>Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A <input type="checkbox"/></p>	
<p>OTHER EVALUATION APPROACHES</p>		
<p>If the project has been shown to have important effects that are difficult to assess in monetary terms, the opportunity to carry out an additional analysis, such as CEA or MCA, has been considered</p>	<p>Y <input type="checkbox"/> N <input type="checkbox"/> N/A <input checked="" type="checkbox"/></p>	
<p>The choice of the additional analysis is suitable with the fields of application of CEA and MCA</p>	<p>Y <input type="checkbox"/> N <input type="checkbox"/> N/A <input checked="" type="checkbox"/></p>	
<p>If a CEA has been performed, incremental cost-effectiveness ratios have been calculated to exclude 'dominated' alternatives</p>	<p>Y <input type="checkbox"/> N <input type="checkbox"/> N/A <input checked="" type="checkbox"/></p>	
<p>If an MCA has been performed, the weights applied are consistent with the relative importance of the projects effects on society</p>	<p>Y <input type="checkbox"/> N <input type="checkbox"/> N/A <input checked="" type="checkbox"/></p>	
<p>If the project is likely to have a significant macroeconomic impact, the opportunity to carry out an Economic Impact Analysis has been considered</p>	<p>Y <input type="checkbox"/> N <input type="checkbox"/> N/A <input checked="" type="checkbox"/></p>	
<p>CONSISTENSY WITH EU POLICIES AND LAW</p>		
<p>The project is consistent with relevant EU policies and law in the field of sustainable development, protection and improvement of the environment.</p>	<p>Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/></p>	
<p>The project is consistent with EU competition policy and regulations and is not likely to generate competition distortions</p>	<p>Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/></p>	<p>The public intervention is required to solve a market failure in the deployment of the optical fiber network in the Basilicata Region.</p>
<p>The project is consistent with EU public procurement regulations</p>	<p>Y <input type="checkbox"/> N <input type="checkbox"/> N/A <input checked="" type="checkbox"/></p>	<p>This issue has not been addressed in the application dossier.</p>
<p>The project is consistent with gender equality</p>	<p>Y <input type="checkbox"/> N <input type="checkbox"/> N/A <input checked="" type="checkbox"/></p>	<p>This issue has not been addressed in the</p>

<p>and anti-discrimination EU policies</p>		<p>application dossier, and specifically in section E.2.4.</p>
<p>If the project is in the field of industry, the project is in line with the objectives of the Europe 2020 Flagship Initiative “An Integrated Industrial Policy for the Globalisation Era” and may contribute to their achievement</p>	<p>Y <input type="checkbox"/> N <input type="checkbox"/> N/A <input checked="" type="checkbox"/></p>	
<p>If the project is in the field of energy, the project is in line with the objectives of the Europe 2020 Flagship Initiative “A resource-efficient Europe” and may contribute to their achievement</p>	<p>Y <input type="checkbox"/> N <input type="checkbox"/> N/A <input checked="" type="checkbox"/></p>	
<p>If the project is in the field of ICT, the project is in line with the objectives of the Europe 2020 Flagship Initiative “A Digital Agenda for Europe” and may contribute to their achievement</p>	<p>Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/></p>	
<p>If the project is in the field of the knowledge economy, the project is in line with the objectives of the Europe 2020 Flagship Initiative “Innovation Union” and may contribute to their achievement</p>	<p>Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A <input type="checkbox"/></p>	

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