

FACT SHEET

August 2017 announcement of contracts for the second phase of the Rural Broadband Initiative, the Mobile Black Spot Fund, and expansion of Ultra-Fast Broadband coverage

Second phase of the Rural Broadband Initiative (RBI2), and the Mobile Black Spot Fund (MBSF)

- The base funding for RBI2 and MBSF is **\$150 million** from the Telecommunications Development Levy (TDL). The Government has allocated an additional \$140 million (\$30 million from the TDL and \$110 million from Ultra-Fast Broadband (UFB) returned capital), bringing the total funding for RBI2 and MBSF to **\$290 million**.
- RBI2 will provide enhanced broadband for over **74,000** New Zealanders (including some commercial coverage from mobile operators). Over **1,000** kilometres of state highways and more than **100** tourist areas will receive new mobile coverage under MBSF.
- Crown Fibre Holdings (CFH) is partnering with the **Rural Connectivity Group** (a new joint venture between Spark, Vodafone and 2 degrees) to provide RBI2 and MBSF coverage (base contract value \$150 million plus \$100 million expansion). Alongside this, CFH is partnering with **nine regional wireless internet service providers** (total contract values **\$8 million plus up to \$5 million for expansion** and further contracts):

Gisborne.net (Gisborne and North Hawke's Bay)	Wiz Wireless (Wairarapa, Wellington)
Inspire.net (Manawatu and Whanganui)	AmuriNet (North Canterbury)
AoNet (King Country, Manawatu and Whanganui)	Ultimate Broadband (Central/South Canterbury)
Primo Wireless (Taranaki)	Unifone (Otago)
NZ Tech (Central Hawke's Bay)	

- CFH's website contains [maps](#) and a [breakdown](#) of how RBI2 and MBSF coverage will benefit each region.
- Over 300,000 rural households and businesses can already access new and improved broadband under the first phase of the Rural Broadband Initiative; a [summary report shows](#) how connectivity was improved in each region under this programme.

Ultra-Fast Broadband acceleration and expansion

- An additional **\$130 million** was allocated from UFB returned capital to fast-track the UFB deployment schedule (to achieve nationwide completion by the end of **2022**) and extend the UFB programme further. The following table summarises the UFB programme arrangements:

UFB phase	Crown investment	Premises covered	End-users (such as households and businesses) covered	Population covered (%)
UFB phase one	\$1.345 billion	~1,174,000	~1,526,000	~75.4%
UFB phase two (January 2017 expansion)	\$307 million	~200,000	~216,000	~8.6%
UFB phase two (August 2017 expansion)	\$130 million	~60,000	~60,000	~1.9%
Total	\$1.782 billion	~1,434,000	~1,801,000	~86% (87% with privately funded fibre)

- Of the \$1.782 billion funding, **\$227 million is provided from returned capital under the UFB programme.** This is made up of \$97 million for the January 2017 expansion and \$130 million for the August 2017 expansion).
- **Around 190 new towns will receive UFB under this expansion** of the UFB programme, on top of the **existing 200 already in the programme.** In total, under the full UFB programme, **around 390 cities and towns** will receive UFB by the end of 2022. At that time 87% of New Zealanders will have access to fibre-to-the-premises (includes 1% private fibre).
- The UFB partners have been awarded the following premises and funding on 30 August 2017:

UFB partner	Premises for UFB phase two expansion (August 2017)	Funding for UFB phase two expansion (August 2017)
Ultra-fast fibre	~4,500	~\$9 million
Chorus	~54,500	~\$109 million
Enable	~580	~\$650,000
Northpower	~150	~\$360,000

- Once the full UFB programme is complete, New Zealand should be well into the **top five in the OECD** for the proportion of the population that can access fibre.
- CFH’s website contains [maps](#) and a [complete list](#) of cities and towns included in the UFB programme.

More information on all of the programmes is available on CFH’s [website](#).