

**Roundtable: Investment support implications of new European Electronic Communications Code:  
How to do deal with cost overruns in broadband projects**

Roundtable Host: **Dr Harald Gruber, EIB**

Time: **14:45-16:00**

Room: **Vienna**



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**Dr Harald Gruber** is Head of Digital Infrastructure at the Projects Directorate of the European Investment Bank based in Luxembourg. He oversees project appraisal and advises on the Bank's business strategy with respect to financing of broadband infrastructure and innovation policy. He is on the editorial board of several journals in the sector and has extensively published. He has been also professor at Bocconi University (Milan) for telecommunications economics. Harald Gruber holds a Ph.D. in Economics from the LSE.

**Objective:**

The workshop discusses issues of cost overruns in very high capacity (VHC) broadband deployment projects against the background of the new European Electronic Communications Code and state aid guidelines. Cost overruns represent challenges for the investment process of infra funds and banks in two ways: first, cost overruns require immediate actions in an existing project and put invested capital and projected returns at risk. Second, risk managers and analysts will question the validity and reliability of cost plans presented in subsequent projects. This could lead to higher funding costs and put investment projects on hold unless effective mitigation and incentive strategies can be agreed

EIB moderates the workshop and engage discussions among participants. Case studies complement the workshop

**Format:**

- Interactive workshop with max. 15 participants
- One 2h session (with break) TBC

**Content of the roundtable**

1. The public support regime for VHC networks is to be redesigned, along with the mapping. This has potentially quite far reaching consequences for Germany.
2. Taking into account also considerations of roll-out costs, experience from projects financed by the Bank shows that German regional projects have unit costs on the higher side.
3. This needs to be taken into account when deploying the needed and increased levels of subsidies are discussed. Cost efficiency is a crucial element for additionality.