Australian Government



Department of Infrastructure, Transport, Regional Development and Communications

Declaration that the NBN should be treated as built and fully operational

December 2020

On 11 December 2020, the Minister for Communications, Cyber Safety and the Arts, the Hon Paul Fletcher MP, declared that the National Broadband Network (NBN) should be treated as built and fully operational.

Why did the Minister make this declaration?

Under Subsection 48(1) of the *National Broadband Network Companies Act 2011* (the NBN Co Act), the Minister for Communications was required to either declare that the NBN should be treated as built and fully operational, or declare a 'declared pre-termination period', by 31 December 2020.

How did the Minister come to this decision?

In making the decision to declare that the network should be treated as built and fully operational, the Minister had regard to the relevant provisions in the NBN Co Act:

- s48(5)(a) The extent to which the NBN has been built
- s48(5)(b) The extent to which the NBN is operational
- s48(5)(c) Matters relating to the security of the NBN
- s48(5)(d) Such other matters (if any) as the Communications Minister considers relevant.

In considering his decision, the Minister wrote to NBN Co Limited (NBN Co) requesting evidence based on an Assessment Methodology that was developed by the Department with advice from Analysis Mason. NBN Co responded to the Minister with a report which provided evidence addressing all the matters outlined in the Assessment Methodology. These matters included:

- Identification of addressable location
- Status of Build
- Processes for premises awaiting coverage (yet to ready to connect premises)
- Ability for Retail Service Providers (RSPs) to interconnect and provide services
- Processes for new premises (premises in new developments)
- Ability to operate under all reasonable circumstances
- Processes to assess and address future needs of end-users and RSPs
- Risk management processes
- Assessment of security matters
- Network is capable of delivering the required speeds set out in NBN Co's Statement of Expectations (24 August 2016) and the SIP legislation
- Measurement of actual performance.

NBN Co's <u>Report on Assessment Methodology: extent to which the NBN access network is built and</u> <u>fully operational</u>.

What does this mean for the NBN?

NBN Co will maintain its focus on continuous improvement of service provision to their broadband retail customers, and ultimately to Australian households and businesses, as well as driving efficiency in its operations. NBN Co will maintain progress connecting the small number of outstanding complex premises that are not yet ready to connect to the network and will report quarterly on the progress of connecting these premises

NBN Co will continue to rectify services currently unable to achieve 25 Mbps through the progressive reduction in co-existence with legacy technologies and proactive and reactive remediation programs. Network speed capabilities will also be enhanced through NBN Co's \$3.5 billion network upgrades, which will be completed in 2023-2, including \$50 million to improve in-home cabling.

This declaration is one of the steps that must occur under the NBN Co Act before NBN Co can be privatised, but does not trigger any further steps.