



State aid: Commission approves €2 billion Italian scheme under the Recovery and Resilience Facility to support roll out of 5G mobile networks

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The European Commission has approved, under EU State aid rules, a €2 billion Italian scheme made available through the Recovery and Resilience Facility ('RRF') to roll out high-performing 5G mobile networks. The measure is part of Italy's strategy to address the needs of citizens and businesses in the context of the digitalisation of the country. The scheme also contributes to [the EU's strategic objectives relating to the digital transition](#).

Executive Vice-President Margrethe **Vestager**, in charge of competition policy, said: "*This €2 billion Italian scheme, entirely funded via the RRF, will support the deployment of high performing 5G mobile networks. This will enable consumers and business to access high-quality 5G services, contributing to the economic growth of the country and to the EU's strategic objectives relating to the digital transition.*"

The Italian measure

The scheme, which will run until 30 June 2026, will be entirely funded via the RRF, following the Commission's positive assessment of the [Italian Recovery and Resilience Plan](#) and its adoption by the Council. The Italian Recovery and Resilience Plan includes important investment projects in the electronic communications sector, including the deployment of performant fixed and mobile networks. The scheme approved today concerns the roll out of mobile networks.

Under the scheme, the aid will take the form of direct grants to electronic communications services providers. The measure will finance the deployment of: (i) performant backhaul networks to connect the mobile base stations that by 2026 will not have a performant one; and (ii) the necessary base stations to provide 5G mobile services offering speeds of at least 150 Mbps download and 30 Mbps upload in those areas of Italy which, by 2026, will not be served by networks offering download speed above 30 Mbps.

The scheme aims to ensure a wide availability of high-performing networks, capable of delivering high-quality and reliable electronic communication access services to end-users, satisfying their current and evolving needs.

The Commission's assessment

The Commission assessed the scheme under EU State aid rules, in particular [Article 107\(3\)\(c\)](#) of the Treaty on the Functioning of the European Union, which allows State aid to facilitate the development of certain economic activities or of certain economic areas.

The Commission found that:

- The measure is necessary and proportionate to address market failures, namely the absence of current or planned mobile networks that would adequately address end-users' needs. The existence of a market failure has been assessed through the mapping of currently available and planned infrastructure, as well as through a public consultation conducted by the Italian authorities.
- The measure has an incentive effect, since it facilitates the roll out and operation of high-performing mobile networks that private operators are not willing to deploy due to high costs, which are not balanced by forecasted revenues.
- The scheme has sufficient safeguards to ensure that undue distortions of competition are limited and that the aid does not adversely affect trading conditions contrary to the common interest. In particular, all beneficiaries of the scheme will be selected by means of an open, transparent and non-discriminatory competitive selection procedure. Furthermore, Italy will

also encourage the reuse of existing infrastructure. Finally, the measure fosters competition by ensuring wholesale access to the supported networks.

On this basis, the Commission concluded that the scheme is in line with EU State aid rules.

Background

All investments and reforms entailing State aid included in national resilience and recovery plans presented in the context of the RRF must be notified to the Commission for prior approval, unless covered by one of the State aid block-exemption rules.

The Commission assesses measures which are part of the national recovery plans presented in the context of the RRF as a matter of priority and has provided guidance and support to Member States in the preparatory phases of the national plans, to facilitate the rapid deployment of the RRF. At the same time, the Commission makes sure in its decision that the applicable State aid rules are complied with, in order to preserve the level playing field in the Single Market and ensure that the RRF funds are used in a way that minimises competition distortions and do not crowd out private investment.

Broadband connectivity is of strategic importance for European growth and innovation in all sectors of the economy and for social and territorial cohesion. The measure notified by Italy also contributes to the EU's strategic objectives set out in the [Gigabit Communication](#), [the Communication on Shaping Europe's digital future](#), [the Digital Compass' Communication](#), and [the Commission's proposal for a decision establishing the 2030 Policy Programme 'Path to the Digital Decade'](#).

For More Information

The non-confidential version of the decision will be made available under the case number SA.100557 in the [State Aid Register](#) on the Commission's [competition website](#) once any confidentiality issues have been resolved. New publications of State aid decisions on the internet and in the Official Journal are listed in the [Competition Weekly e-News](#).

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