Results at a Glance – Evaluation of ISED Support to Extending Broadband Access to Rural and Remote Communities, 2014-15 to 2018-19

PROGRAM CONTEXT

Connecting Canadians Program (CCP) and Connect to Innovate (CTI) aim to increase access to broadband services for underserved communities in rural and remote Canada. CCP was launched in 2014 and has 86 projects that are all nearly complete. CTI started in 2016 and has announced 194 projects.

They are both five-year cost-shared programs that provide one-time, non-repayable contributions to eligible applicants.

> Total budgeted contributions of $207M (CCP) and $483M (CTI)

Since the launch of these programs, the definition of high quality and high speed broadband services has evolved (i.e., from 5/1 Mbps under CCP and CTI to 50/10 Mbps by 2030). Further, the federal Connectivity Strategy and $6B in Budget 2019 for new broadband investments (e.g., Universal Broadband Fund) have been announced.

EVALUATION APPROACH

This evaluation was designed to meet Treasury Board requirements under the *Policy on Results*, respond to the 2018 Office of the Auditor General of Canada Audit, and inform future programming. It focused on the period from April 1, 2014 to March 31, 2019, utilizing several lines of evidence:

Document review	Key informant interviews
Literature review	Mapping data analysis
Surveys	Financial data review
Case studies	

WHAT THE EVALUATION FOUND

The CCP and CTI programs align with government priorities and federal roles and responsibilities, primarily in supporting broadband internet deployment through funding and partnerships, to underserved areas where no business case exists for Internet Service Providers (ISPs). A continued federal coordination role, working with other partners including provinces and territories, will be required to support future programming.

ISED applied lessons learned from CCP to CTI and made adjustments to account for increased project complexity. CTI undertook extensive review of applications to identify broadband service gaps, prevent duplication, and minimize displacing ISP investment. Some funded applicants found the process burdensome, particularly smaller ISPs, and subsequent steps and processes to put in place a contribution agreement impacted the timeliness of project final approval and start-up. Further, some delays were caused by the lack of access for applicants to the most up to date mapping data required to support applications, due to confidentiality.

Actual and expected program outcomes have exceeded, or are forecast to exceed, the original targets for both CCP (350K households vs 280K targeted) and CTI (900 communities vs 300 targeted). In addition, positive social and economic indirect impacts of expanded access to affordable, quality broadband in underserved areas were identified at the community level (e.g., improved access to public services).

The CCP and CTI programs have been delivered efficiently in terms of O&M spending and have exceeded expectations for contribution funding leveraged, demonstrating value for money. Although CTI contribution spending variances identified delays in implementation of CTI projects, allocated funding for fiscal year 2019-20 is forecasting almost full expenditure.

RECOMMENDATIONS

1. **Process improvements**: ISED should examine its processes for application intake and review, project selection and approval, and negotiations of contributions to identify opportunities to:
   - Further streamline process and improve the timelines of project approval and implementation; and
   - Allow more flexibility for small ISPs and non-ISPs, to demonstrate eligibility and meet technical requirements.

2. **Enhance coordination**: ISED, in consultation with key federal partners, should clarify and communicate to stakeholders the federal roles and responsibilities related to broadband programming and examine the feasibility of an enhanced coordination role, including the establishment of a "single window" for stakeholder inquiries and interactions regarding projects and funding.

3. **Mapping data improvements**: ISED should continue to work with the CRTC and ISPs to enhance the level of precision of publically available data (while considering confidentiality of data).