



Australian Government

Department of Communications and the Arts



# Mobile Black Spot Programme

## Round 2 guidelines

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## Version History

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# 1 Introduction

## 1.1 Mobile Black Spot Programme

- 1.1.1 The Mobile Black Spot Programme (the **Programme**) is the Australian Government's initiative to extend mobile phone coverage and competition in regional Australia. The Government will make available up to \$60 million (GST exclusive) over two financial years (2016-17 to 2017-18) to deliver Round 2 of the Programme.
- 1.1.2 The Department of Communications and the Arts (the **Department**) is responsible for administering the Programme on behalf of the Government.
- 1.1.3 In June 2015, the Government announced the 499 successful locations under the \$100 million Round 1 of the Programme. These Mobile Black Spot Programme Round 2 Guidelines (these Guidelines) have been prepared following a review of Round 1, and targeted consultation with some industry stakeholders and State and Territory Governments.

## 1.2 About these Guidelines

- 1.2.1 These Guidelines describe the operation of the Programme and include relevant information concerning:
- (a) who is eligible to apply for funding
  - (b) how to apply for the funding
  - (c) how the funding will be allocated under the Programme.
- 1.2.2 These Guidelines are divided into the following parts:
- (a) **Part A:** Eligibility
  - (b) **Part B:** Programme requirements and considerations
  - (c) **Part C:** Application and Assessment
  - (d) **Part D:** Programme timing
  - (e) **Part E:** Additional information
  - (f) **Part F:** Glossary
  - (g) **Part G:** Attachments.
- 1.2.3 These Guidelines aim to ensure the Programme is delivered as efficiently and effectively as possible and achieves value for money to the Commonwealth.

## 1.3 Application deadline

The closing date for submitting an application for funding under Round 2 of the Programme is **5.00pm Thursday 14 July 2016 (Canberra time)**.

## 1.4 Further information

- 1.4.1 Further information on the Programme is available on the Department's website at [www.communications.gov.au/mobile\\_coverage](http://www.communications.gov.au/mobile_coverage).
- 1.4.2 Enquiries about the Programme can be made to the Department via the following email address: [mobilecoverage@communications.gov.au](mailto:mobilecoverage@communications.gov.au).

## Part A – Eligibility

### 2. Eligibility criteria

#### 2.1 Eligible applicants

- 2.1.1 To be eligible for funding under the Mobile Black Spot Programme, an applicant must be a national Mobile Network Operator or a Mobile Network Infrastructure Provider.
- 2.1.2 For the purposes of the Programme, a Mobile Network Operator (**MNO**) means a company, other than a Mobile Network Infrastructure Provider, that:
- (a) supplies a public mobile telecommunications service within the meaning of *the Telecommunications Act 1997*; and
  - (b) holds an apparatus or a spectrum licence (or both) for the supply of public mobile telecommunications services under *the Radiocommunications Act 1992*.
- 2.1.3 For the purposes of the Programme, a Mobile Network Infrastructure Provider (**MNIP**) means a company, other than a retail MNO, that provides communications infrastructure in Australia or overseas, including the installation and operation of infrastructure to be used by one or more retail MNOs to provide public mobile telecommunications services. MNIP applications must be accompanied by evidence of a commercially binding commitment from at least one retail MNO to use the infrastructure to deliver mobile services as described at section 5 for at least 10 years.
- 2.1.4 MNOs and MNIPs may also apply jointly for funding through the Programme. Joint applications must be underpinned by commercially binding arrangements or the clear intention to enter into such arrangements should the application be successful. Awards to joint applicants may be granted on the condition that the parties would enter into a binding arrangement approved by the Department prior to finalisation of the **Funding Agreement**.

#### 2.2 Base station eligibility

- 2.2.1 To be eligible for funding under the Programme, each **Proposed Base Station** must:
- (a) Deliver improved mobile coverage to the broader geographic area of at least one of the 10,668 locations on the **Database of Reported Locations** (which was compiled from nominations of regional locations reported to have inadequate mobile phone coverage (see section 13.1.2)).
  - (b) Deliver new mobile coverage to areas which do not currently receive **Handheld Coverage** from any MNO or are scheduled to receive new Handheld Coverage from a base station to be-funded under Round 1 of the Programme (see sections 8.2 and 13.3.2).
  - (c) Not be sited at a location identified on the eligible applicant's 2016-17 and 2017-18 forward build network expansion plan as at 1 January 2016.
  - (d) Not be on a site at which a base station funded under Round 1 of the Programme is to be sited.

- (e) Provide new mobile coverage to areas which are not located within any of the **Ineligible Areas**, being the Urban Centres and Localities geographical units classified by the Australian Bureau of Statistics as 'Major Urban', i.e. with a population of 100,000 or more. The Department will provide map overlays showing Ineligible Areas to eligible applicants (upon request).

**Note:** The term 'Handheld Coverage' used in 2.2.1(b) has a different meaning to the handheld coverage modelling requirements specified at 5.2.4(c).

- 2.2.2 While it is expected that the majority of Proposed Base Stations will be **Macrocells**, applicants may propose the use of **Small Cell** technologies to deliver services for particular areas.
- 2.2.3 To the extent that the predicted coverage to be provided by a Proposed Base Station overlaps with existing Handheld Coverage or **External Antenna Coverage** (from any MNO, including from any base station funded under Round 1), or any Ineligible Areas, this overlapping portion of coverage will not be considered in the assessment of applications. Where new handheld coverage only overlaps existing External Antenna Coverage this will be considered in the assessment of applications.

## 2.3 Existing network plans

- 2.3.1 To ensure that applicants do not seek Commonwealth funding for Proposed Base Stations where they have already planned to invest commercially, all applicants (including MNIPs) must certify that any Proposed Base Stations for which Commonwealth funds are being sought were not at any time part of their 2016-17 to 2017-18 forward-build network expansion plans as at 1 January 2016.
- 2.3.2 The Department may audit a Funding Recipient's compliance with section 2.3.1.

## Part B – Programme requirements and considerations

### 3 Programme funding

#### 3.1 Funding Agreements

- 3.1.1 Each **Funding Recipient** will be required to enter into a Funding Agreement with the Commonwealth prior to the Government's announcement of successful locations and Funding Recipients (see section 13).
- 3.1.2 A draft Funding Agreement is at Attachment A of these Guidelines.
- 3.1.3 Each Funding Agreement will set out the Funding Recipient's obligations in respect of the roll-out, co-location and open access terms and service terms for each **Funded Base Station**.

#### 3.2 Commonwealth funding

- 3.2.1 The Commonwealth has allocated \$60 million (GST exclusive) to Round 2 of the Programme.
- 3.2.2 The maximum Commonwealth co-contribution to be provided for each Proposed Base Station is \$500,000 (GST inclusive) unless it is considered that a higher Commonwealth co-contribution is merited in order to achieve a sufficient number of Funded Base Stations as specified at sections 9.5.2, 9.5.4 and 9.5.6 of these Guidelines.
- 3.2.3 Commonwealth funding under the Programme will be available only for the estimated capital costs of building Funded Base Stations and the Funding Recipients will be responsible for any actual capital costs which exceed estimated costs. All operating costs for Funded Base Stations will be the responsibility of the Funding Recipient.
- 3.2.4 For Funded Base Stations which utilise satellite backhaul, the capitalised net present value (using a discount rate equivalent to the 10-year Treasury Bond Rate applying at the date of the application) of the Indefeasible Right of Use for this backhaul may be included in the cost of building these base stations.

#### 3.3 Applicant co-contribution

- 3.3.1 All Funding Recipients will be required to make a substantial financial (cash) co-contribution to the capital costs of building each Funded Base Station.

#### 3.4 Third Party funding co-contributions

- 3.4.1 To increase the reach of the Programme, applicants are encouraged to seek financial co-contributions from State, Territory or local governments, local communities and/or other third parties.
- 3.4.2 During the application period, applicants are strongly encouraged to consult with State, Territory and local governments and local communities regarding the locations for which they intend to build Proposed Base Stations. Where applicants can confirm the level of co-contributions that State, Territory or local governments or other third-parties propose to make, applicants should include this in their application in respect of the relevant Proposed Base Station.

- 3.4.3 Points will be awarded under the **Assessment Criteria** for Proposed Base Stations which include financial co-contributions offered by third parties, see criterion 5(b).
- 3.4.4 The appropriate contact details for each State and Territory government and NBN Co are at Attachment D. Applicants are solely responsible for forming relationships and negotiating contributions with any relevant parties, and for testing or verifying any advice received from these parties.
- 3.4.5 The local governments that have indicated an intention to make a financial co-contribution are identified at Attachment B.
- 3.4.6 For Funded Base Stations that include a co-contribution from a State or Territory government, the Department expects that Funding Recipients will enter into a Funding Agreement with the Commonwealth and a separate agreement with the respective State or Territory government.
- 3.4.7 Many State, Territory and local governments own infrastructure in regional Australia that could potentially be used for some Funded Base Stations. These governments may have specific requirements that will need to be reflected in the bids put forward by applicants. These requirements should be reflected in applications for each Proposed Base Station.
- 3.4.8 For Proposed Base Stations that include co-contributions from third parties, a copy of the terms of the third parties' commitment to the applicant is to be attached to the application for funding.
- 3.4.9 For Funded Base Stations that include co-contributions from third parties, the Funding Recipient will bear any costs in the event the third parties' funding is not secured following execution of the Funding Agreement by the Funding Recipient and the Commonwealth.

### 3.5 In-kind co-contributions

- 3.5.1 Where a third party wishes to provide an incentive for applicants to include in their funding applications Proposed Base Stations to be sited at particular locations, third parties will also be able to offer in-kind co-contributions towards the construction of a Proposed Base Station.
- 3.5.2 In-kind contributions which could potentially be provided include:
- (a) assistance with identifying and consulting with the local community on a suitable site;
  - (b) securing the necessary planning and site approvals;
  - (c) lease arrangements;
  - (d) civil works required for access to the site;
  - (e) assistance with coordinating power to the site; or
  - (f) access to existing infrastructure.
- 3.5.3 The local governments that have to date expressed a willingness to make in-kind co-contributions are identified at Attachment B.
- 3.5.4 In-kind co-contributions will not be awarded points in the Assessment Criteria.

## 4 Reporting requirements

### 4.1 Programme Evaluation

- 4.1.1 The Programme will be evaluated by the Department against key performance indicators (KPIs) as agreed with each Funding Recipient. The Department will use the KPIs to monitor, measure and report on progress, outputs, outcomes and benefits of the Programme.
- 4.1.2 Funding Recipients will be required to participate in Programme reviews and evaluations.

### 4.2 Baseline data

- 4.2.1 Funding Recipients will need to establish **Baseline Data** for measuring project and Programme progress. This Baseline Data will be provided by the applicant in their application, which will subsequently form the basis of project progress reports.

### 4.3 Public information

- 4.3.1 Funding Recipients will be required to maintain a publicly available online database for the construction phase of the Programme, which will include information regarding the status and progress of Funded Base Stations.

## 5 Minimum requirements

### 5.1 Introduction

- 5.1.1 Unless indicated otherwise in these Guidelines, section 5 sets out the minimum requirements that Funding Recipients would need to comply with. These requirements will be included as schedules to the Funding Agreements. Under section 9.3.1, applications that do not meet the minimum requirements may, at the Department's absolute discretion, be excluded from further consideration.

### 5.2 Services required

- 5.2.1 All Funded Base Stations must deliver improved mobile coverage and potential for competition as outlined in section 2.2.
- 5.2.2 As a minimum, all Funded Base Stations must provide at least ten square kilometres of new or upgraded handheld coverage for **Macrocell** base stations and at least five square kilometres for **Small Cell** base stations. This will be determined by the Department summing the coverage outcomes of assessed at Assessment Criteria 1(a) and 1(c). Notwithstanding this requirement, the Department, at its absolute discretion, may recommend for funding a Proposed Base Station that otherwise offers value for money to the Commonwealth.
- 5.2.3 Section 5.2.2 will not apply for Proposed Base Stations which would provide new handheld coverage to small islands of less than 10 square kilometres in size.
- 5.2.4 The Government's expectation is that consumers will be able to perform a range of functions using mobile devices, such as making and receiving phone calls, sending emails and text messages, browsing the internet, accessing online services, downloading files and using mobile apps. To meet this expectation:

- (a) all Funded Base Stations will be required to deliver mobile voice and broadband data services using at least **3G HSPA+**;
  - (b) in addition to section 5.2.4(a) all Funded Base Stations not in **Remote or Very Remote** areas (as determined in accordance with the Australian Bureau of Statistics' 2011 Remoteness Structure) will be required to deliver broadband data services using **4G** technology;
  - (c) proposed handheld coverage modelling for 3G HSPA+ must be based on outdoor Received Signal Code Power (RSCP) greater than -90 dBm at a 90 per cent confidence level for the cell area; and
  - (d) proposed external antenna coverage modelling for 3G HSPA+ must be based on outdoor RSCP greater than -107 dBm at a 90 per cent confidence level for the cell area.
- 5.2.5 All Funded Base Stations will be required to deliver mobile services in accordance with the relevant standards specified in the funded MNOs' carrier licence conditions and/or under *the Telecommunications Act 1997*.
- 5.2.6 Funding Recipients will be required to ensure that each Funded Base Station delivers the required mobile services to the target coverage areas on a commercial basis for a minimum of ten years, commencing from when initial services commence to be delivered from each Funded Base Station.

### 5.3 Open access, co-location and co-build

- 5.3.1 A key objective of the Programme is to maximise the choice of MNOs for consumers. To achieve this objective, applications for Proposed Base Stations which two or more MNOs have committed to use, or Proposed Base Stations which will be built to support more than one MNO, will be given points in the Assessment Criteria.
- 5.3.2 Once an MNO is selected to build a Funded Base Station, it must give other MNOs the opportunity to co-locate and to participate in the detailed design phase for that Funded Base Station using the process set out in this section 5.
- 5.3.3 For Proposed Base Stations where other MNOs are interested in co-locating, the costs can be shared more broadly and efficiencies achieved if the interested MNOs can participate in the design and build phases which should ensure that their reasonable specifications are accommodated in the design and construction of the base station. This opportunity relates to all the requirements necessary for co-location to efficiently occur, including (but not limited to) the height and robustness of the base station, as well as site space for housing equipment and access to power and **backhaul**.
- 5.3.4 The Government is supportive of Funding Recipients offering other MNOs the opportunity to co-invest in Funded Base Stations including provision of backhaul.
- 5.3.5 For the purposes of Assessment Criterion 8(b), a Proposed Base Station must meet the following minimum specifications to be considered capable of supporting two or more MNOs:
- (a) The structure is of sufficient height and robustness for accommodating and supporting additional equipment required by additional MNO/s.

- (b) There is sufficient mains AC power provision to support the requirements of additional MNO equipment. This section 5.3.5(b) does not apply to solar powered sites, however solar powered sites must have sufficient space for the additional MNO/s to install additional solar panels.
- (c) There is a communications hut of sufficient size (or space available on the site for further huts) to accommodate additional MNO equipment.

**Note:** If a Proposed Base Station may not meet the minimum specifications listed at section 5.3.5, for instance if a detailed feasibility study would need to be conducted, applicants should not claim points for Assessment Criterion 8(b) for the Proposed Base Station.

- 5.3.6 MNOs interested in co-locating on, or co-building a Funded Base Station will be required to express interest prior to the start of the detailed design stage for that Funded Base Station. All parties will be required to negotiate in good faith with each other in relation to the Funded Base Station access and price terms and enter into commercial arrangements. The capital contribution to be made by the co-locating parties in respect of a Funded Base Station must, at least, equal the incremental cost incurred by reason of provisioning co-location for that Funded Base Station.
- 5.3.7 In accordance with the dispute resolution process outlined at section 5.5 of these Guidelines, any disagreements regarding open access and co-location matters will be determined by an independent third party, to be appointed at the MNOs/MNIPs' shared cost, and in accordance with the dispute resolution process.
- 5.3.8 Co-location negotiations for Funded Base Stations are to occur at the earliest possible opportunity after the successful sites are known and before the commencement of the detailed site design phase begins for an individual base station). It is accepted that in some circumstances it may not be possible for **Brownfield Sites** to be upgraded to meet this requirement – these will be considered on a case-by-case basis in the assessment process.
- 5.3.9 Following the process set out in this section 5.3 whereby a successful applicant selected to build a Funded Base Station is required to test with other MNOs their intent to co-locate on the Funded Base Station and, if it is ascertained that there is no interest in co-building from another MNO or **NBN Co**, the Funding Recipient will not be required to design or build the site to allow for co-location.
- 5.3.10 Section 5.3.9 will not be required to be reflected in the Funding Agreement where the basis upon which the original application for a Funded Base Station was that it would support more than one MNO, and the Funded Base Station had been awarded points for criterion 8(b) in the assessment process.

## 5.4 Backhaul access and pricing

- 5.4.1 Where an MNO selected to build a Funded Base Station (the **Building MNO**) reaches an agreement under section 5.3 of these Guidelines for another MNO (the **Co-locating MNO**) to co-locate on the Funded Base Station, the Building MNO must sell backhaul to the Co-locating MNO if the Building MNO is in a position to do so (see section 5.4.2).
- 5.4.2 The Building MNO will be taken to be in a position to sell backhaul to the Co-locating MNO if the Building MNO owns or controls an optical fibre which connects the Funded Base Station to the Building MNO's network.

- 5.4.3 For more remote locations where existing fibre or microwave backhaul (or a combination of both) is not available or readily accessible, satellite backhaul technology may be utilised to deliver the mobile services. If satellite backhaul technology is proposed for a Proposed Base Station, the applicant should clearly define the level of service to be provided.
- 5.4.4 The price at which the Building MNO sells backhaul to the Co-locating MNO must be more favourable than the regulated prices set under the ACCC Domestic Transmission Capacity Service Final Access Determination (DTCS FAD). For example, by offering a defined rent-free period or other discounting mechanism.
- 5.4.5 Where a Building MNO chooses to provide backhaul to a Funded Base Station using an optical fibre connection, it must ensure that it provides sufficient backhaul capacity, transmission and interfacing equipment to meet the backhaul requirements of any Co-locating MNO on the Funded Base Station. This requirement does not apply to a Brownfield Site unless it has been awarded points under assessment criteria 8(b).
- 5.4.6 Where a Building MNO chooses to provide backhaul to a Funded Base Station using a microwave connection, the Building MNO must provide backhaul services to a Co-locating MNO over that microwave connection, unless:
- (a) the Funded Base Station is designed and built to allow the Co-locating MNO to install, operate and maintain its own microwave backhaul equipment on the Funded Base Station; and
  - (b) the Co-locating MNO is permitted to install, operate and maintain its own microwave backhaul equipment on the Funded Base Station.
- 5.4.7 The terms and pricing of backhaul services provided by a Building MNO to a Co-locating MNO must be negotiated commercially between the Building MNO and Co-locating MNO in accordance with the principles set out in this section 5.4.

## 5.5 Dispute resolution

- 5.5.1 MNO disputes in relation to co-location and backhaul for a Funded Base Station will be referred for determination to an independent third party expert. MNOs will be given the opportunity to appoint, at their own shared cost, an independent third party to determine any disputes that may arise in relation to Funded Base Stations (for example disputes related to technical or pricing matters).
- 5.5.2 The Building MNO and Co-locating MNO will be bound by the determination made by the independent third party expert.

## 6 Additional services

### 6.1 Roaming services

- 6.1.1 Points have been included in the Assessment Criteria for Proposed Base Stations for which MNOs offer to make inter-carrier roaming available to all MNOs.
- 6.1.2 Such a Proposed Base Station will have the potential to deliver greater public benefit for the amount of public money contributed than a similar Proposed Base Station which does not

support roaming, as it would provide coverage not just to customers of the MNO which owns and operates it, but also to customers of other MNOs.

- 6.1.3 In offering to make roaming available, applicants will agree to negotiate with other MNOs on reasonable terms and conditions and implement such arrangements within a reasonable timeframe from entering into negotiations.

## 7 Other considerations

### 7.1 MP priority locations

- 7.1.1 Many Federal Members of Parliament (MPs) will have information regarding the specific local issues and the locations within their electorates that are in greatest need of mobile coverage.
- 7.1.2 Accordingly, those Federal MPs who represent electorates where, as at 15 January 2016, less than 50 per cent of the electorate area is classified as Ineligible Areas, and which are not designated by the Australian Electoral Commission as 'Inner Metropolitan', have been invited to nominate up to three priority locations within their electorates under Round 2 of the Programme. Nominated priority locations must not be within such Ineligible Areas.
- 7.1.3 Priority locations nominated by Federal MPs under Round 1 of the Programme which were not assessed as receiving handheld coverage from one or more of the 499 base stations funded under Round 1 will also be maintained as priority locations for Round 2. These locations are in addition to the three priority locations which eligible Federal MPs may nominate under section 7.1.2.
- 7.1.4 As part of the assessment process to determine which Proposed Base Stations are recommended for funding under the Programme, the Assessment Criteria includes 10 points being awarded to each Proposed Base Station delivering handheld coverage to one or more of the MP priority locations nominated in accordance with section 7.1.2.

### 7.2 Utilising NBN Co's fixed wireless network

- 7.2.1 In some circumstances actual or planned **National Broadband Network (NBN)** facilities may offer applicants an opportunity to provide coverage in a location at lower cost than would otherwise be the case, including:
- (a) where NBN Co has already built a fixed wireless base station in or near an area that has been identified as lacking adequate mobile coverage;
  - (b) where NBN Co can provide backhaul on a commercial basis that would reduce the cost of deploying a Funded Base Station in an area that has been identified as lacking adequate mobile coverage;
  - (c) where NBN Co has already acquired land for a fixed wireless base station in an area that has been identified as lacking adequate mobile coverage; and
  - (d) where NBN Co has plans for a fixed wireless base station in an area that has been identified as lacking adequate mobile coverage.

- 7.2.2 NBN Co has established a contact point for applicants to discuss possible opportunities for co-location of equipment and possible joint participation in Round 2 of the Programme (see Attachment D).
- 7.2.3 Applicants are strongly encouraged to consult with NBN Co to identify all possible opportunities to achieve mutually beneficial outcomes via the use of NBN network facilities.
- 7.2.4 Should mutually suitable locations be identified, the potential applicant (or applicants) should reach agreement with NBN Co on the planned use of NBN facilities. Such an arrangement should be specified in the application for funding.
- 7.2.5 Alternatively, where the Proposed Base Station is in an area for which NBN Co has plans to construct network facilities (but has not yet) such as a base station or fibre optic or microwave backhaul, the applicant and NBN Co may choose to specify that the application include a co-contribution from NBN Co (on the basis that the Proposed Base Station to be built will be of use to both NBN Co and the applicant).

## Part C – Application and Assessment

### 8 Application process

#### 8.1 Applicant registration

- 8.1.1 Potential applicants must register their interest with the Department and sign a Non-Disclosure Agreement prior to being granted access to the Programme documentation for Round 2.

#### 8.2 Pre-application lodgement

- 8.2.1 MNOs who have registered as potential applicants and are intending on submitting applications for funding under Round 2 must first submit their existing coverage information, incorporating the coverage from base stations which were funded under Round 1 (where relevant).
- 8.2.2 Existing coverage information required at section 8.2.1 must be submitted to the Department by no later than **5pm (Canberra time), Friday 29 April 2016**. The Department may, at its absolute discretion, accept mobile coverage information submitted by MNOs after this date.
- 8.2.3 The existing coverage information required in accordance with section 8.2.1 must be supplied as per the predictive coverage modelling standards which underpin the publically available coverage maps on the MNOs website, and must not be prepared based on the coverage modelling standard outlined at section 5.2.4.
- 8.2.4 Pre-application information can be submitted by either of the methods outlined at section 8.3.

#### 8.3 Completing and lodging an application

- 8.3.1 Applications for funding must be lodged using the Application Pack provided at Attachment C of these Guidelines.
- 8.3.2 To seek funding under the Programme, applicants must complete the Base Station Assessment Tool (BSAT) from the Application Pack to provide information for each Proposed Base Station for which it is seeking funding, specifying in each case:
- (a) the location;
  - (b) the total estimated all-up capital cost of construction (GST inclusive), including backhaul and power;
  - (c) the amount of co-contribution (GST inclusive) being provided by the applicant;
  - (d) the amount of Commonwealth co-contribution sought under the Programme – capped at \$500 000 (GST inclusive) per Proposed Base Station (subject to section 9.5.9);
  - (e) the amount (if any) of co-contributions (GST inclusive) to be received from third parties such as State, Territory or local governments, local communities and/or NBN Co and any specific requirements or conditions tied to such co-contributions;
  - (f) the extent to which it meets the Assessment Criteria;

- (g) whether and to what extent the Proposed Base Station will provide auxiliary power supply and whether it will be provided to support its operation for a period of eight hours or greater in the event of the loss of external power to the base station site;
- (h) whether the Proposed Base Station is dependent on the construction of one or more of the applicant's other Proposed Base Stations, including explaining the specific dependencies; and
- (i) predictive coverage mapping data for each Proposed Base Station (as per section 5.2.4).

**Note:** The applicant must agree that the predictive coverage mapping data supplied at section 8.3.2(i) can be used by the Department to prepare promotional material for the Programme.

8.3.3 In addition, applicants must warrant that none of the Proposed Base Stations for which Commonwealth funds have been sought were part of their network expansion plans as at 1 January 2016 (see section 0).

8.3.4 Applicants must indicate their compliance with the draft Funding Agreement (at Attachment A of these Guidelines) at the time of submitting their applications. Where the terms of the draft Funding Agreement are not accepted in full, applicants are required to submit a revision-marked version of the draft Funding Agreement reflecting their proposed position.

**Note:** Applicants may request an amendment to the draft Funding Agreement. Sections 9.7 and 13.5 contain further information about the timing for Funding Agreement negotiations and possible outcomes.

8.3.5 Details for contacting the Department to seek clarification or assistance with form aspects of completing an application are at section 0 of these Guidelines.

8.3.6 Applications can be lodged using Govdex, the Australian Government's secure online document sharing and project management system. Potential applicants will be provided with information about lodging applications using Govdex upon registering as a potential applicant for Round 2.

8.3.7 All electronic files, regardless of transmission method, should be provided in a Microsoft compatible format. Geo-spatial information such as maps should be provided in either Mapinfo TAB or MID/MIF; ESRI Shape; GML; or KML format.

8.3.8 The Department may also accept applications via hard copy and/or physical electronic media, in addition to electronic applications (refer to sections 8.3.9 and 8.3.10).

8.3.9 Should applicants wish to submit hard copy documents, applicants should provide the original hard copy plus three copies (unbound). The original document should be marked 'Original', and be signed and dated. The copies should be numbered sequentially and marked 'Copy 1', 'Copy 2' and 'Copy 3'. Where hard copy documents are submitted, applicants must provide electronic copies of geo-spatial information via physical electronic media or via Govdex.

8.3.10 Where physical electronic media is to be provided, such as CD-ROM, DVD-ROM or USB stick, the media must be PC-formatted. Applicants should include an index of all electronic documents on the physical electronic media.

8.3.11 Submissions provided in hard copy and physical electronic media formats should be delivered via registered post or by hand prior to the closing date (see to sections 8.3.12 and 8.4.1).

8.3.12 Applications are to be addressed and delivered to:

Director, Mobile Black Spot Programme  
Department of Communications and the Arts  
38 Sydney Avenue, Forrest  
CANBERRA ACT 2603

8.3.13 The Department will acknowledge receipt of all applications by email to the nominated contact officer.

## 8.4 Closing date for funding applications

8.4.1 The closing date for submitting an application for funding under the Programme is **5.00pm Thursday 14 July 2016** (Canberra time).

## 8.5 Late applications

8.5.1 Any decision by the Department on whether or not to accept a late application to the assessment process shall be final.

## 8.6 Further information about the application

8.6.1 At any time during the due diligence assessment or the assessment proper, the Department may:

- (a) contact applicants to check information that may be ambiguous or unclear;
- (b) seek either additional information or seek clarification of certain information to assist its assessment of applications; and/or
- (c) seek expert advice to verify claims made.

# 9 Assessment process

## 9.1 Application completeness check

9.1.1 Following the closing date for applications, the Department will undertake an initial check to ensure each application is complete and all necessary supporting documentation has been submitted as part of the application. The Department may, at its absolute discretion, contact an applicant to request missing information.

## 9.2 Risk assessment

9.2.1 The Department will conduct an overall risk assessment in relation to the suitability of the applicants (and applications) for funding under the Programme.

## 9.3 Initial assessment

9.3.1 Following confirmation that the applications are complete, the Assessment Criteria will be used by the Department to undertake the initial evaluation of applications received for the

Programme, including an assessment of whether the minimum requirements set out in section 5 of these Guidelines have been satisfied. Proposed Base Stations that do not meet the minimum requirements may, at the Department's absolute discretion, be excluded from further consideration.

- 9.3.2 The Department will review each Proposed Base Station against the Assessment Criteria, and will assign a point score to each based on the application of the Assessment Criteria. Applicants must provide evidence to back up claims made against each criterion, including mapping data on coverage claims in a format required by the Department (as per section 8.3.2(i)).
- 9.3.3 Following this review process, the Department will prepare a list of all Proposed Base Stations which meet the minimum requirements, from all applicants, ranked in order from the Proposed Base Station with the highest score to the Proposed Base Station with the lowest score (**Draft Merit List**).

## 9.4 Establish funding cut-off point

- 9.4.1 The Department will review the Draft Merit List and establish a cut-off point in the order of the Draft Merit List, being the point at which the available Commonwealth funding is expected to be exhausted.

## 9.5 Application of equitable distribution principles

- 9.5.1 To allow for an equitable distribution of Funded Base Stations under the Programme across Australia, the Department will have regard to the principles set out in sections 9.5.2 to 9.5.10 (inclusive).

### Principle 1: Equal distribution across States and the Northern Territory

- 9.5.2 Subject to section 9.5.3, the Department will ensure that at least ten Proposed Base Stations are recommended for each of New South Wales, Queensland, South Australia, Tasmania, Victoria and Western Australia; and at least five base stations are recommended for the Northern Territory (assuming sufficient eligible applications are received for Proposed Base Stations located in these States or the Northern Territory, as applicable).
- 9.5.3 The Department may recommend that the number of Funded Base Stations in a State or the Northern Territory be less than the minimum specified in section 9.5.2, if it considers that the Proposed Base Stations for the respective jurisdictions do not represent value for money to the Commonwealth.

### Principle 2: Equal distribution within States and the Northern Territory

- 9.5.4 The Department will ensure, subject to receipt of a valid application for a Proposed Base Station in the electorate, that funding is recommended for at least one Proposed Base Station in each eligible Federal electorate.
- 9.5.5 The Department may recommend that section 9.5.4 not be applied to an eligible electorate if it considers that the Proposed Base Station for the respective electorate does not represent value for money to the Commonwealth.

### Principle 3: Supporting Remote and Very Remote Australia

- 9.5.6 Subject to section 9.5.7, the Department will ensure that at least \$10 million (GST exclusive) of Programme funding is recommended for Proposed Base Stations which are located in Remote or Very Remote Areas.

- 9.5.7 In the event there are insufficient Proposed Base Stations to give effect to section 9.5.6, and as a consequence the total amount allocated in accordance with section 9.5.6 is less than \$10 million, the Department will recommend that the balance of the \$10 million of Programme funding is allocated to the next highest ranked base station/s on the order of merit until the sum of funding allocated under section 9.5.6 and this section 9.5.7, is equal to, or greater than \$10 million (GST exclusive).
- 9.5.8 The Department may recommend that section 9.5.6 not be applied in respect of a Proposed Base Station which would otherwise be funded under section 9.5.6 if it considers that the Proposed Base Station does not represent value for money to the Commonwealth.

#### Principle 4: Cap adjustment

- 9.5.9 In ensuring there are a sufficient number of Proposed Base Stations recommended for funding under Equitable Distribution Principles 1, 2 and 3 (see sections 9.5.2, 9.5.4 and 9.5.6), or if not all of the Commonwealth's \$60 million (GST exclusive) is allocated, the Department may, at its absolute discretion, recommend increasing the level of Commonwealth funding for one or more Proposed Base Stations above the \$500,000 (GST inclusive) cap.

#### Principle 5: Multiple nominations

- 9.5.10 If two or more applicants nominate a Proposed Base Station for the same (or very similar) location, or the new coverage provided by two or more Proposed Base Stations overlaps significantly, the Department will recommend funding for only the highest ranked Proposed Base Station for that location.

## 9.6 Value for money assessment

- 9.6.1 The Department will undertake an assessment of the value for money to the Commonwealth for all Proposed Base Stations to be recommended for funding.

## 9.7 Terms of Funding Agreement

- 9.7.1 The Department will not recommend for funding any Proposed Base Stations included in an application where the applicant has not reached agreement with the Commonwealth on the terms of the Funding Agreement within the Assessment of Applications Period at section 13.5.

## 9.8 Merit List

- 9.8.1 The list of Proposed Base Stations that the Department will recommend to be Funded Base Stations when the process set out in this section 9 is completed is the **Merit List**.
- 9.8.2 Subject to section 9.3.3, the Department will provide the Merit List to the Minister for Communications as the **Decision Maker**, including the assessment of the overall value for money to the Commonwealth for each Proposed Base Station recommended for funding.
- 9.8.3 In establishing the Merit List, the Department will exercise its own judgement in determining if any changes are required to apply the equitable principles set out in sections 9.5.2 to 9.5.10 (inclusive), and give best effect to the overall Programme objectives regarding improved coverage and competition.

## 9.9 Use of satellite backhaul

- 9.9.1 It is acknowledged that satellite backhaul has limitations in regards to the level of mobile service it can provide to consumers (as compared with fibre and/or microwave backhaul).
- 9.9.2 In the event that a location is proposed to be served by one applicant using satellite backhaul and by another applicant by fibre and/or microwave backhaul, the Department will consider the respective levels of service to be provided in assessing the two applications.

## 10 Assessment Criteria

- 10.1 Each Proposed Base Station will be assessed against the following Assessment Criteria:

### 1. New coverage (uncapped score)

- (a) The size (in square kilometres) of the mobile coverage footprint area which will receive new handheld coverage where previously there was no coverage at all from any MNO (one point will be awarded for every 20 square kilometres of new handheld coverage).
- (b) The size (in square kilometres) of the mobile coverage footprint area which will receive new external antenna coverage where previously there was no coverage at all from any MNO (one point will be awarded for every 50 square kilometres of new external antenna coverage).
- (c) The size (in square kilometres) of the mobile coverage footprint area currently receiving External Antenna Coverage from any MNO which will receive new handheld coverage (one point will be awarded for every 20 square kilometres which currently receives External Antenna Coverage will receive handheld coverage).

### 2. Coverage benefit (uncapped score)

- (a) The number of premises located within the new handheld coverage footprint as assessed by the Department using G-NAF version 2015.11 (one point will be awarded for every three premises which previously received no Handheld Coverage that now receive handheld coverage).
- (b) The length of major transport routes, including national or State highways and arterial roads assessed by the Department using StreetPro Display version 2015.10 (based on PSMA Australia Limited's Transport and Topography dataset) and passenger rail corridors, within the new handheld coverage and external antenna coverage (in kilometres) (one point awarded for every five kilometres covered, rounded to the nearest five kilometres).

### 3. Remoteness of location (score out of 20)

- (a) The 'Remoteness' of each Proposed Base Stations will be assessed using the Australian Bureau of Statistics 2011 Remoteness Structure; Proposed Base Stations located in 'Remote' Australia will be awarded 10 points, and Proposed Base Stations located in 'Very Remote' Australia will be awarded 20 points.

#### 4. Member of Parliament priority (score of 10)

- (a) Each Proposed Base Station will be assessed to determine whether its handheld coverage footprint includes a location identified as a priority location by a Federal Member of Parliament (MP) who represents an eligible electorate.

#### 5. Co-contributions (uncapped score)

- (a) The amount of financial co-contribution being provided by the applicant or consortium of applicants (one point will be awarded or deducted for every \$10,000 (GST inclusive) co-contribution above or below 50 per cent of the total estimated capital cost of the Proposed Base Station).
- (b) The amount of financial co-contribution being provided by the relevant State, Territory and/or local government or other third party (one point will be awarded for every \$10,000 (GST inclusive) of financial co-contribution).

**Note:** Applicants will need to consult with the relevant State, Territory and/or local government or other third party to determine and secure their level of co-contribution for each Proposed Base Station.

#### 6. Cost to the Commonwealth (score out of 50)

- (a) The net cost to the Commonwealth of each Proposed Base Station (from a maximum of 50 points, one point will be deducted for every \$10,000 (GST inclusive) cost to the Commonwealth).

**Note:** The maximum Commonwealth co-contribution to be provided for each Proposed Base Station is \$500,000 (GST inclusive) (unless it is considered that a higher Commonwealth co-contribution is merited in order to achieve a sufficient number of Proposed Base Stations as specified at sections 9.5.2, 9.5.4 and 9.5.6 of these Guidelines).

#### 7. Service offering (score out of 15)

- (a) 10 points will be awarded to each Proposed Base Station where roaming services are offered to all MNOs (that is, services which would allow customers of any Australian MNO other than the MNO which operates that base station, to receive services from that base station).
- (b) Five points will be awarded where the Proposed Base Station offers extended auxiliary power capacity that enables the Proposed Base Station to operate for eight hours or longer in the event of the loss of external power to the Proposed Base Station.

#### 8. Commitment of use (score out of 20)

- (a) The number of MNOs, in addition to the MNO proposing to build the Proposed Base Station, that have committed to utilising the Proposed Base Station to deliver the specified services on a commercial basis for a minimum of 10 years (10 points will be awarded per additional MNO).

- (b) In the event that there is not a commitment from additional MNOs to utilise the Proposed Base Station, applicants will be awarded 10 points if the Proposed Base Station will be capable of supporting one or more additional MNOs in the future (as defined at section 5.3.5).

**Note:** Applicants cannot claim points for both 8(a) and 8(b). Applicants claiming points for 8(b) will be required to build the base station to be capable of supporting more than one MNO as per section 5.3.10.

## 11 Decision on funding

- 11.1 The Decision Maker will review the recommendations set out in the Merit List, and may do one or more of the following:
  - (a) approve the recommendations;
  - (b) seek further information from the Department and/or relevant experts; and
  - (c) subject to section 14, make such amendments as the Decision Maker deems necessary.
- 11.2 The Department will prepare the list of Funded Base Stations (**Decision Maker's List**) based on advice from the Decision Maker.
- 11.3 The Decision Maker will have the final decision on all applications for funding.

## 12 Review of decision

- 12.1 An applicant wishing to seek a review of the decision relating to its application for the Programme should contact the Department by email at [mobilecoverage@communications.gov.au](mailto:mobilecoverage@communications.gov.au) within two weeks of the issue of notification of the decision. The Department will review that decision internally and notify the applicant(s) of the outcome of the review.
- 12.2 An applicant that is dissatisfied with the review may contact:

The Commonwealth Ombudsman  
GPO Box 442  
Canberra ACT 2601  
Telephone: 02 6276 0111  
Toll free: 1300 362 072  
Website: [www.ombudsman.gov.au](http://www.ombudsman.gov.au)
- 12.3 Applicants should note that the Commonwealth Ombudsman can only review the Programme's assessment processes, not any specific funding decision, under the Programme.

## Part D – Programme timing

### 13 Key Programme stages and timing

The Programme will be implemented in nine key stages. A summary of each stage and indicative timing is provided below.

#### 13.1 Stage 1 – Release of Guidelines and call for Applications

Timing: 26 February 2016

- 13.1.1 At the same time as releasing these Guidelines, the Government issued a call for applications from eligible applicants for funding under Round 2 of the Programme.
- 13.1.2 The call for applications includes the Database of Reported Locations, comprising the locations reported to the Department prior to **15 January 2016** as having poor or non-existent mobile coverage. Applicants must use this list of locations to identify areas they wish to include in their funding proposals.

#### 13.2 Stage 2 – Applicant registration

Timing – following release of Guidelines

- 13.2.1 Organisations wishing to apply for funding under Round 2 must contact the Department to register as a potential applicant in order to obtain the application documentation. Organisations who registered under Round 1 and who are interested in participating in Round 2 are required to register for Round 2 (Round 1 registrations will not be valid for the purposes of Round 2).
- 13.2.2 Organisations can register their interest with the Department by emailing [mobilecoverage@communications.gov.au](mailto:mobilecoverage@communications.gov.au) and providing the following information:
  - (a) Organisation name:
  - (b) Contact name:
  - (c) Contact phone number:
  - (d) Contact email address:
- 13.2.3 The Department will contact organisations that register their interest as potential applicants.

#### 13.3 Stage 3 – Pre-application documentation

Timing: Pre-application documentation due by 29 April 2016

- 13.3.1 The application documentation outlines the requirements on potential applicants prior to submitting an application for funding.
- 13.3.2 Each applicant must submit their publically available coverage maps (incorporating, where relevant, all base stations funded under Round 1, regardless of the stage of construction) ahead of submitting their application for funding.

## 13.4 Stage 4 – Preparing and submitting applications

### Timing: Applications due by 14 July 2016

- 13.4.1 The application documentation describes in detail the Programme requirements, and outlines the terms and conditions under which Commonwealth funding is to be made available.
- 13.4.2 Each applicant must complete the BSAT for each Proposed Base Station for which it is seeking funding, specifying in each case the information set out in section 8.3.2.
- 13.4.3 The completed BSAT must include data on the level of coverage that each Proposed Base Station will achieve in terms of area. Mapping data must be provided to indicate the area to be covered by handheld coverage and external antenna coverage meeting the required service standards set out at section 5.2.4. The application should also indicate the length of additional coverage of major transport routes (via external antenna coverage) and additional premises covered (via handheld coverage).
- 13.4.4 Applicants may seek all or part of the total \$60 million (GST exclusive) funding available through the Programme.

## 13.5 Stage 5 – Assessment of Applications

### Timing: July-August 2016

- 13.5.1 The Department will assess all eligible applications received by the closing date/time to determine which Proposed Base Stations are to be recommended for Programme funding using the processes outlined in section 9.
- 13.5.2 An expert engineering firm appointed by the Department will test coverage claims.
- 13.5.3 The Proposed Base Stations selected recommended for funding through the assessment process will be included on the Merit List provided to the Decision Maker.

## 13.6 Stage 6 – Negotiation of Funding Agreements

### Timing: July-August 2016

- 13.6.1 Where an applicant requests an amendment to the draft Funding Agreement which is not acceptable to the Commonwealth, the Department will seek to negotiate with the applicant in parallel with the Assessment of Applications period at section 13.5.
- 13.6.2 Any of the Proposed Base Stations contained within an application will not be recommended for funding unless the respective applicant has reached agreement with the Commonwealth on the terms of the Funding Agreement within the Assessment of Applications of Period.

## 13.7 Stage 7 – Funding Recipients advised of outcomes and funding arrangements finalised

### Timing: early September 2016

- 13.7.1 The Department will notify each applicant of the Proposed Base Stations included in their application which are included on the Decision Maker's List. Extracts of the Decision Maker's List will also be provided to other relevant stakeholders.

- 13.7.2 Each successful Applicant must enter into a legally binding Funding Agreement with the Commonwealth prior to the Government's announcement of successful locations and Funding Recipients.
- 13.7.3 The Funding Recipient's participation in the Programme becomes effective from the date of execution of the Funding Agreement by the Commonwealth. Shortly after execution of the Funding Agreement, the Funding Recipient's details and amount of funding awarded will be made available on the Department's website in accordance with the Commonwealth's grant reporting requirements.
- 13.7.4 Where a Proposed Base Station includes a financial co-contribution from a State or Territory government, the Funding Recipient must negotiate the commercial agreement governing the terms and conditions of the State/Territory's financial contribution directly with the relevant jurisdiction following the Government's announcement.

## 13.8 Stage 8 – Funding Recipients and locations announced

Timing: early-mid September 2016

- 13.8.1 The locations of Funded Base Stations and Funding Recipients are expected to be announced by the Government in early-mid September 2016.

## 13.9 Stage 9 – Co-location negotiations

Timing: from September 2016

- 13.9.1 Funding Recipients will notify other MNOs of the opportunity to co-locate on Funded Base Stations, and to participate in the detailed design phase using the process set out in section 5.3.

## Part E – Additional information

### 14 Process Terms

#### 14.1 Accountability and probity

14.1.1 The Department is committed to ensuring that the process for selecting and approving Funded Base Stations under the Programme is fair and in accordance with these Guidelines.

14.1.2 The Department, as a non-corporate Commonwealth entity under *the Public Governance, Performance and Accountability Act 2013* (Cth) (the PGPA Act), in relation to its investment in the Programme, must comply with:

- (a) the various duties set out in section 15 of the PGPA Act including: to promote the proper use and management of public resources for which the Department is responsible; promote the achievement of the purposes of the Department; and promote the financial sustainability of the Department;
- (b) section 16 of the PGPA Act which requires the Department to establish and maintain appropriate systems of risk oversight and management and an appropriate system of internal controls; and
- (c) the *Commonwealth Grants Rules and Guidelines*, which establish the overarching Commonwealth grant policy framework and articulate the expectations for the Department (including but not limited to a range of probity and reporting requirements).

#### 14.2 Costs

14.2.1 The Department will not in any circumstances meet any costs or expenses incurred by an applicant in connection with their application. Applicants must bear their own costs and expenses associated with the application and assessment process, and the preparation, negotiation and execution of the Funding Agreement and of other documentation.

#### 14.3 Right to vary the Programme

14.3.1 The Government reserves the right to abort or vary the Programme (including via variation of these Guidelines) at its discretion, at any time, for any reason, including without limitation, in light of changes to Government policy.

14.3.2 In the event that the Government determines that these Guidelines require amendment prior to the date for which funding applications are due to be submitted to the Department, potential applicants will be advised of the revised or new Guidelines in a timely manner, including any resultant extension that may be applied to the application period. Any amendments and resultant extensions will be published by the Department on its website.

14.3.3 In the event that the Government determines that these Guidelines require amendment following the date for which funding applications are due to be submitted to the Department (for example if the applications received do not achieve the Programme objectives), the revised or new Guidelines will clearly identify the extent, if any, to which the amended criteria will be applied to existing applications, and/or whether applicants will have the opportunity to re-submit an application based upon the revised criteria, and/or whether any new applicants will

be considered. In this event, applicants will be notified and the revised Guidelines will be published on the Department's website.

- 14.3.4 Except to the extent to give effect to this Part E of these Guidelines, an organisation submitting an application acknowledges that neither these Guidelines, nor any application, give rise to a binding agreement or any other arrangement or legal relationship between the applicant and the Commonwealth. There is no binding agreement on any party until a Funding Agreement is executed by the Commonwealth and the Funding Recipient(s).

## 14.4 Clarifications

- 14.4.1 All requests for clarification or determination of the meaning of provisions in these Guidelines should be referred to the Department by email at [mobilecoverage@communications.gov.au](mailto:mobilecoverage@communications.gov.au). If an applicant requests clarification of a provision in these Guidelines or a determination on a particular issue, the Department's written decision on the matter is final. Written decisions may be made publicly available via the Department's website, where appropriate.

## 14.5 Background checks

- 14.5.1 Applicants should ensure that, where appropriate, personnel involved in the Programme have undergone background checks – including checks of financial viability or criminal records – to determine the good character and business reputation of the project leader and its personnel.
- 14.5.2 The Department may undertake checks on organisations submitting an application for the Programme (including the applicant's personnel). It may also undertake consultations with other relevant third parties regarding any application. The Department may also conduct checks to obtain any relevant information not disclosed in an application.
- 14.5.3 The Department reserves the right to use information from:
- (a) the Department's databases
  - (b) other Government agencies, such as the Australian Taxation Office and Australian Securities and Investments Commission
  - (c) State or Territory agencies
  - (d) law enforcement agencies
  - (e) credit reference agencies
  - (f) courts or tribunals
  - (g) any other appropriate organisation or person reasonably required as part of these checks.

## 14.6 Confidentiality

- 14.6.1 The Department will treat any of the applicant's commercially sensitive information provided in the applicant's application as **confidential information** provided that information is designated as confidential information (Applicant Confidential Information).

14.6.2 The Department's confidentiality obligation does not apply to the extent any Applicant Confidential Information that is:

- (a) authorised or required by law to be disclosed;
- (b) disclosed by the Department to its advisers, officers, employees, or other agencies' officers or employees, for the purpose of evaluating the applicant's application and during any Funding Agreement negotiation;
- (c) disclosed by the Department in response to a request by a house or a committee of the Parliament of Australia, or a house or a committee of the Parliament of a state or territory;
- (d) disclosed by the Department to its responsible Minister or the Auditor-General;
- (e) shared by the Commonwealth within the Commonwealth's entity (for example, another Commonwealth agency), where this serves the Commonwealth's legitimate interests;
- (f) disclosed to the Department's officers to enable the effective management or auditing of the Programme; and
- (g) in the public domain otherwise than due to a breach of the Department's confidentiality obligation.

14.6.3 The applicant will treat any information provided by the Department as confidential information provided that information is designated as confidential information. (Commonwealth Confidential Information).

14.6.4 The applicant's confidentiality obligation does not apply to the extent any Commonwealth Confidential Information that is:

- (a) authorised or required by law to be disclosed; or
- (b) in the public domain otherwise than due to a breach of the applicant's confidentiality obligation.

14.6.5 The Department may share with State or Territory governments (on a confidential basis) any or all information contained in applications which it considers relevant to the respective jurisdiction based on the location of the Proposed Base Station(s), including costings for Proposed Base Stations that are not successful in receiving funding through the Programme, subject to agreement on confidentiality with applicants.

## 14.7 Intellectual Property rights

14.7.1 By submitting an application under the Programme, to the extent the applicant's application contains:

- (a) its **Intellectual Property**; or
- (b) a third party's Intellectual Property.

the applicant grants (or will procure for) the Commonwealth a permanent, irrevocable, royalty-free, worldwide, non-exclusive licence (including a right of sublicense) to use, reproduce, adapt,

communicate and exploit the applicant's Intellectual Property contained in its application under the Programme provided it is in connection with any assessment processes under, or the evaluation of, the Programme.

- 14.7.2 Any licence granted to the Commonwealth in relation to Intellectual Property rights does not include a right to exploit such Intellectual Property for commercial purposes.

## 14.8 Privacy of individuals

14.8.1 The Department is covered by *the Privacy Act 1988* (the Privacy Act). The Privacy Act contains 13 Australian Privacy Principles (the APPs) which governs how the Department collects, uses and discloses personal and sensitive information, and how individuals can access and correct records containing their personal or sensitive information.

14.8.2 The Department is committed to protecting personal information appropriately. If individuals within the applying organisation wish to deal with the Department anonymously or by using a pseudonym, it should advise the Departmental contact officer for the Programme or contact the Department's Client Service Manager (see details below).

## 14.9 Personal information to be collected by the Department

14.9.1 The Department may collect personal information in the applicant's application and this may include names, contact details and other personal information, which the applicant has supplied to the Department in its application under the Programme.

14.9.2 By providing the Department with personal information in the applicant's application under the Programme, the applicant consents to the Department collecting, using and disclosing that personal information in accordance with these Guidelines.

14.9.3 If the applicant does not consent to the Department's collection, use and disclosure of the personal information contained in its application under the Programme, in accordance with these Guidelines, this may mean that the Department may not be able to progress or assess the application further for funding under the Programme.

## 14.10 Purpose for which the Department will use and disclose personal information

14.10.1 The Department may collect personal information from the applicant contained in its application for the purpose of carrying out the activities and functions of the Department related to the Programme. In order to carry out its functions and activities connected to the Programme, the Department may use the collected personal information for the purpose of any assessment processes under, or the evaluation of, the Programme.

14.10.2 Further, in order to carrying out its functions and activities connected to the Programme, the Department may also disclose the collected personal information to other Commonwealth, State or Territory agencies.

14.10.3 The Department will use the personal information collected from the applicant for the primary purpose it was collected. The Department may use or disclose this personal information for another purpose (i.e. secondary purpose) if:

- (a) the applicant reasonably expect the information to be used for the secondary purpose;

- (b) it is required or authorised by law or a permitted general situation exists under the Privacy Act;
- (c) the applicant gives the Department permission; or
- (d) the Department reasonably believes the use or disclosure is reasonably necessary for one or more enforcement related activities conducted by, or on behalf of, an enforcement body.

## 14.11 Department's contact point for privacy matters

14.11.1 For further information about how the Department is committed to protecting personal information appropriately in accordance with the APPs, see the Department's APP Privacy Policy on its website at [www.communications.gov.au/privacy](http://www.communications.gov.au/privacy)

14.11.2 For further information about the Department's handling of personal information, contact the Department's Client Service Manager by sending an email to [clientservice@communications.gov.au](mailto:clientservice@communications.gov.au) or by writing to the Department at the following address:

Client Service Manager  
Department of Communications and the Arts  
GPO Box 2154  
CANBERRA ACT 2601

14.11.3 General information about the Privacy Act and the APPs can also be found on the Office of the Australian Information Commissioner's website at [www.oaic.gov.au](http://www.oaic.gov.au)

## 14.12 Exclusion of liabilities

14.12.1 The Department is not liable to applicants on the basis of promissory estoppel, equitable, restitutionary, contractual or quasi-contractual grounds, in relation to the selection process, including without limitation, when the Department:

- (a) varies or terminates all or any part of the selection process or any negotiations;
- (b) decides not to fund any or all of the activities sought through the selection process;
- (c) varies the selection process; or
- (d) exercises or fails to exercise any of its other rights under, or in relation to these Guidelines.

## 14.13 Disclaimer

14.13.1 The Commonwealth, the Department and its officers, employees, agents and advisors:

- (a) are not, and will not be, responsible or liable for the accuracy or completeness of any information in or provided in connection with these Guidelines and associated forms;
- (b) make no express or implied representation or warranty that any statement as to future matters will prove correct;

- (c) disclaim any and all liability arising from any information provided to the applicants, including, without limitation, errors in, or omissions contained in, that information;
- (d) except so far as liability under any statute cannot be excluded, accept no responsibility arising in any way from errors or omissions contained in any information in these Guidelines and associated forms; and
- (e) accept no liability for any loss or damage suffered by any person as a result of that person, or any other person, placing reliance on the contents of these Guidelines and associated forms, or any other information provided by the Department.

## 14.14 Fraud prevention

14.14.1 The Department is committed to the Commonwealth Fraud Control Guidelines. Applicants should familiarise themselves with the Department's Fraud Control Policy Statement (which can be provided upon request). This also underpins their respective fraud and risk minimisation responsibilities when dealing with the Department.

14.14.2 Giving false or misleading information is a serious offence under *the Commonwealth Criminal Code Act 1995*.

## Part F – Glossary

Term	Definition
<b>3G HSPA+</b>	Third generation mobile telecommunications service with the wireless broadband standard protocol known as the Evolved High Speed Packet Data Access or HSPA+.
<b>4G</b>	Fourth generation mobile telecommunications service.
<b>Assessment Criteria</b>	The assessment criteria the Department will use to assess applications as set out in section 10.
<b>Backhaul</b>	A link between the core or backbone of a network and sub-networks, transporting data from a series of disparate locations to a more centralised location.
<b>Baseline Data</b>	The applicants existing coverage and the amount of new coverage which each base station would provide will be used as the baseline data for section 4.2.1.
<b>Brownfield Site</b>	An existing site where available infrastructure (such as a tower, building, structure, etc) can be utilised to locate equipment required to deliver mobile services.
<b>Building MNO</b>	Has the meaning given in section 5.4.1.
<b>Co-locating MNO</b>	Has the meaning given in section 5.4.1.
<b>Confidential Information</b>	Has the meaning given in section 14.6.1.
<b>Database of Reported Locations</b>	The database from which eligible applicants must select the locations for which they intend to apply for funding under the Programme.
<b>Decision Maker</b>	The Minister for Communications.
<b>Decision Maker's List</b>	Has the meaning given in section 11.2.
<b>Department</b>	Has the meaning given in section 1.1.2.
<b>Draft Merit List</b>	Has the meaning given in section 9.3.3.
<b>External Antenna Coverage</b>	3G HSPA+ coverage which can be obtained using an external antenna attached to a handheld mobile device, as determined in accordance with the publically available mobile coverage maps from all MNOs, and the external antenna coverage which will be delivered under Round 1 of the Programme.
<b>Funded Base Station</b>	A base station selected for funding under the Programme.
<b>Funding Agreement</b>	A document with contractual effect specifying the responsibilities of Funding Recipients and the Commonwealth under the Programme.
<b>Funding Recipient</b>	An applicant who has been successful in obtaining funding under the Programme.
<b>Greenfield Site</b>	A site (without existing infrastructure) where a new mobile base station is to be deployed to deliver mobile services.

<b>Handheld Coverage</b>	3G HSPA+ coverage which can be obtained with a handheld mobile device as determined in accordance with the publically available mobile coverage maps from all MNOs, and the handheld coverage which will be delivered under Round 1 of the Programme.
<b>Ineligible Areas</b>	Has the meaning given in section 2.2.1(e).
<b>Intellectual Property</b>	Includes: <ul style="list-style-type: none"> <li>(a) all copyright (including rights in relation to phonograms and broadcasts);</li> <li>(b) all rights in relation to inventions, plant varieties, trademarks (including service marks), designs, circuit layouts; and</li> <li>(c) all other rights resulting from intellectual activity in the industrial, scientific, literary or artistic fields.</li> </ul>
<b>Macrocell</b>	The widest range of cell sizes used in a mobile phone network served by a mobile base station, often used in rural areas and along highways. Generally providing larger coverage than microcells, with a typical power output of tens of watts.
<b>Merit List</b>	The list of Proposed Base Stations that the Department will recommend to the Decision Maker when the assessment process is completed.
<b>Mobile Network Infrastructure Provider or MNIP</b>	Has the meaning given in section 2.1.3.
<b>Mobile Network Operator or MNO</b>	Has the meaning given in section 2.1.2.
<b>National Broadband Network or NBN</b>	The national wholesale-only, open access telecommunications network that is being built by, or in conjunction with, NBN Co (including any existing network incorporated into the NBN).
<b>NBN Co</b>	NBN Co Limited.
<b>Programme</b>	Has the meaning given in section 1.1.1.
<b>Proposed Base Station</b>	A base station for which an applicant has sought funding under the Programme (Round 2).
<b>Remote or Very Remote</b>	Has the meaning given in section 5.2.4(b).
<b>Small Cell</b>	A ‘small cell’ in a mobile phone network, with a typical range less than two kilometres. Often used to add network capacity in areas of dense population, utilising power control to limit coverage area.

## Part G – Attachments

### Attachment A – Draft Funding Agreement

The Department will provide a draft Funding Agreement to organisations that have registered as an eligible applicant for funding under Round 2 of the Programme. Information on registering as an eligible applicant is available on the Department's website at [www.communications.gov.au/mobile\\_coverage](http://www.communications.gov.au/mobile_coverage).

## Attachment B – In-principle co-contributions

The local councils listed below have advised the Department of in-principle financial or in-kind co-contributions to Round 2 of the Programme.

Information regarding individual co-contributions can be obtained by contacting the relevant organisation. The Department will provide contact details for the organisations listed below to organisations that have registered as an eligible applicant for funding under Round 2 of the Programme. Information on registering as an eligible applicant is available on the Department's website at [www.communications.gov.au/mobile\\_coverage](http://www.communications.gov.au/mobile_coverage).

### New South Wales

Bland Shire Council	Bombala Council	Bourke Shire Council
Coonamble Shire Council	Dubbo City Council	Eurobodalla Shire Council
Gundagai Shire Council	Inverell Shire Council	Kyogle Council
Narrandera Shire Council	Port Macquarie-Hastings Council	

### Queensland

Bundaberg Regional Council	Cairns Regional Council	Maranoa Regional Council
Torres Strait Regional Authority		

### South Australia

District Council of Loxton Waikerie	Naracoorte Lucindale Council	Renmark Paringa Council
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### Tasmania

Circular Head Council	Kentish Council	
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### Victoria

Ararat Rural City Council	Buloke Shire Council	Colac Otway Shire Council
Corangamite Shire Council	Hindmarsh Shire Council	Horsham Rural City Council
West Wimmera Shire Council	Yarriambiack Shire Council	

### Western Australia

City of Greater Geraldton	Shire of Plantagenet	
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## Attachment C – Application Pack

The Department of Communications and the Arts will provide an Application Pack to organisations that have registered as an eligible applicant for funding under Round 2 of the Programme. Information on registering as a potential applicant is available on the Department's website at [www.communications.gov.au/mobile\\_coverage](http://www.communications.gov.au/mobile_coverage) and at section 13.2 of these Guidelines.

## Attachment D – State, Territory and NBN Co contacts

The Department will provide State, Territory and NBN Co contact details to organisations that have registered as an eligible applicant for funding under Round 2 of the Programme. Information on registering as a potential applicant is available on the Department's website at [www.communications.gov.au/mobile\\_coverage](http://www.communications.gov.au/mobile_coverage) and at section 13.2 of these Guidelines.