BharatNet Project

Why in News

Recently, the Union Cabinet approved a **Viability Gap Funding** support of up to Rs. 19,041 crore (Out of the total expense of Rs. 29,430 crore) for the implementation of the **BharatNet project through Public-Private Partnership** model.

- **Public-Private Partnership (PPP)** involves **collaboration between a government agency and a private-sector company** that can be used to finance, build, and operate projects. The PPP Model in this critical infrastructure of Telecom is a **novel initiative.**
- **Viability Gap Funding (VGF)** means **a grant one-time or deferred, provided to support infrastructure projects** that are economically justified but fall **short of financial viability.**

Key Points

- **About:**

    - It is the **world's largest rural broadband connectivity programme** using Optical fibre. And also a **flagship mission** implemented by **Bharat Broadband Network Ltd. (BBNL).**

        - BBNL is a **Special Purpose Vehicle (SPV)** set up by the Government of India under the **Companies Act, 1956** with an authorized capital of Rs 1000 crore.
    - It is a highly scalable network infrastructure accessible on a non-discriminatory basis, **to provide on demand, affordable broadband connectivity of 2 Mbps to 20 Mbps for all households** and on demand capacity to all institutions, to realise the vision of **Digital India**, in partnership **with States and the private sector.**
    - It is being implemented by the **Department of Telecommunication under the Ministry of Communications.**
    - **National Optical Fibre Network (NOFN)** which was launched in October 2011 was **renamed as Bharat Net Project in 2015.**

        - **NOFN** was envisaged as an **information superhighway through the creation of a robust middle-mile infrastructure** for reaching broadband connectivity to **Gram Panchayats.**
    - **In 2019,** the Ministry of Communications also launched the **'National Broadband Mission'** to facilitate universal and equitable access to broadband services across the country.
- **Funding:**

    - The entire project is being funded by **Universal service Obligation Fund (USOF),** which was set up for improving telecom services in rural and remote areas of the country.
- **Objective:**

    - The objective is to **facilitate the delivery of** e-governance**, e-health, e-education, e-banking, Internet** and other services to rural India.
- **Phases of the Project:**

- **First Phase:**

  - Provide one lakh gram panchayats with broadband connectivity by laying underground **Optic Fibre Cable (OFC) lines by December 2017.**
- **Second Phase:**

  - Provide connectivity to all the gram panchayats in the country using an optimal mix of underground fibre, fibre over power lines, radio and satellite media **by March 2019.**
- **Third Phase:**

  - From **2019 to 2023,** a state-of-the-art, future-proof network, including **fibre between districts and blocks, with ring topology** to provide redundancy would be created.
- **Current Extension of BharatNet:**

  - The project will be **extended to all inhabited villages beyond the gram panchayats in 16 States** which are:

    - Kerala, Karnataka, Rajasthan, Himachal Pradesh, Punjab, Haryana, Uttar Pradesh, Madhya Pradesh, West Bengal, Assam, Meghalaya, Manipur, Mizoram, Tripura, Nagaland and Arunachal Pradesh.
  - The revised strategy will include **creation, upgrading, operation, maintenance and utilisation of BharatNet** by the **private sector partner,** who will be selected by a competitive international bidding process.
  - The selected **private sector partner** is expected to provide **reliable, high speed broadband services** as per predefined **Services Level Agreement (SLA).**
- **Significance of PPP in BharatNet:**

  - **Faster Roll Out:**

    - The **PPP** Model will **leverage private sector efficiency for operation, maintenance, utilisation and revenue generation** and is expected to result in the faster roll out of BharatNet.
  - **Increased Investment:**

    - The private sector partner is expected to **bring an equity investment and raise resources towards capital expenditure and for operation and maintenance of the network.**
  - **Better Access:**

    - Extension of BharatNet to all inhabited villages will **enable better access to e-services offered by various governments, enable online education, telemedicine, skill development, e-commerce and other applications of broadband.**

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