



This project is funded by the European Union

MONTENEGRO

Partners:

- Ministry of Economic Development (MoED)

Estimated total investment:

- €56 million

WBIF EU grant:

- €16.8 million

EBRD estimated/signed loan:

- €36.4 million

Beneficiary contribution:

- €2.8 million

Duration of technical assistance:

- 07/2020 – 12/2021

Technical assistance provided by:

- Infrastructure Project Facility 8

Digital Economy

Feasibility Study including Cost-Benefit Analysis for Broadband Infrastructure Development in Montenegro

Project description and objectives

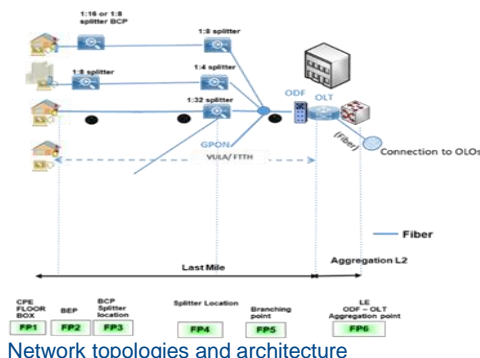
Digital sector is of high importance for the Government of Montenegro. According to the Strategy for the development of information society by 2020 which was adopted in July 2016, universal accessibility of broadband access, fast and ultra-fast access, are considered as basic preconditions for further social and economic development of Montenegro.

A study was prepared for the benefit of the MoED, which was based on the recommendations of the EC Broadband Investment Guide, while at the same time it took into consideration the market characteristics in Montenegro. The study also provided input to the Government to devise the National Broadband Development Plan.

The overall objective is to strengthen the economic and social development of Montenegro through the deployment of fixed broadband infrastructure and increasing business opportunities in public and private economic sectors. The specific objective is to identify the exact needs, options, costs, and financing structure for the construction of next generation broadband networks.

Activities funded by WBIF TA grant

The scope of this assignment was the preparation of the Feasibility Study (FS) with Cost-Benefit Analysis and a Plan for Regional Broadband Infrastructure Development in Montenegro.



The project provided a detailed assessment of the existing situation, the digital gaps and proposed a realistic procurement strategy supported by recommendations for necessary legal, regulatory and organisational actions to be implemented.

Results / Benefits:

- Increase of broadband coverage as well as the availability of next generation broadband networks in the currently uncovered sub-urban and rural areas;
- Increase in business opportunities in public and private economic sectors;
- Improvement of the digital connectivity between Montenegro and other countries in the region and the EU;
- Enhancement of the links between the communities;
- Positive impact on education, health, tourism, working and entertainment conditions and overall quality of life.
- The EIRR is estimated to 7% The FIRR is negative in all examined scenarios.

