

InvestEU Scoreboard

InvestEU Scoreboard

Presentation of the financing or investment operation:

Implementing Partner: NIB

Name of the Operation: Valoo

Project ID: INVEU-ICR-0075-2024

Type of approval:

☒ Individual financing or investment operation or

☐ Framework Operation

Name of the final recipient: Valoo Oy

Country(-ies) of implementation of the operation: Finland

Short description of the financing or investment operation:

The purpose of the operation is to build out fibre network where there is currently no fixed high-capacity network in place such as fibre network in place i.e. underserved low-density suburban areas. The operation will provide new digital infrastructure and services by expanding coverage and increasing speed. The operation focuses on the area network and last mile FTTH (fibre to the home) connections as well as FTTB (fibre to the building). After rolling out fibre and activation of FTTHs/FTTBs, the company acts as an internet service provider providing high-speed internet to its customers. Presently, the speed varies between 250-8000 Mbps. The company is also planning to open its network for other internet service providers.

Public Statement

The project aligns with the European Union's Broadband strategy and the Commission's plan for achieving a Gigabit Society in Europe by 2025, in addition to supporting the objectives outlined in the Digital Decade and Digital Agenda, which seeks to transform Europe digitally by 2030 and proposes actions that need to be taken to get Europe on track for smart, sustainable and inclusive growth. The goal of these strategies is to provide European individuals and enterprises with access to advanced, high-capacity network infrastructure, thereby facilitating the development and availability of cutting-edge products, services, and applications throughout the EU.

The operation is consistent with and expected to contribute to Finland's digitalisation goals according to which all households should have access to at least 100 Mbps by 2025. Further, the objective of the European Union indicates that all households should have 1 Gbps connection to all households by 2030. The faster data consumption (100Mbps+) has been increasing from 35% of total consumption in 2018 to 52% in 2023. Though other technologies including 5G can achieve such speeds, fibre is the fastest solution and can best service the future data consumption needs. At the end of 2023, fibre-to-the-home or business ("FTTH" or "FTTB") network covered 61% of the Finnish households, having its main focus on the populated urban areas with an average coverage of 70%. On the general level fibre penetration in Finland is trailing behind compared to the other peer countries with Nordic average at 85% (excluding Finland).

Expanding fibre networks can help bridge the digital divide by providing high-speed internet access to underserved communities. This is crucial for ensuring that vulnerable populations have access to essential

InvestEU Scoreboard

services such as online education, telehealth, and remote work opportunities. Improved internet connectivity can also foster economic development and inclusion in disadvantaged areas by enabling small businesses to reach broader markets and create new job opportunities. This inclusivity is beneficial for equitable economic development, as it allows individuals in remote or underserved areas to participate in the economy.

The operation is considered to have limited environmental impacts, and mostly relating to the construction phase of the fibre networks. The fibre networks are constructed mostly in pre-built or urban areas and requires the issuing of a trenching permit from the relevant municipality. InvestEU support is considered critical for NIB participation in the operation.

Pillar 3 - Market failure or sub-optimal investment situation addressed by the financing or investment operation **(Good)**

Pillar 4 - Financial and technical contribution by the implementing partner **(Good)**

Pillar 5 - Impact of the financing or investment operation **(Very Good)**

Pillar 7 - Complementary indicators

Leverage and multiplier effect: Ex-ante estimated leverage effect is 4.2x.
Estimated multiplier effect is 20.67x.

Amount of investment mobilised: Ex-ante estimation of investment mobilised is EUR 319 million.