



Ideas for [economic] sustainability
in Community Networks:
the **compensations model**

2nd Summit on CNs in Africa. Nairobi, Kenya. May 26th 2017
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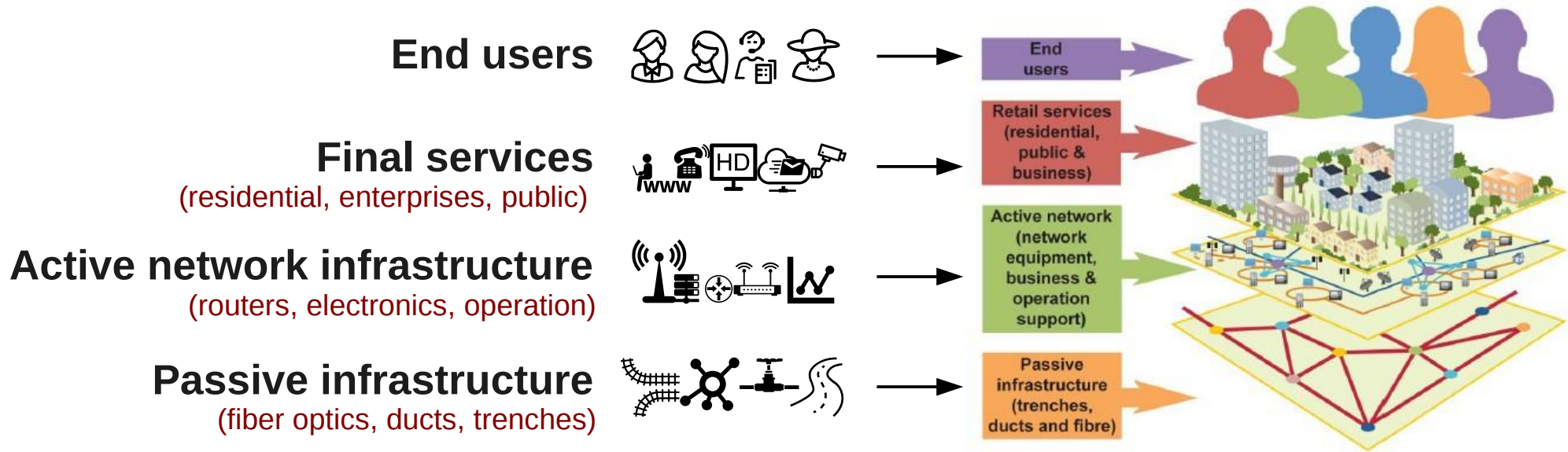
- 0) Warning
- 1) Network layers and telco business models
- 2) The commons in telecommunications network
- 3) Players in a commons-based network
- 4) The compensations model
- 5) Objective: a recursive project-driven, organic, self-sustainable growth

Questions [& answers], doubts, comments, etc.

- **guifi-net** is a bottom-up, citizenship-driven technological, social and **economic** project with the objective of creating a free, open and neutral telecommunications network based on a **commons model**

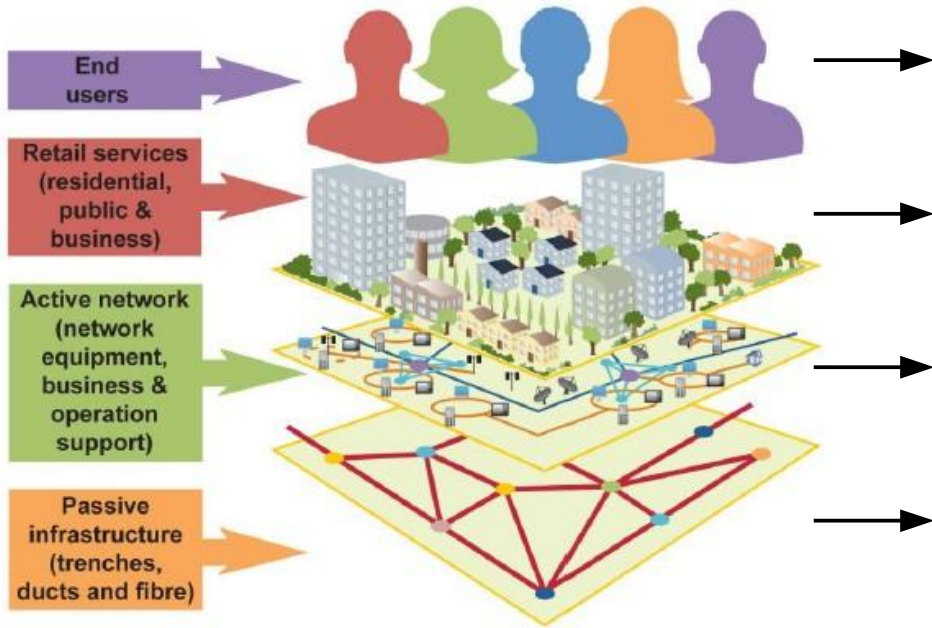


- This talk is a demonstration of how **guifi-net** has implemented mechanisms to allow fair commercial exploitation on top of a community network as a means for economic sustainability
 - If you put anything of this into practice, **please let us know!**

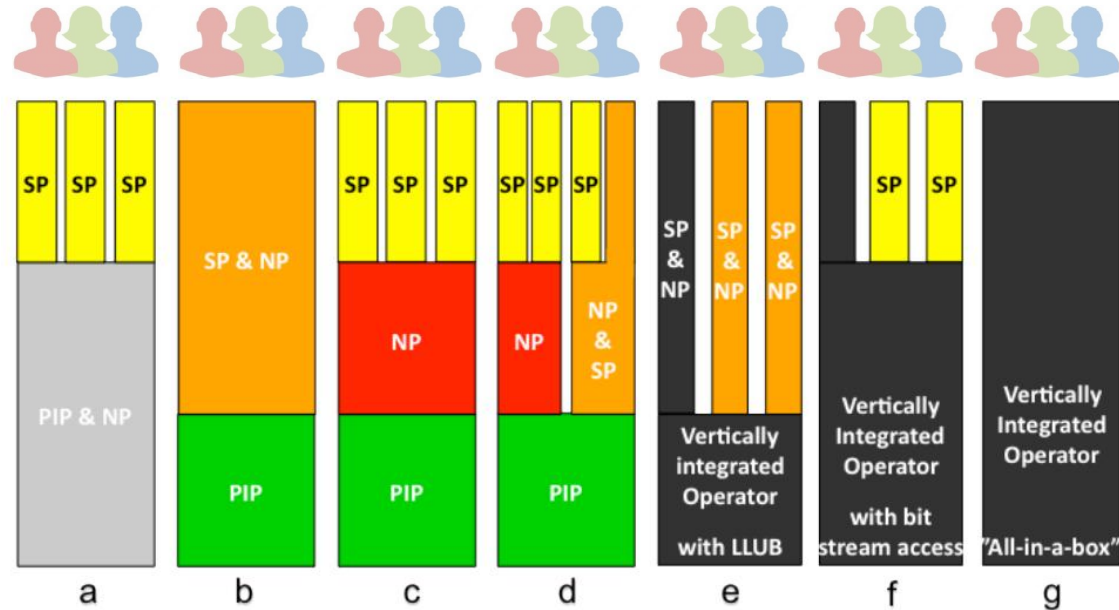


(Alcatel-Lucent)

Access network layers



Business models



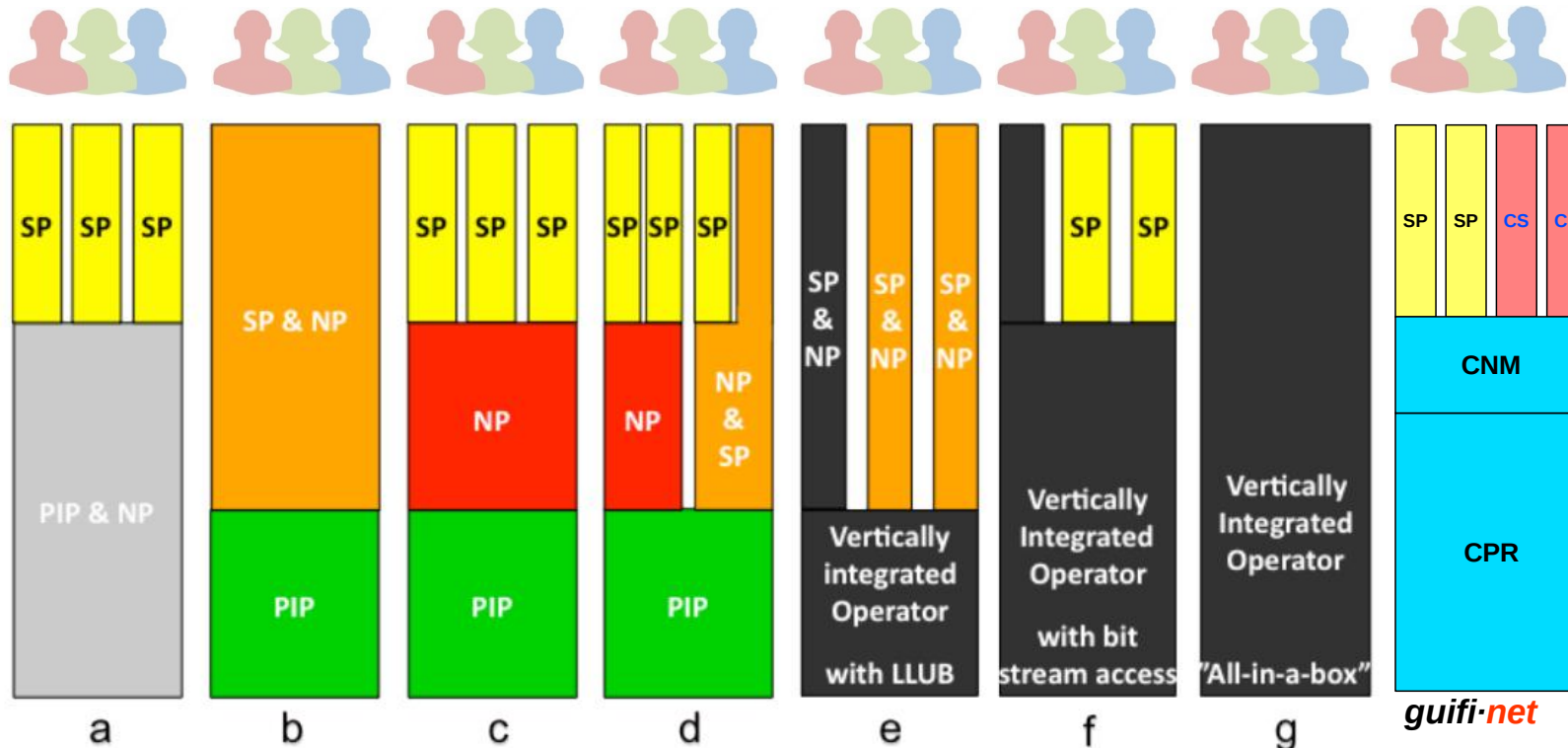
PIP – Physical Infrastructure Provider
NP – Network Provider
SP – Service Provider
LLUB – Local Loop Unbundling

(Alcatel-Lucent)

(Forzati 2010)

1) Network layers and telco business models (II)

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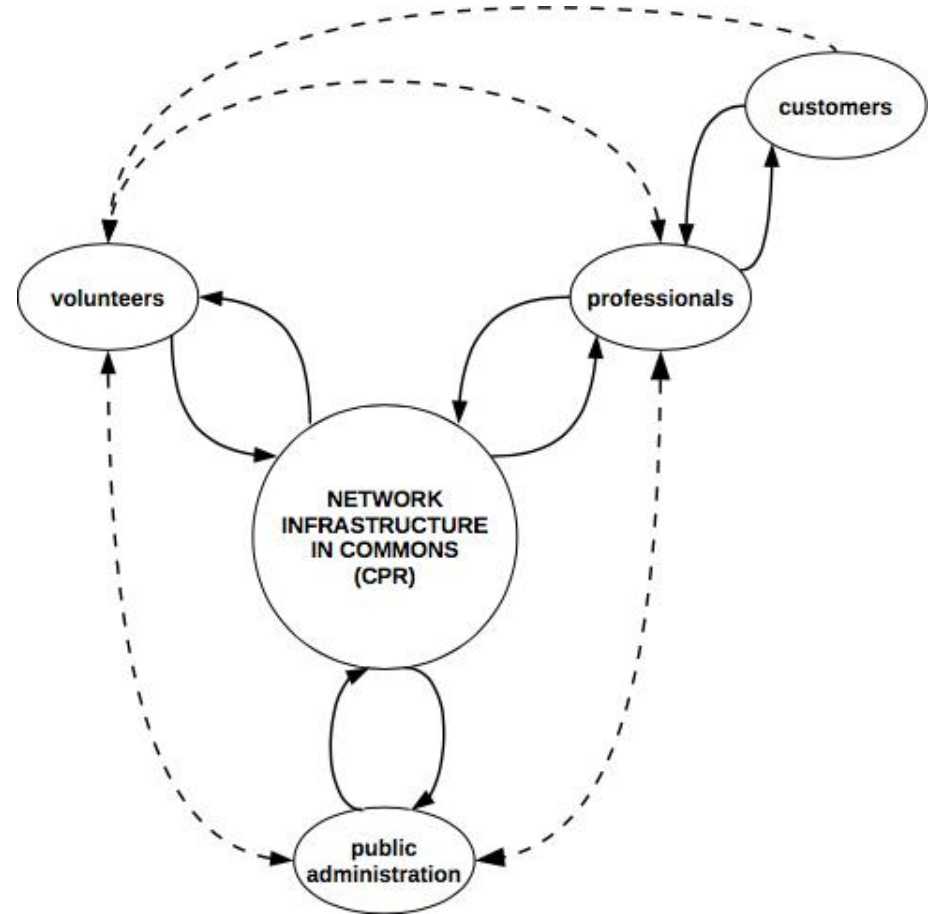
CPR – Common Pool Resource
CNM – Collaborative Network Management
CS – Community-run Service

(Forzati 2010)

1) Network layers and telco business models (III)

- ***The commons is the cultural and natural resources accessible to all members of a society, including natural materials such as air, water, and a habitable earth.***
(Wikipedia)
- **The commons is a general term for shared resources in which each stakeholder has an equal interest.**
(Digital Library of the Commons)
- Does this concept apply to telecommunication networks?

- **Neutral, non-partisan and reputed authority (Gufi.net Foundation)**
 - Common Pool Resource (CPR) Governance
- **Professionals**
 - Provide services
 - Generate Income from customers
- **Volunteers**
 - Contributing to the CPR
- **Public Administrations**
 - Manage Public Domains

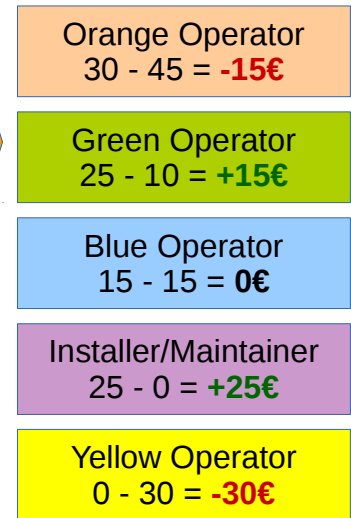


- **Public declaration of expenditures**
 - Transparency, agreed criteria for accountability
 - Detailed information
- **Economic compensation**
 - Balances
 - Contributions
 - CAPEX & OPEX
 - Resources usage
 - Bandwidth, # of fibre connections, ...
 - Clear return of investment & fair business models

Expenses & Contributions (e.g.: = 100€)

Resource Usage (%)

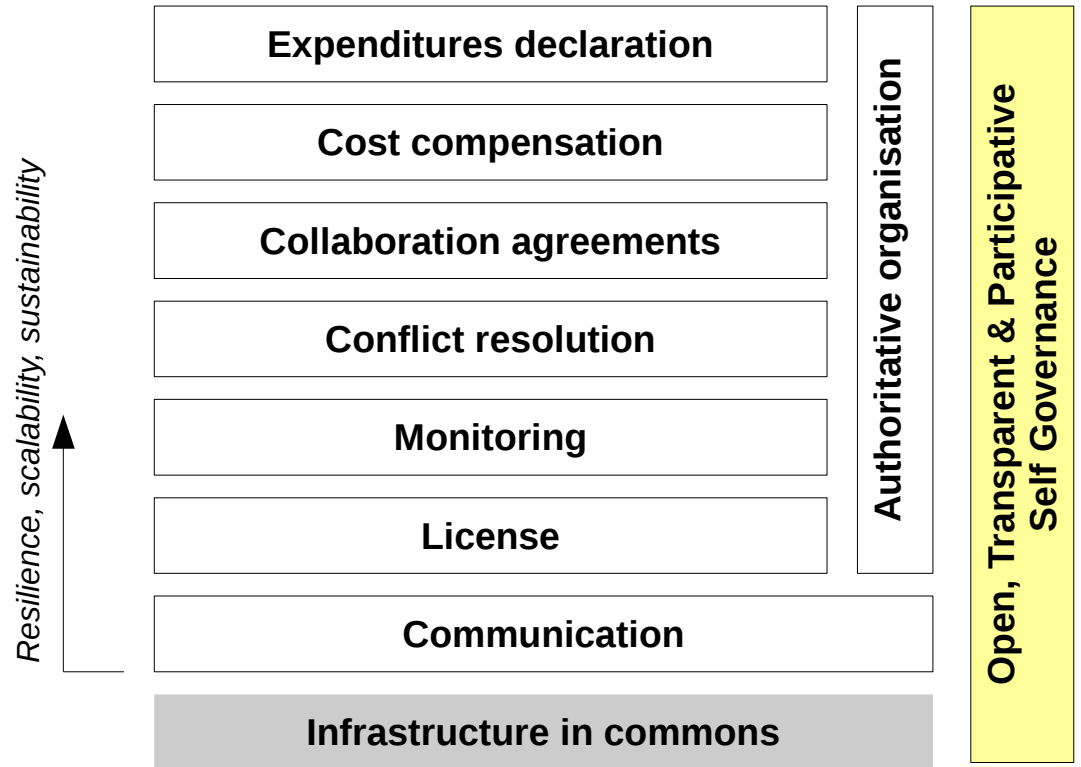
Compensation Balance To **Compensate** or to **Pay**



Totals mensuals per l'any 2014													
Supplier	gen	feb	mar	abr	mai	jun	jul	ago	set	oct	nov	des	Total
59855-Gurbtec Telecom	2,688.55	461.91	3,286.92	2,999.42	487.58	3,409.20	15,462.74	1,500.42	10,562.02	9,230.01	4,134.68	8,735.37	62,958.81
61891-Priona.net	-	-	-	853.05	-	-	-	-	2,699.54	-	275.68	39.53	3,867.80
61722-Gaufix.net - Internet a l'abast de tothom	2,643.26	3,875.98	5,592.41	1,590.64	396.80	641.30	1,535.03	1,671.10	3,386.53	3,211.91	3,801.38	2,747.77	31,094.11
31251-http://www.setup.cat	326.70	36.30	238.04	477.11	84.38	113.84	75.64	369.84	-	-	-	-	1,721.85
71369-Ramon Roca	-	-	-	-	-	-	1,200.00	720.00	-	480.00	-	-	2,400.00
													102,042.57

4) The compensations model (I)

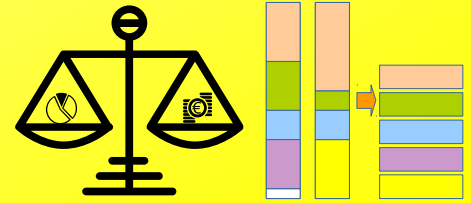
- Sustainable design
- Based on collaborative economy
 - E. Ostrom (2009 Nobel Prize in Economics) principles
- Based on free market, but
 - Non-speculative
 - Fair trade
- Win-win ecosystem
 - Raises funding
 - enables economies of scale
- Accountable
- Implemented through
 - Written consensus rules (license)
 - Signed agreements



4) The compensations model (II)

Compensation tables

- Establish the territorial compensation criteria
- Monthly periodicity



Operadors/ Service providers @

Rights

- Voice and vote
- To receive compensations
- To make proposals

Duties

- To settle the compensations
- To provide the data to calculate the compensations

Public Admin. and/or investors



(optional)

Rights

- Voice i vote
- Quality vote & veto on issues related to benefits or administration of public resources

- To Make proposals

Duties

- To stick to criteria of non-discrimination & equality

Foundation *guifi.net*

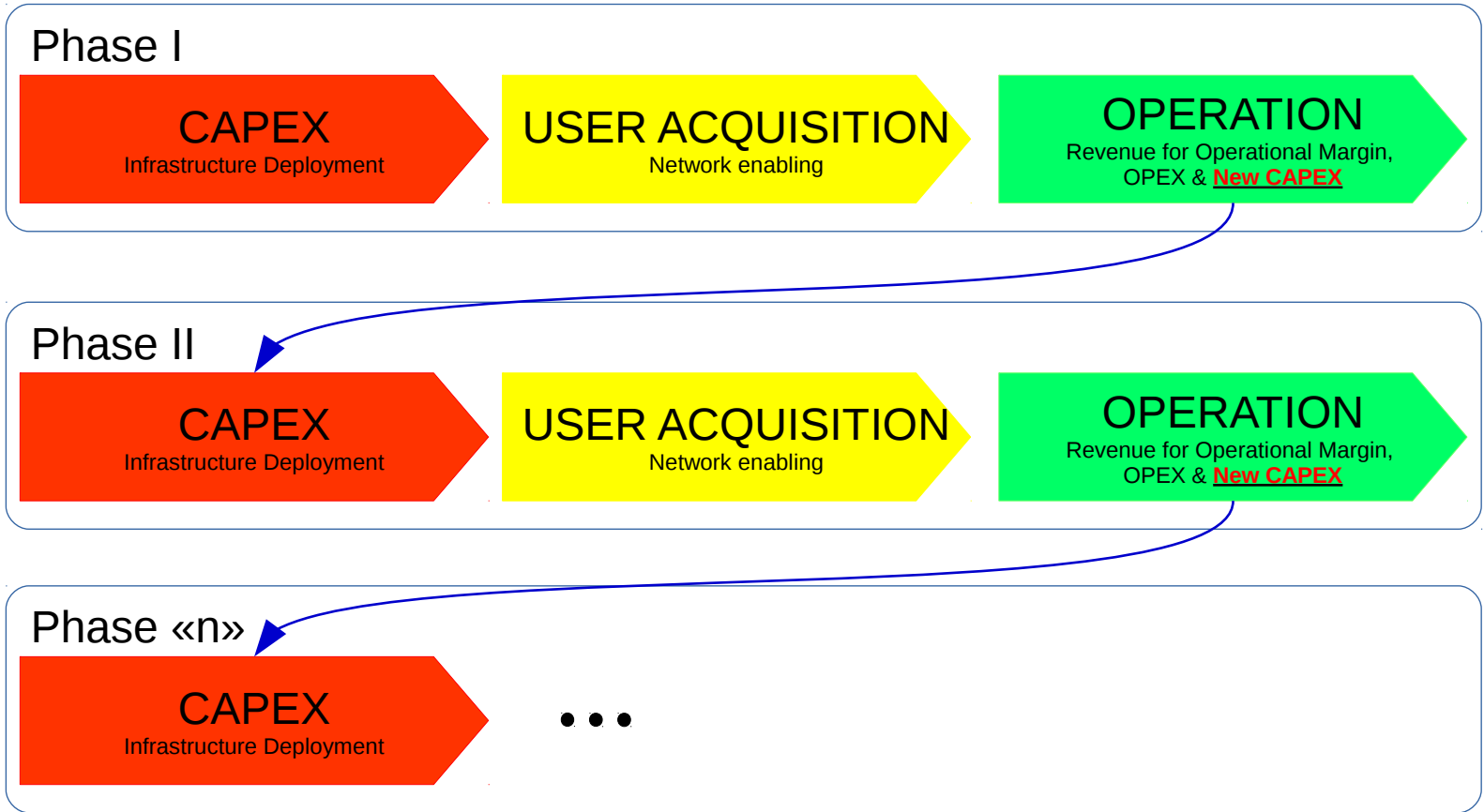
Rights

- Voice
- Quality vote & veto on issues related to the Commons

Duties

- To make proposals targeting the consensus
- Accounting
- Execute the compensations

Projects



5) An organic, sustainable and recursive growth (I) **guifi.net**



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