

Workshop B2

Achieving universal broadband – considerations in emerging and mature markets

The convergence of fixed and mobile networks, the convergence of telecommunication and cable industries will expand to encompass universal availability, accessibility, and affordability of broadband services.

The benefits of broadband service are well established and while the market serves those who live in urban areas representing higher ARPU and, at the same time, costing less for network coverage, those who live in remote areas and with lower incomes should also be served.

Different strategies are adopted in different economies to provide universal broadband service; in Taiwan for example, initiatives were adopted in 2007 called '**Broadband for All Villages**' and '**Broadband for All Tribal Territories**' to ensure that citizens in remote areas can access the internet with speeds of at least 2Mbps. Operators with sufficient infrastructure accepted this task and expanded as well as upgraded their infrastructure to provide universal service. Universal service as such is financed through a virtual fund contributed to by large operators according to their market share. Narrowing the digital divide is not the only goal. Subsidy also serves to breed sustainable demand in remote areas in combination with the government's effort to establish "Centers of Digital Chance" in villages and tribal territories to broaden and deepen digital literacy.

After achieving fully comprehensive coverage in Taiwan, the regulator (NCC) launched a four-year plan of '**High-speed Broadband for All Villages and Tribal Territories**' in 2012, aiming to upgrade broadband speed from 2Mbps to 12Mbps in remote areas. We estimate that coverage at this higher speed will reach more than 95% of remote areas by 2015.

Meanwhile, coverage of 100Mbps broadband reached 97% of all households last year in Taiwan and, along with the expanding 4G coverage, Taiwan argues it is entering a new stage of development in the broadband eco-system with fixed and mobile convergence (FMC), with total revenues of the converged telecom and cable industries expected to be higher than ever.

The session recognized that activities such as e-commerce, social media and other on-line applications and content are key driving forces of the growth and expansion of high-speed broadband services in mature markets, while in emerging markets where the infrastructure is yet to be deployed, more resources and initiatives are required.