



TOWARDS INTELLIGENT PLATFORMS – a vision of the digital future

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DIFFERENT TYPES OF POLICY APPROACHES

**Governments step-in to accelerate and ensure:
coverage, price equalization and openness**

- To achieve ubiquitous coverage of very high speed connectivity and tackle future challenges of society (social inclusion, ageing population, climate change)
- To complement private initiatives in policy driven areas and maximize network's social benefits, minimize public funding thanks to price equalization between dense and rural areas
- To reduce cost, ensure network openness and ubiquitous connectivity through network sharing and competition while encouraging new investments needed to handle data explosion

Government-
driven PPP projects

Regional and local
PPP projects

Rural projects
based on infra
sharing

GOVERNMENT DRIVEN PROJECTS TYPOLOGY

NATIONAL BACKBONES



- **Fibre based Open backbones**
- **Access backhauling, transit**
- **Rural coverage**

➤ Brazil, Mexico, India, Kenya

- + Fast time-to-market
- + Mobile and fixed access capacity increase
- + Limited civil works investment
- Access bottleneck?

GOVERNMENT DRIVEN PROJECTS TYPOLOGY

WIRELESS ACCESS



- LTE based Open Access
- Digital Dividend – 700 MHz
- Nation or rural coverage

➤ Mexico, Kenya

- + Fast time-to-market
- + Ubiquitous coverage
- + Data centric
- + Limited civil works investment
- Spectrum availability?

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NEXT GEN ACCESS



- FTTx based access
- Passive & active wholesale
- Network separation

➤ Australia, New Zealand, Singapore

- + Unlimited bandwidth
- + Future-proof investment
- Capex intensive – civil works
- Longer time-to-market
- Ubiquitous coverage requires wireless complement

CROSS-INDUSTRY INITIATIVE

HOW TO ADDRESS BB INVESTMENT CHALLENGES (3/03/11 – 13/07/11)

Change ahead needed !

Need for 380 B€ investment in a context of
...Declining revenues of Service Providers
...Changing business models with Over-The-Tops

New approach beyond existing initiatives scope

Inclusive: Not a carrier-centric initiative but an industry-wide effort embarking all ecosystem parties
Executive led: 2 CEOs meetings in Brussels hosted by the Commissioner
Forward looking: Embracing and driving change towards a new 2015+ cross-industry standards use rather than preserving status-quo

From 3 working groups to CEOs 11 proposals

Wg1 -« New business models for Internet development »
Wg2 -« Technical Framework for Digital Delivery - Interoperability and Standardization »
Wg3 -« Investment framework and financing sources to foster NGA roll-out »

Objectives were to find the NGA dynamics which will foster investment and help Europe to reach the Digital Agenda broadband targets by 2020

11 INDUSTRY PROPOSITIONS

RIGHT ENVIRONMENT

EUROPE NEEDS HEALTHY COMPANIES WILLING AND CAPABLE TO INVEST

- Scale and specialisation are overall market trends
- There should be one binding European framework

NET NEUTRALITY

SUSTAINABLE BUSINESS MODELS AND EFFICIENT USE OF SCARCE RESOURCES

- Promotion of traffic management differentiation (while securing Best Effort)
- Business models could be two-sided, based on commercial agreements

TECHNOLOGICAL PLATFORM

ENABLING NG SERVICES ACROSS NGA NETWORKS VIA OPEN & INTEROPABLE NETWORKS

- IP-based QoS Interconnection
- Next-Generation bitstream access across multiple technologies

INVESTMENT MODELS

MARKET FOR NGA WILL BE DIFFERENTIATED BASED ON LOCAL CIRCUMSTANCES

- In areas with no infra-competition, co-investment models will be promoted
- Roll-out context improvement with demand stimulation, de-risked investment and reduction of roll-out costs

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