

Date: 20 September 2004

To GSR2004@itu.int

Low cost access to broadband and Internet

Please refer to your correspondence dated 06 August 2004.

The ICT Authority wishes to submit the following five regulatory principles that we believe can contribute to the promotion of low cost broadband and Internet connectivity:-

(i) **Local loop Unbundling (LLU)**

LLU has been a traditional regulatory measure for preventing duplication of infrastructure and for allowing rapid and low cost deployment of a number of services including xDSL. By making the incumbent's local loop available to the Internet Service Providers, consumers benefit from low cost broadband access.

(ii) **Universal Access**

The principle of Universal Access may be implemented in this context in the form of Community Access Points (CAP). The CAP is a concept that has been introduced in various developing countries. Internet access points are distributed in places readily accessible, at no cost, by the public. Such places may include community centres, village and town halls and post-offices.

(iii) **Innovative Business Models**

One of such business model innovation is under cost Internet Interconnection Usage Charge. A lower IUC results in a significant decrease in the Internet access tariff and an increase in Internet traffic volume, thus encouraging access to the Internet.

(iv) **Removal of Regulatory Barriers**

One regulatory barrier for Internet Service Providers is the licence fees. Low licence fees or no licence fees at all for Internet Service Providers encourages competition and decreases the Internet access tariff.

(v) **Removal of Technical Barriers**

One technical barrier for ISPs is access to the local loop. In this respect, the regulatory framework should allow Internet Service Providers wishing to set up their own last mile connection to do so. This solution may prove very effective given that the cost of setting up Fixed Wireless Access (FWA) has fallen down drastically while the achievable capacity has significantly, so as to enable provision of broadband services on FWA at affordable Internet access tariff.

All correspondences should be addressed to the Executive Director