

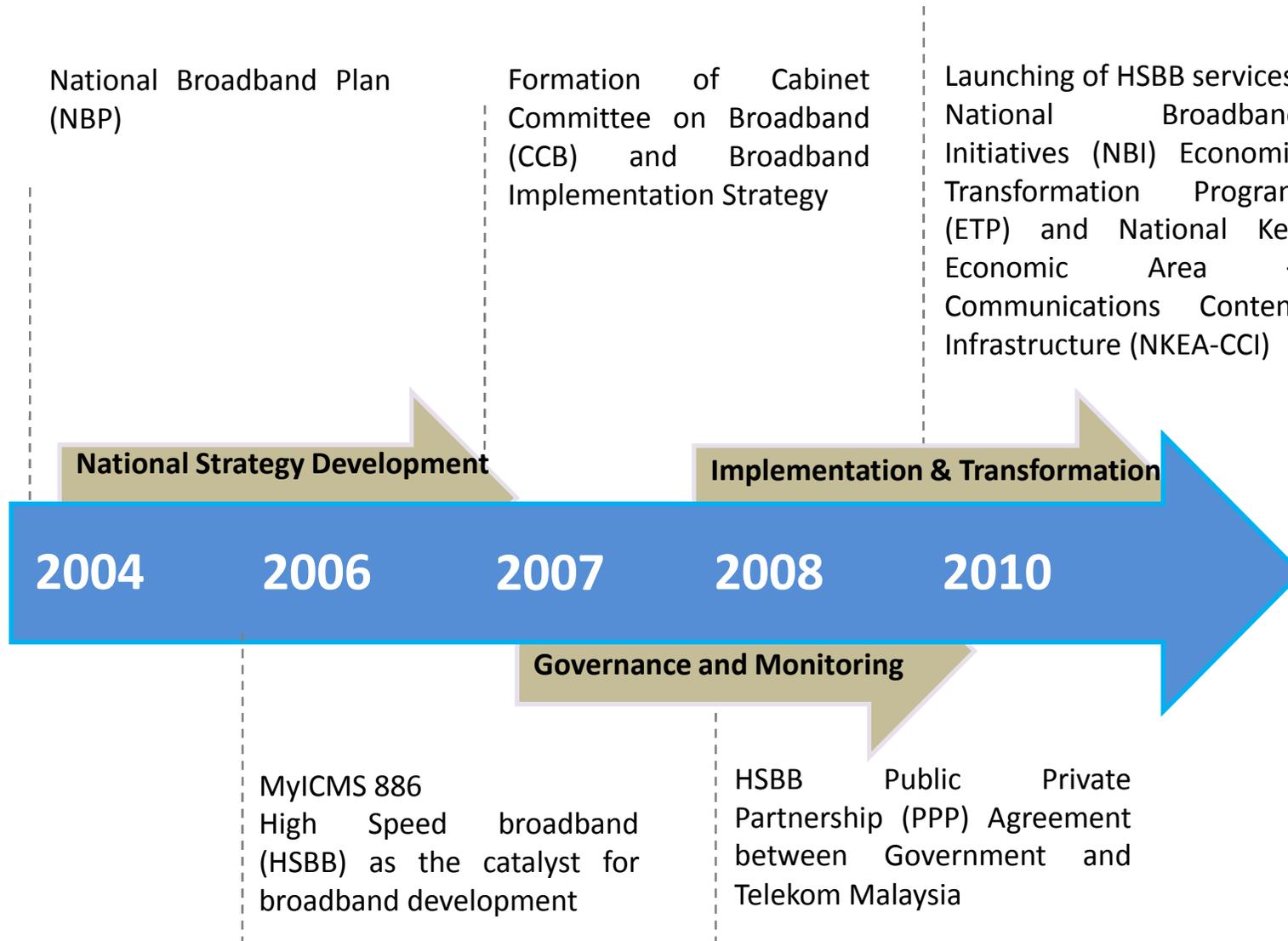


NATIONAL BROADBAND INITIATIVES IN MALAYSIA

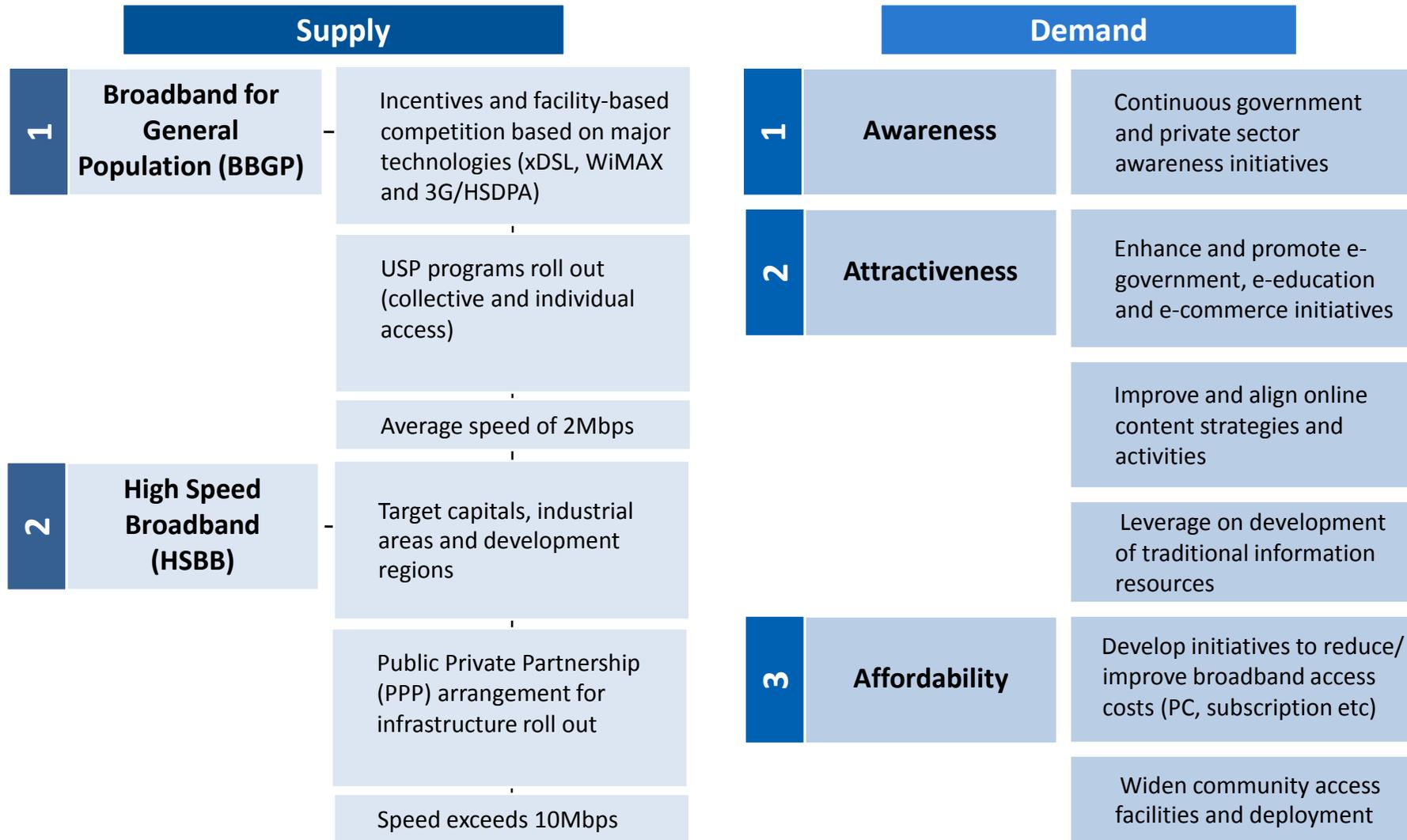
Muhammad Razali Anuar
Director, Policy Development Division

ITU-ACMA International Training Program
Sydney, Australia
23-25 July 2014

Establishing Broadband Strategies



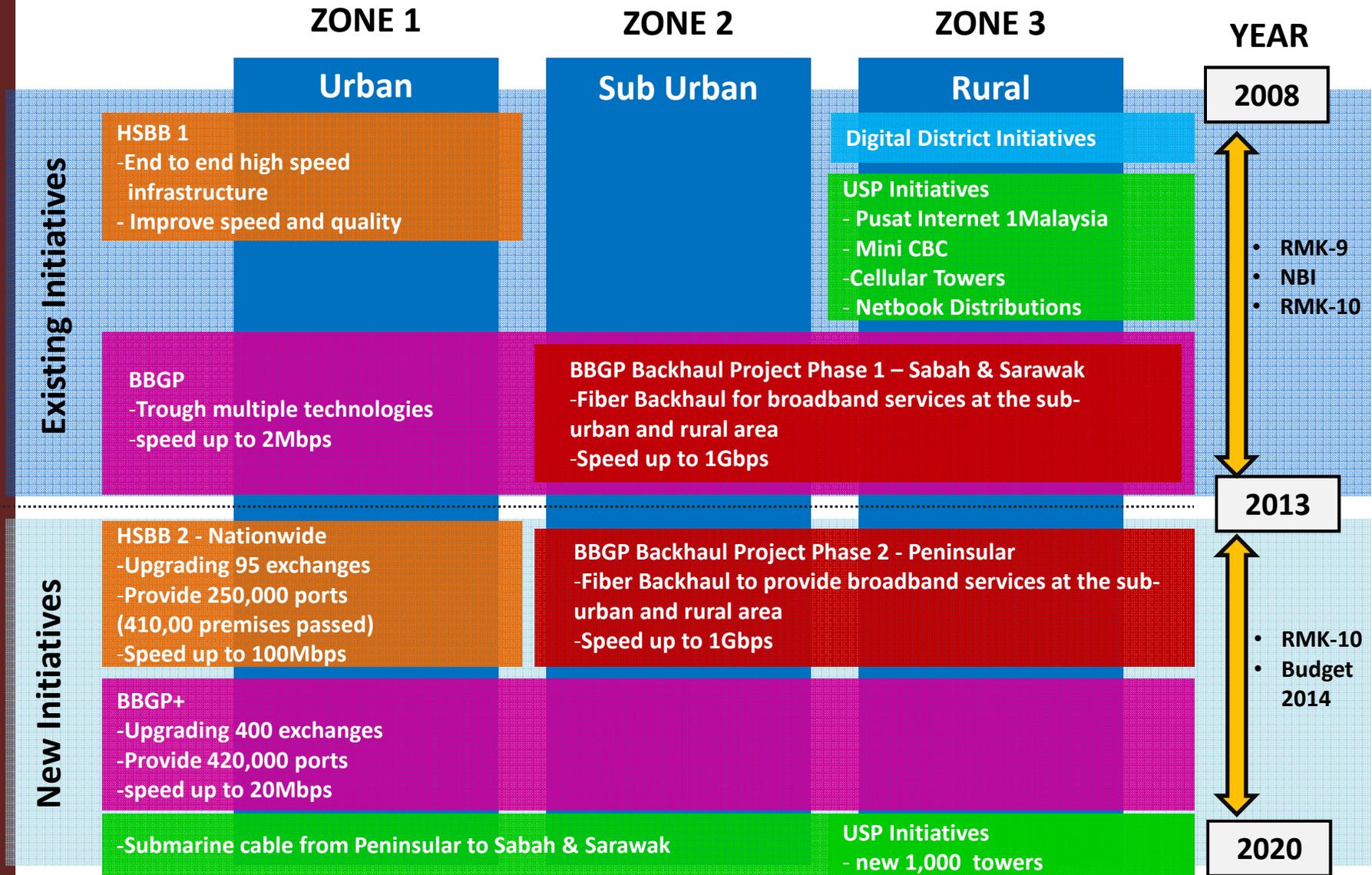
NATIONAL BROADBAND IMPLEMENTATION STRATEGY



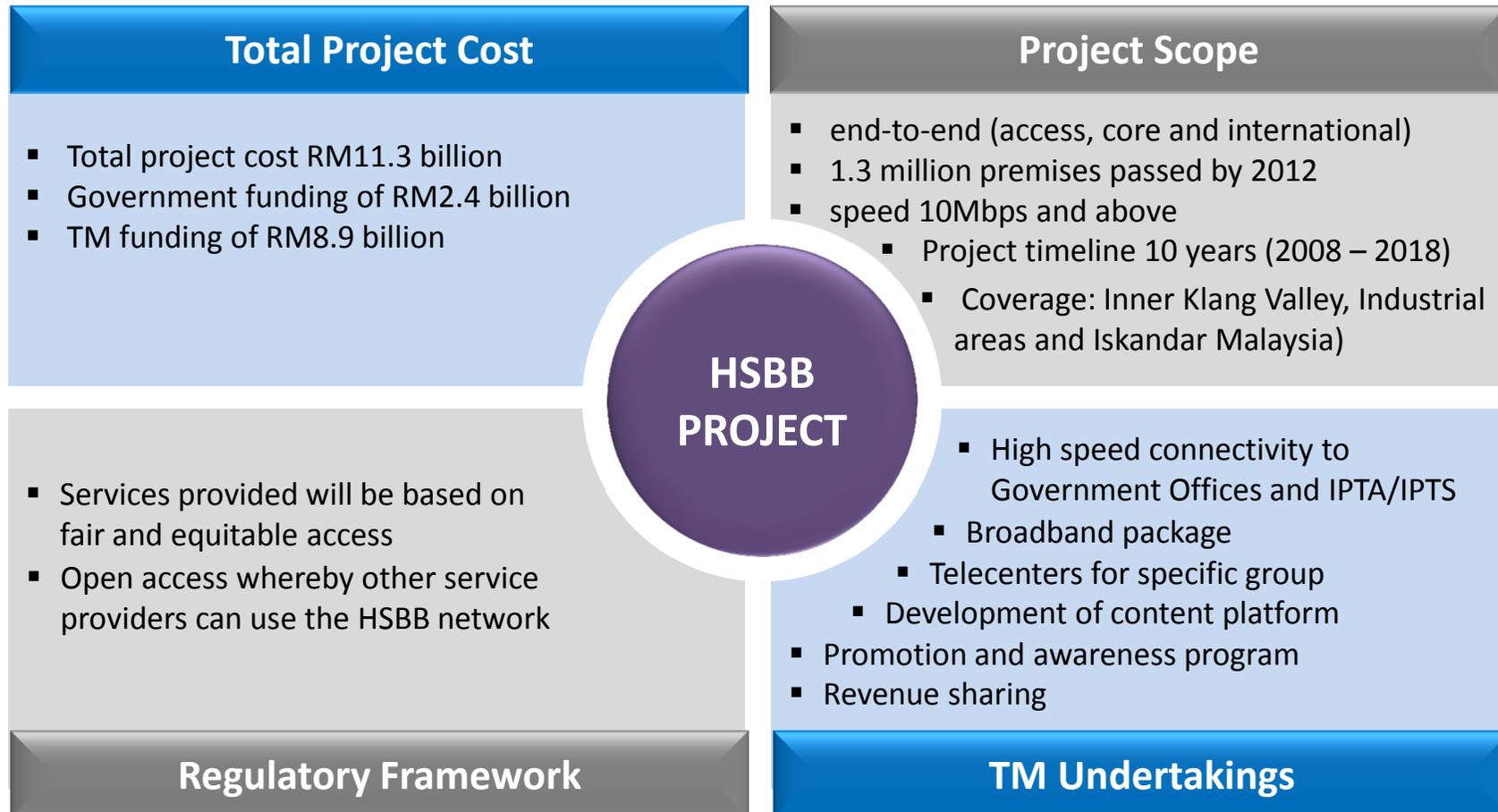
HSBB & BBGP Deployment Plan



Broadband Deployment and Availability



CONNECTING MALAYSIA WITH HIGH SPEED BROADBAND



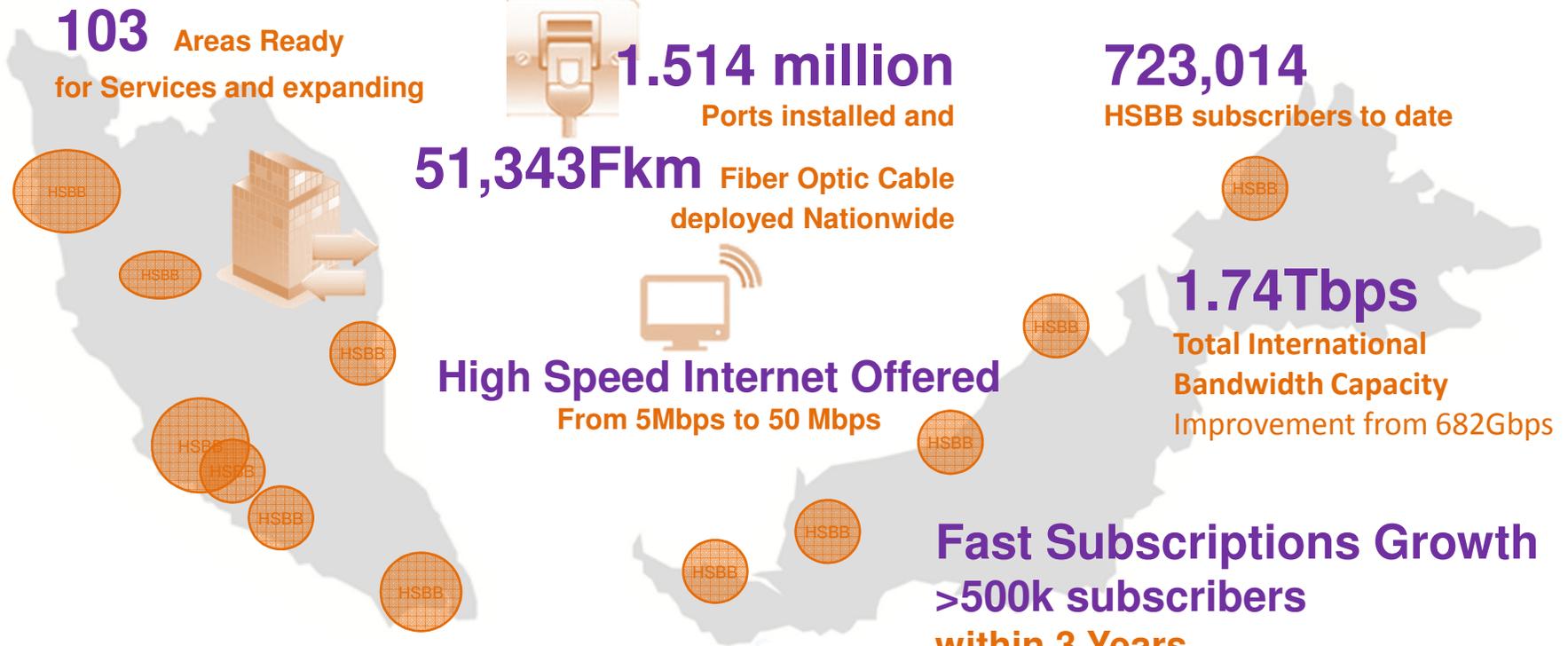
Revenue Sharing:

- Government will **receive fix annual amount of RM 50mil. per year** starting 2014 until 2017.
- Government also **receive variable amount** starting 2018 until 2025 based on the number subscription achieved by TM

HSBB IMPLEMENTATION STATUS

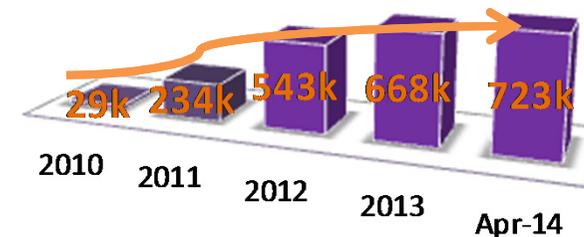


Malaysia has move forward into advanced Internet technology and greater Broadband Experience



Service Partnership

Other Service Provider also enjoying network sharing :
25 Company signed for HSBB Transmission services
5 Operators signed for HSBB Access services



HSBB PROJECT UNDERTAKING



Government Offices

Almost 6000 HSBB port provided for government offices connectivity



IPTA/ IPTS

Enable 83 Higher Education Institutions with High Speed network



Pusat Siber Rakan Muda

27 Internet centers built especially for the youth



Jobs Creations

project tied with 1414 local vendors and 27 foreign vendors



ICT Training Programme

150,000 certificates have been awarded



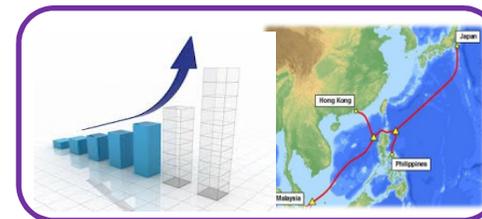
Broadband Packages

100,000 netbook inclusive with broadband package



Local Content Platform

development of a Content Service Delivery Platform, 274 Contentpreneur registered



Bandwidth Capacity Improvement

Bandwidth Capacity from 682Gbps to 1.74Tbps
New Cable Landing System –Cahaya Malaysia

HSBB HAS RECEIVED RECOGNITION FROM VARIOUS INTERNATIONAL BODY

Amongst the **fastest fibre rollout** in the world –
End-to-end infra in 18 months plus IPTV service in 6
months.

McKinsey & Co

TM's choice of architecture ... made it one of the
fastest and lowest cost HSBB deployments in the
world

BT Telconsult

Tremendous take up – **25,000 new customers a month**
and growing

We need to establish a **world-class broadband
infrastructure** to compete with other nations around
the world, **like Malaysia** and other Asian nations

Frank Mather
European Commission DG

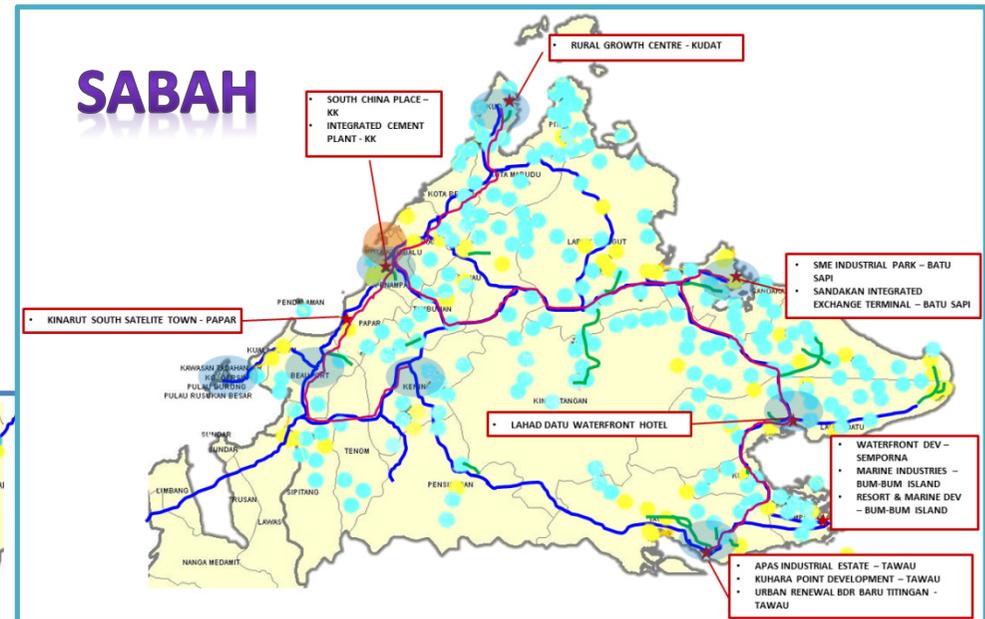
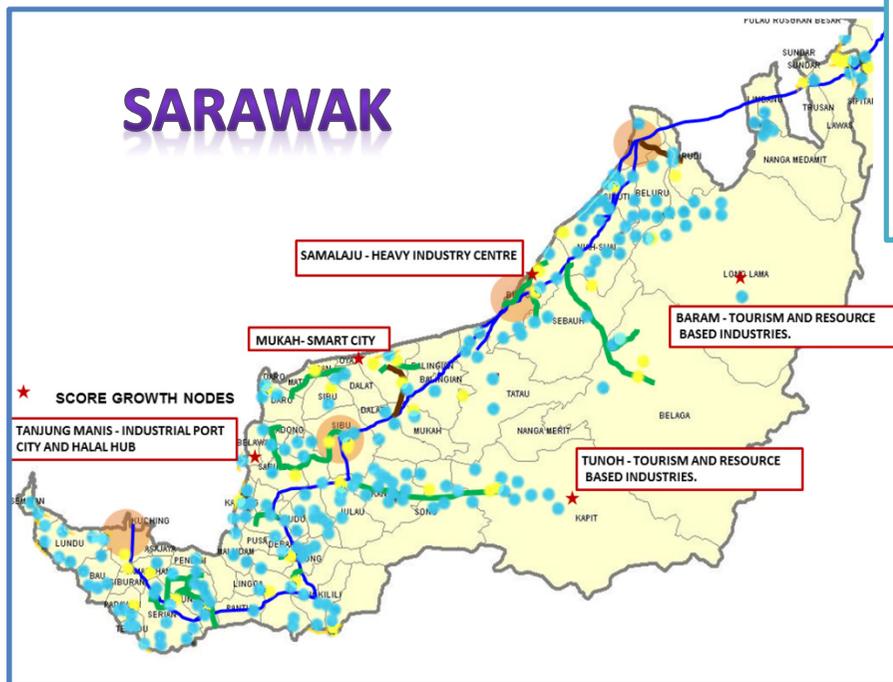
Malaysia is the **fastest growing FTTH
market** in South East Asia and is a success
story for FTTH globally

Frank Jaffer
President FTTH Council AP

BBGP BACKHAUL PROJECT IMPROVING RURAL CONNECTIVITY



RM250m allocation under the 10th Malaysia Plan (RMK-10) to enhance Fiber Optics backhaul coverage and capacity at areas within populated towns and districts in Greenfield Areas.



Sarawak : 23 links (1,237 fkm)

Sabah : 53 links (1,225 fkm)

Started in 2012 , completed end 2013



- Design, build, own & operate (DBOO) concept
- Open access network
- Min speed 1Gbps
- Supply driven – low economic impact area

NATIONAL BROADBAND INITIATIVES (NBI)



Source: MCMC (Data as of April 2014)

Broadband Implementation Progress

	Progress	Impact
HSBB <i>HSBB Projects</i>	<ul style="list-style-type: none"> 1,039,422 port HSBB HSBB-T Services to 14 companies (230 connectivity, 124GBps) HSBB-A services to Maxis, Celcom dan P1 Investment: RM2.4b from Government and RM8.9b from TM 	<ul style="list-style-type: none"> 15.6% HSBB coverage to household 173,300 subscriptions (71 exchange's) 17% subscriptions compare to available port Contribution of 2.2% to broadband penetration
BBGP <i>Broadband Centers</i>	<ul style="list-style-type: none"> 2522 Broadband Center by multiple agencies 246 PJK, 99 PJK dan 38 mini PJK by SKMM Total Average investment under SKMM: RM1.4b 	<ul style="list-style-type: none"> 23% coverage to populated rural areas Contribution of 1% to broadband penetration
<i>Wireless Kampung (KTW)</i>	<ul style="list-style-type: none"> Target: 3100 (2012) In operation: 1408 Total average investment: RM487 million 	<ul style="list-style-type: none"> 2.7% coverage to populated rural areas 1% household coverage in rural areas
<i>Telco Tower</i>	<ul style="list-style-type: none"> Target: 1000 (2012) In operation: 326 Total average investment: RM1.5b 	<ul style="list-style-type: none"> 95% coverage in populated areas
<i>Komputer 1Malaysia</i>	<ul style="list-style-type: none"> Target: 1 million (2012) Distributed: 459,000 Total average investment : RM1b 	<ul style="list-style-type: none"> Contribution of 4.2% to broadband penetration (current) Total contribution: 12% penetration



DEMAND STIMULATION PROGRAMS



Awareness & Promotion

- Broadband Carnival
- Broadband & ICT Training (Basic computer, content development, hardware & software maintenance & troubleshooting)
- Promotion through mass media

Affordability

- 1Malaysia Netbook Distribution
- Introduction of affordable broadband packages
- NKEA CCI EPP Smart Network



Attractiveness

- Initiative under Economic Transformation Programme (NKEA) Communications Content & Infrastructure : e-Gov, e-learning, e-health, Track and Trace and connecting 1MY
- Portal My1Content to encourage content development and commercialization
- Creative content development by MDeC /FINAS

GET MALAYSIAN BUSINESS ONLINE (GMBO)



Introduction & Objective

To assist entrepreneurs to increase online sales

- To get more Malaysians businesses especially women online

Contribution towards economic development

- **RM50 million** from MCMC's fund to benefit 50,000 entrepreneurs with RM1,000 grant each



Grant Prerequisite

Malaysian especially women, between 18-65 years old

- Business license / Registered business or company;
- Registered domain name (.com.my/.my/.edu.my/.net.my/.org.my) with an active website;
- Has a local bank account under the entrepreneur/business/company name; and
- Micro entrepreneur – less than 10 full-time employees OR annual income of less than RM200,000

Use telecommunication services to promote business

- Subscribes to telephone /cellular AND broadband services under the entrepreneur/business/ company name; OR
- Member of 1Malaysia Internet Center (PI1M)



YOUTH COMMUNICATION PACKAGE

RM200 REBATE  **To 1.5 million eligible youth**

- Youth Communication Package is a scheme under the Malaysian National Broadband Initiative that grants youth **aged 21 to 30** with income **below RM3,000** to get **RM200 rebate off selected 3G smartphones from telco nominated registered dealers in 2013;**
- This initiative, coordinated by the Malaysian Communications and Multimedia Commission (MCMC) with the total allocation of **RM300 million**, was announced by the Prime Minister as part of Budget 2013.

Eligibility:

- ✓ Malaysians aged 21 – 30 years
- ✓ Monthly income lower than RM3,000
- ✓ New or existing user subscribing
- ✓ Smartphone rebate will be given only once to eligible participants

Website: <http://komunikasibelia.skmm.gov.my/>



Current Indicators

Broadband Adoption and Usage

67.4%

Household Broadband Penetration

'06-11%; '09-31.7%



6.425 mil

Total Broadband Subscriptions

'06-0.89m; '09-2.6m



19 mil

Internet User Nationwide

'06-0.4m; '09-16.9m



3.8 mil

Total Mobile Broadband Subscriptions

'06-0.15m; '09-0.95m



84%

3G Coverage on Populated Area



97%

Cellular Coverage on Populated Area

18.09 mil

3G Subscriptions

'06-0.4m; '09-7.3m



43.1 mil '06-19.4m; '09-

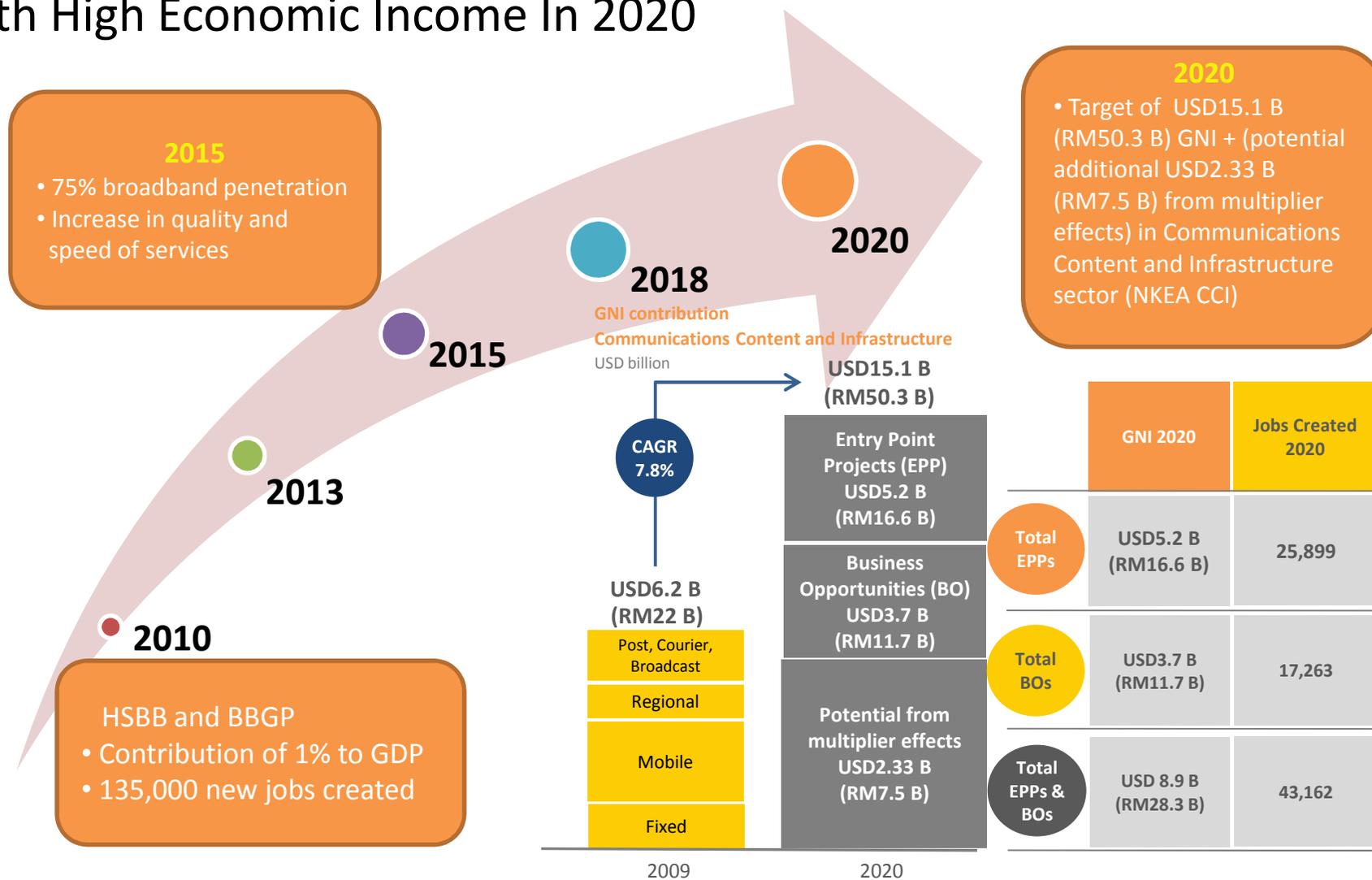
Cellular Subscriptions 30.1m

143.7%

Cellular Penetration Rate

'06-72.3%; '09-105.4%

Increase In Broadband Penetration And Quality Of Services Will Support The Vision To Become Country With High Economic Income In 2020

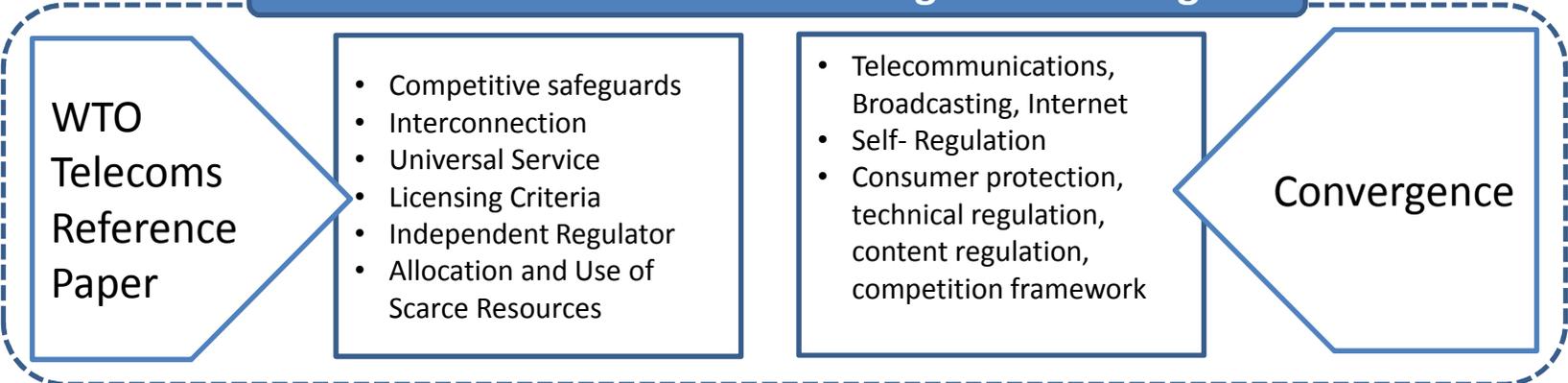


Moving Forward

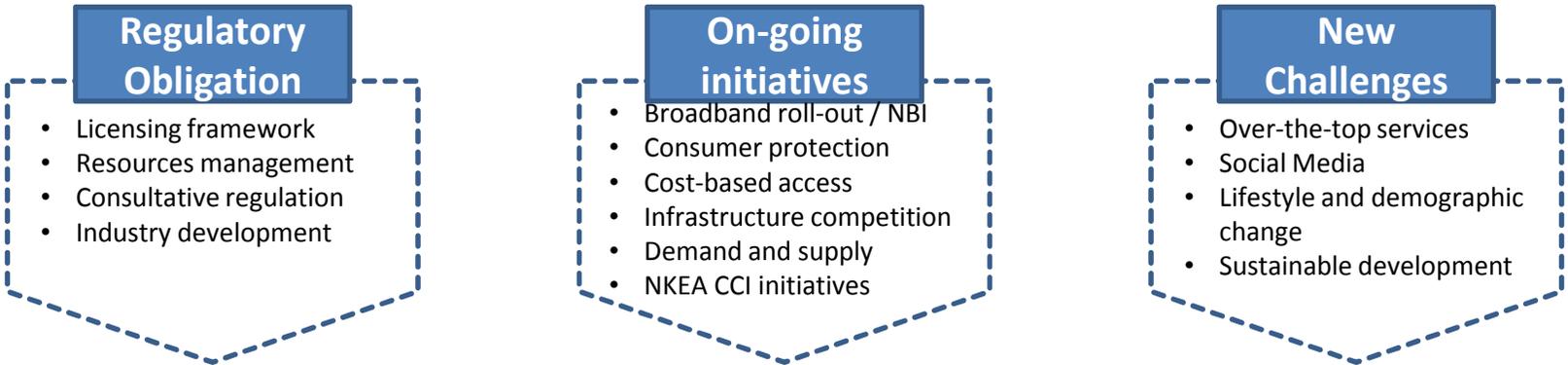


WTO Commitments and Convergence Challenges

1995-2000



2000-2015



Regulatory Obligation

- Licensing framework
- Resources management
- Consultative regulation
- Industry development

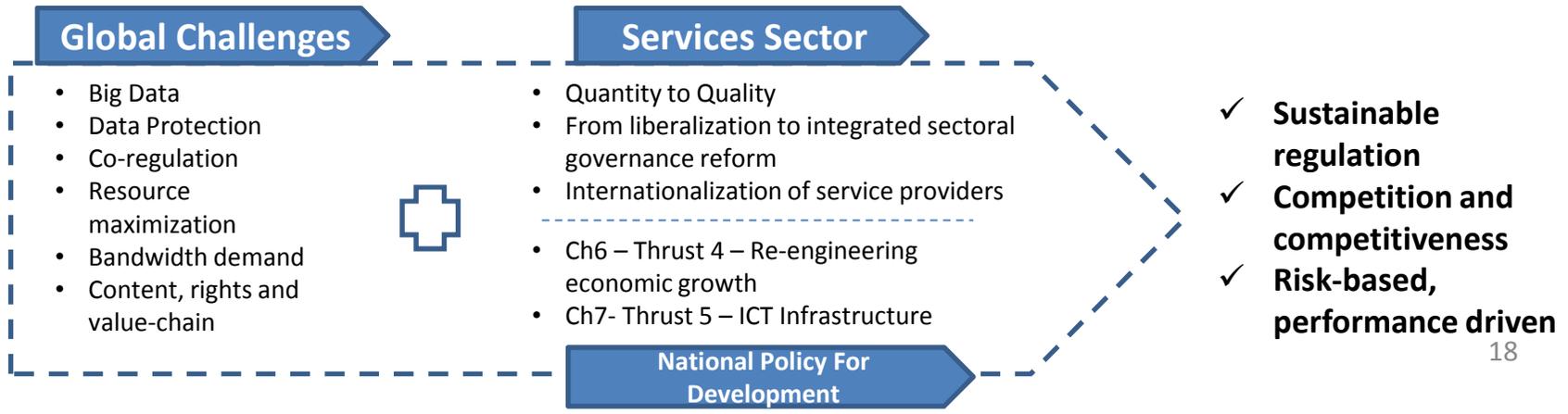
On-going initiatives

- Broadband roll-out / NBI
- Consumer protection
- Cost-based access
- Infrastructure competition
- Demand and supply
- NKEA CCI initiatives

New Challenges

- Over-the-top services
- Social Media
- Lifestyle and demographic change
- Sustainable development

2015-beyond



Global Challenges

- Big Data
- Data Protection
- Co-regulation
- Resource maximization
- Bandwidth demand
- Content, rights and value-chain

Services Sector

- Quantity to Quality
- From liberalization to integrated sectoral governance reform
- Internationalization of service providers
- Ch6 – Thrust 4 – Re-engineering economic growth
- Ch7- Thrust 5 – ICT Infrastructure

National Policy For Development

- ✓ Sustainable regulation
- ✓ Competition and competitiveness
- ✓ Risk-based, performance driven



THANK YOU

Malaysian Communications and Multimedia Commission

MCMC Contact Information:

General Line: +603 8688 8000

Facsimile: +603 8688 1000

www.skmm.gov.my

