



OTT in Brunei: A Glimpse into Future

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CONTENT

1 Introduction

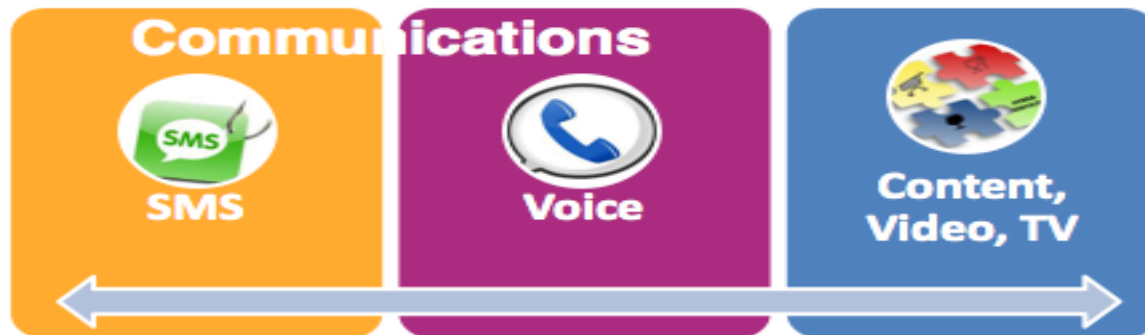
2 OTT Trends and Growth

3 Issues & Challenges in the OTT

4 Way Forward-assessing regulatory options

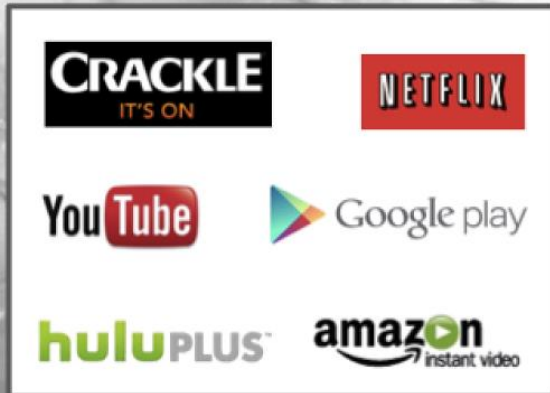
What is OTT?

- Over-the-top (OTT) refers to delivery of content or services over Internet access network:
 - ✦ By passing the traditional network service provider/ISP
 - ✦ Competing with services offered by the telecom operators
 - ✦ content is delivered to an end-user device, leaving the ISP only the role of transporting IP packets.



Example of OTT service

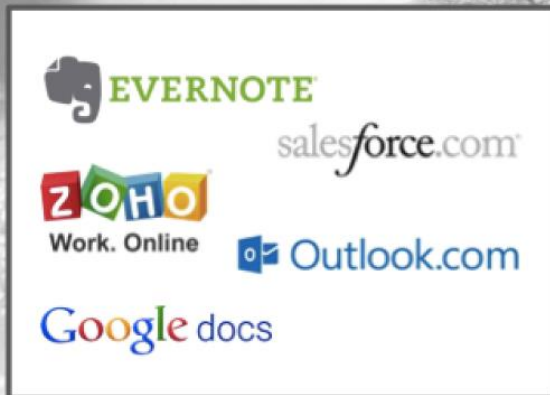
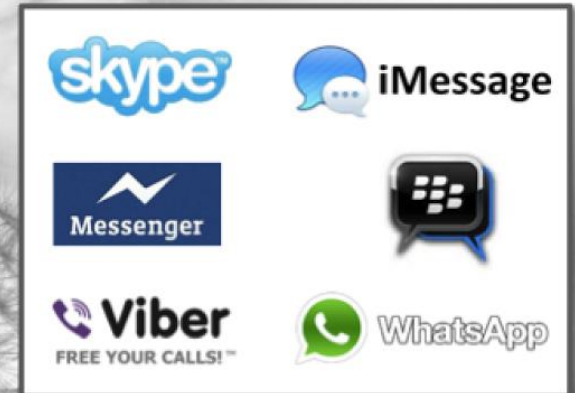
TV and Video



Music



Communication



Productivity



Technology

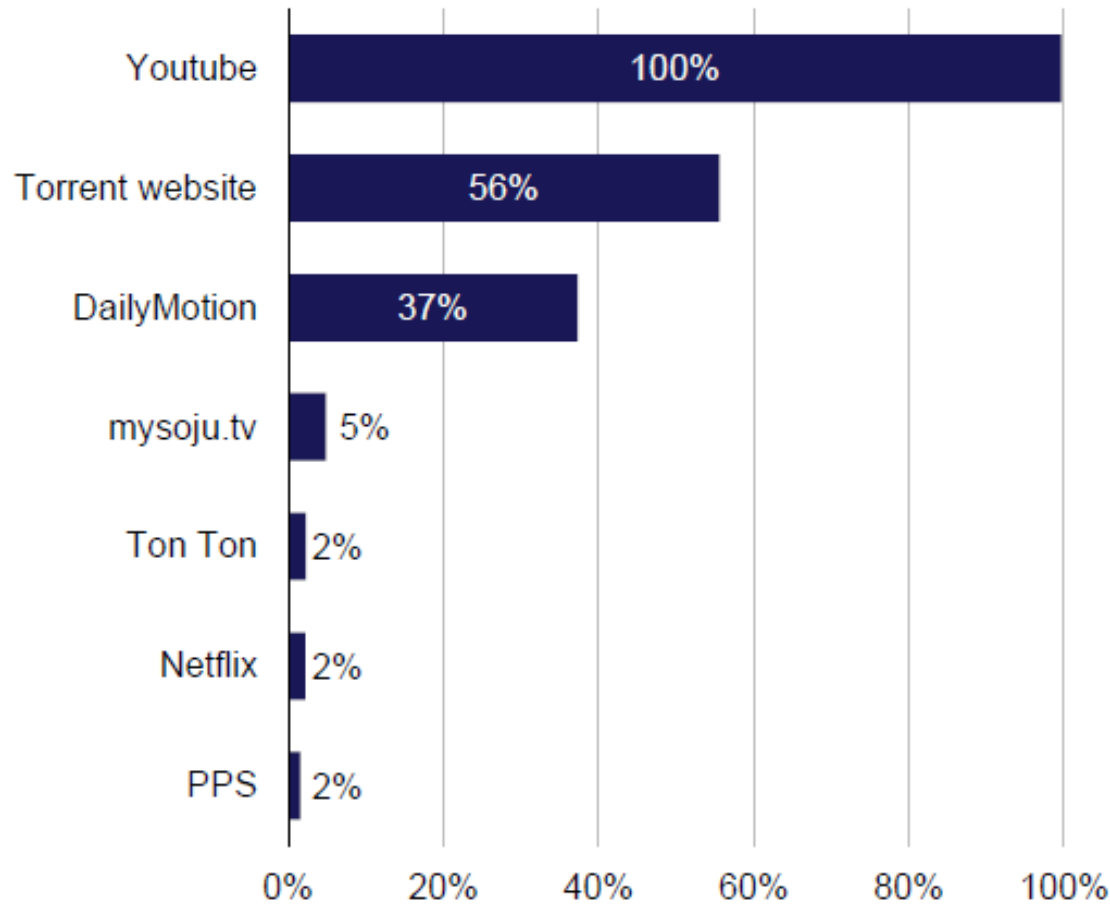


Community

Brunei Darussalam's context....

- There are mainly 3 types of OTT/ online video content websites:
 - **subscription-based provider:** Netflix, Hulu
 - **free video clips provider:** YouTube, DailyMotion
 - **P2P/file sharing websites:** Torrent sites such as The Pirate Bay
- Currently, there is no local over-the-top (OTT) service provider.

Brunei Darussalam's context....

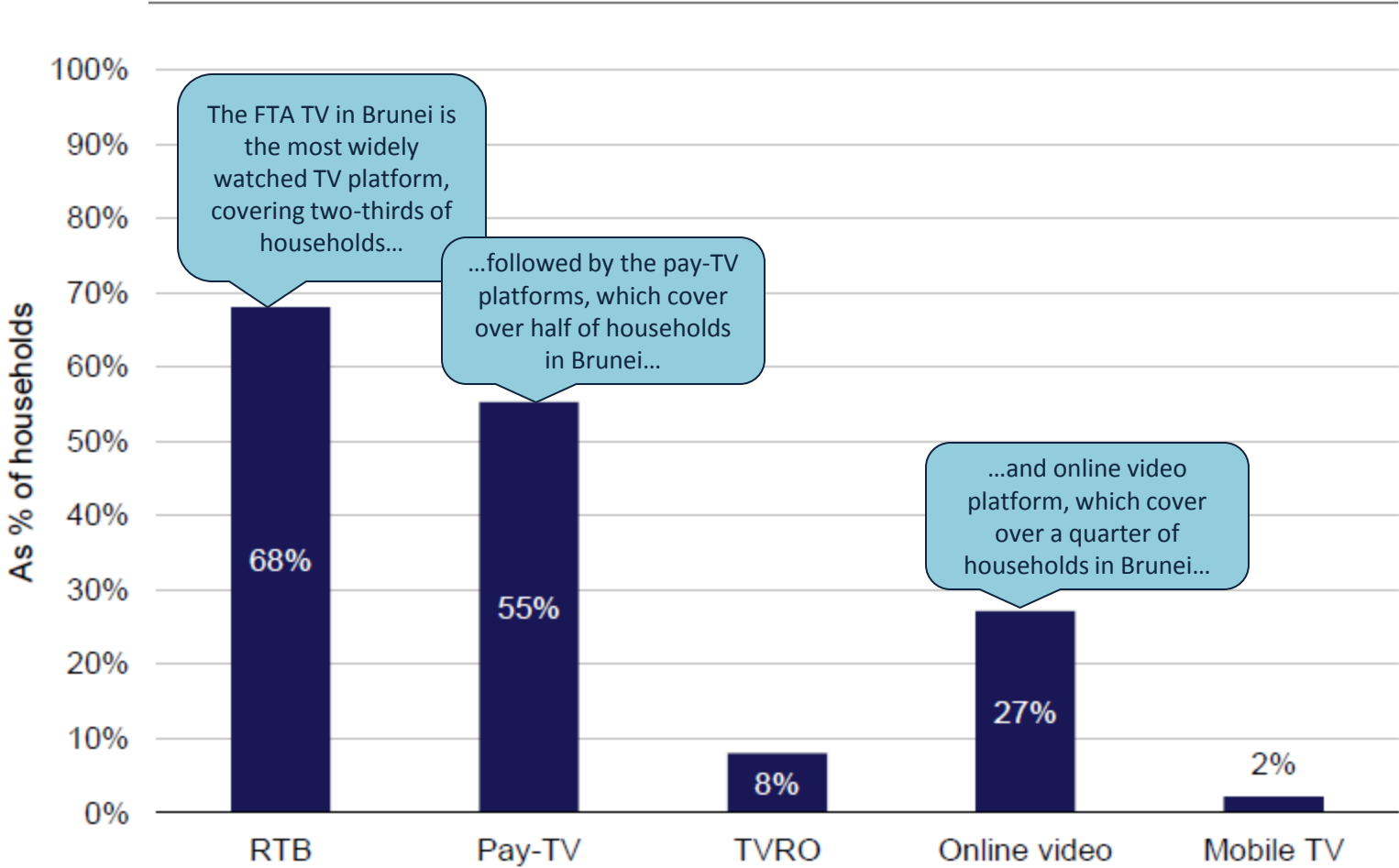


The three most popular websites for watching online video

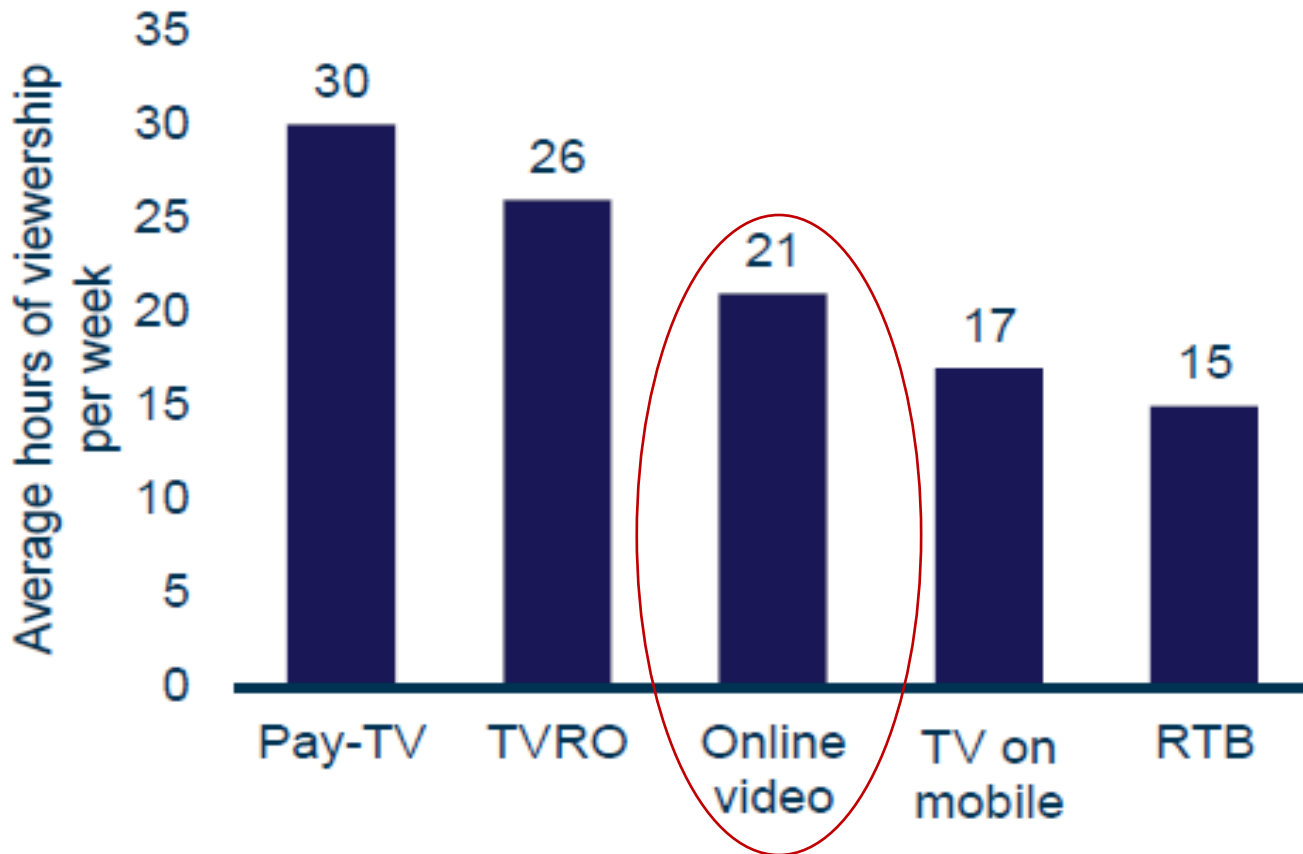
[Source: Analysys Mason, 2014]

Reach of different TV platforms (% of households)

[Source: Spire, Analysys Mason, 2014]



Average hours of viewership per week by platform



[Source: Spire, Analysys Mason, 2014]

Issues and challenges

- Online video take-up is not high in Brunei Darussalam, mainly due to low fixed broadband penetration and relatively slow Internet speeds.
- Censorship for objectionable content
- The absence of licensing requirements for overseas online content providers may affect competitiveness of future local player

Way forward -

Assessing regulatory options


i. Introducing an OTT licensing framework for local OTT player

- Encourage local provider to offer OTT service
- Ensure local provider to be bounded by the Code of Practice

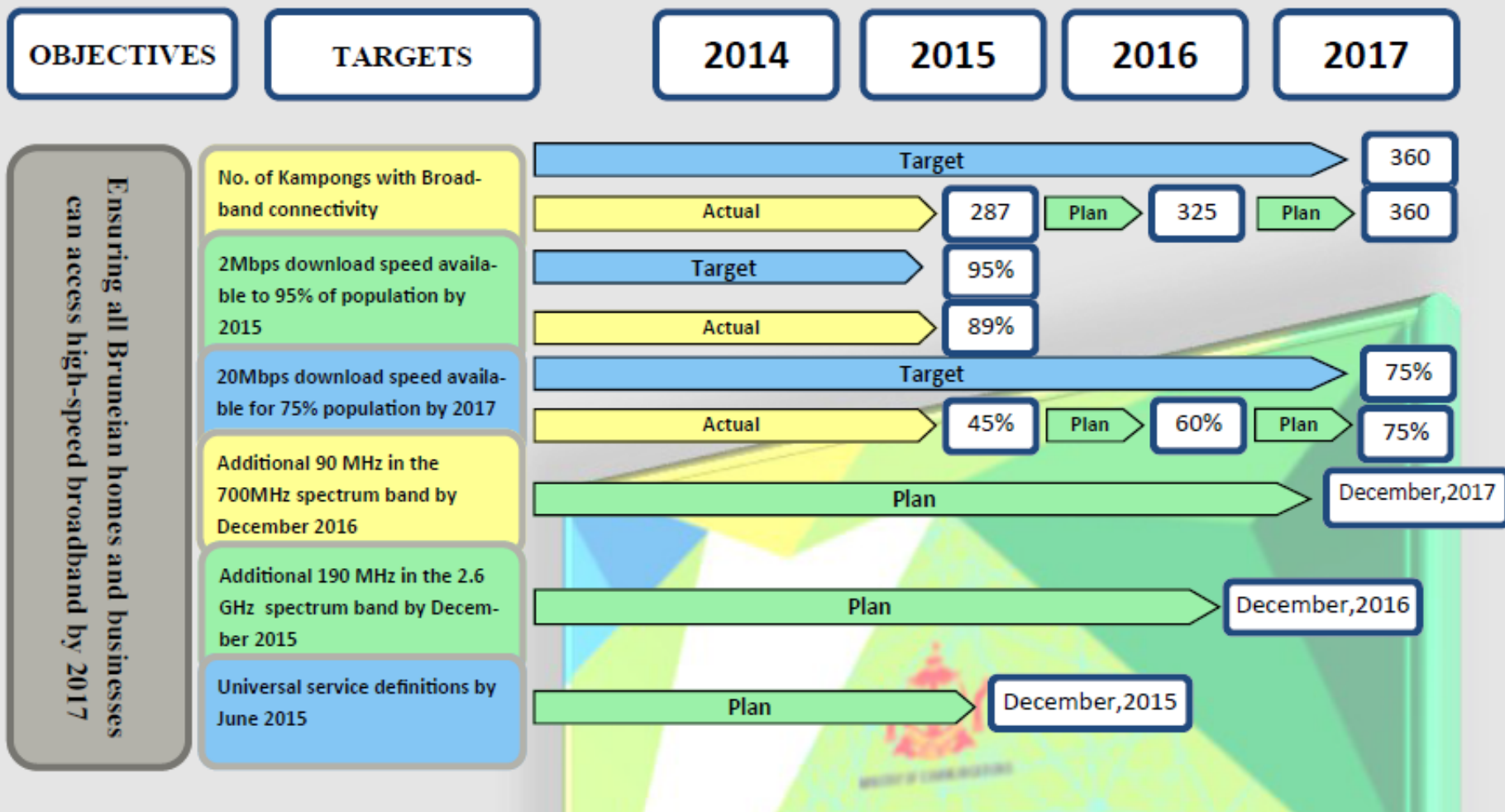
ii. Introducing an OTT licensing framework for overseas content provider

- either licensed (thus subject to Code of Practice in Brunei)
- or geo-blocked i.e. a case by case basis of blocking objectionable content
- Improve transparency by introducing a landing page

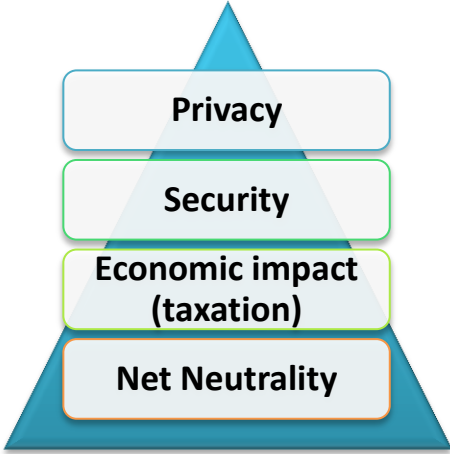
Looking at the opportunities...

Local Provider	<div data-bbox="285 339 676 696" style="display: flex; align-items: center;">  <div style="margin-left: 20px;"> <p>(Brunei's Fixed Line Provider)</p> </div> </div> <div data-bbox="676 339 1657 696" style="background-color: #e0f2f7; padding: 10px; margin-top: 10px;"> <p>Fibre roll-out</p> <p>45 000 homes (~60% of households) passed by 2015</p> <p>At present, it plans to guarantee a minimum speed of 5Mbit/s</p> </div>																																									
National Broadband Policy	<ul style="list-style-type: none"> Brunei targets for high speed broadband by 2017 <div data-bbox="382 1011 908 1310" style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p>Brunei Darussalam National Broadband Policy: 2014 – 2017 Targets</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 20%;">OBJECTIVES</th> <th style="width: 10%;">TARGETS</th> <th style="width: 10%;">2014</th> <th style="width: 10%;">2015</th> <th style="width: 10%;">2016</th> <th style="width: 10%;">2017</th> </tr> </thead> <tbody> <tr> <td rowspan="6" style="font-size: 8px; vertical-align: top;"> Forming all Bruneian homes and businesses can access high-speed broadband by 2017 </td> <td>No. of Kampongs with Broad-band connectivity</td> <td></td> <td>Actual: 287</td> <td>Target: 325 (Plan)</td> <td>360 (Plan)</td> </tr> <tr> <td>20Mbps download speed available to 95% of population by 2015</td> <td></td> <td>Actual: 69%</td> <td>Target: 95%</td> <td></td> </tr> <tr> <td>30Mbps download speed available to 75% population by 2017</td> <td></td> <td></td> <td>Actual: 45%</td> <td>Target: 60% (Plan)</td> <td>75% (Plan)</td> </tr> <tr> <td>Additional 90 MHz in the 700MHz spectrum band by December 2015</td> <td></td> <td></td> <td></td> <td>Plan</td> <td>December, 2017</td> </tr> <tr> <td>Additional 190 MHz in the 2.6 GHz spectrum band by December 2015</td> <td></td> <td></td> <td></td> <td>Plan</td> <td>December, 2016</td> </tr> <tr> <td>Universal service definition by June 2015</td> <td></td> <td></td> <td></td> <td>Plan</td> <td>December, 2015</td> </tr> </tbody> </table> </div>	OBJECTIVES	TARGETS	2014	2015	2016	2017	Forming all Bruneian homes and businesses can access high-speed broadband by 2017	No. of Kampongs with Broad-band connectivity		Actual: 287	Target: 325 (Plan)	360 (Plan)	20Mbps download speed available to 95% of population by 2015		Actual: 69%	Target: 95%		30Mbps download speed available to 75% population by 2017			Actual: 45%	Target: 60% (Plan)	75% (Plan)	Additional 90 MHz in the 700MHz spectrum band by December 2015				Plan	December, 2017	Additional 190 MHz in the 2.6 GHz spectrum band by December 2015				Plan	December, 2016	Universal service definition by June 2015				Plan	December, 2015
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Brunei Darussalam National Broadband Policy : 2014 – 2017 Targets



While there are issues that need to be assessed...

Regulatory imbalance	Area of Regulation	Local service provider	OTT provider
	Licensing	Yes, different licenses and associated cost	No license (for International provider)
	Censorship requirement	Yes, must adhere to regulations	Not applicable
	Spectrum charges	Mobile operators and broadcasters pay spectrum	No spectrum cost
	Interconnection	Yes, required as part of regulatory requirement	No interconnection
	QoS	Must adhere to regulatory requirement	Not applicable
Other regulatory issues	 <p>The diagram shows a blue pyramid with four horizontal white boxes stacked inside it. The boxes contain the following text from top to bottom: Privacy, Security, Economic impact (taxation), and Net Neutrality.</p>		

THANK YOU