

ITU Workshop on “Apportionment of Revenues and International Internet Connectivity”

Geneva, Switzerland, 23-24 January 2012

International Internet Connectivity Case : Indonesia

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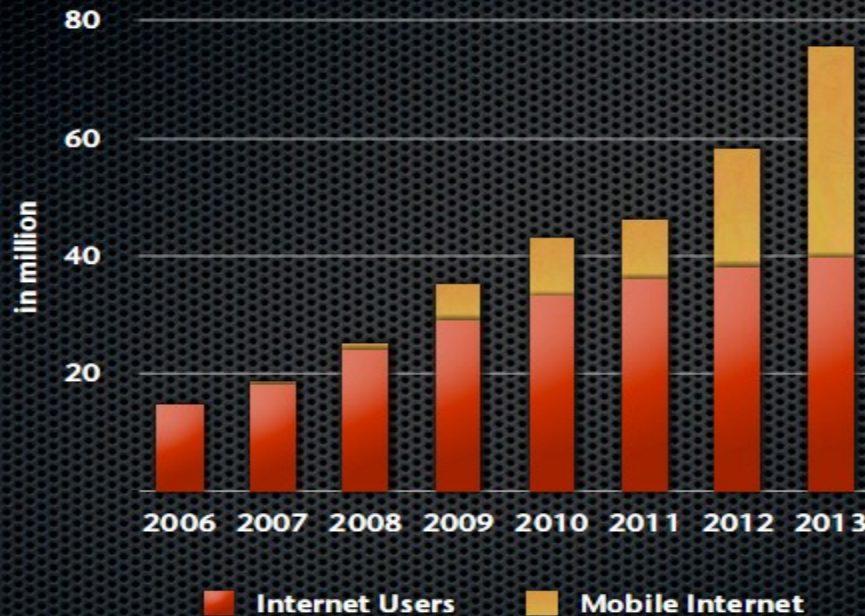
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Mobile Internet

Internet Users in Indonesia

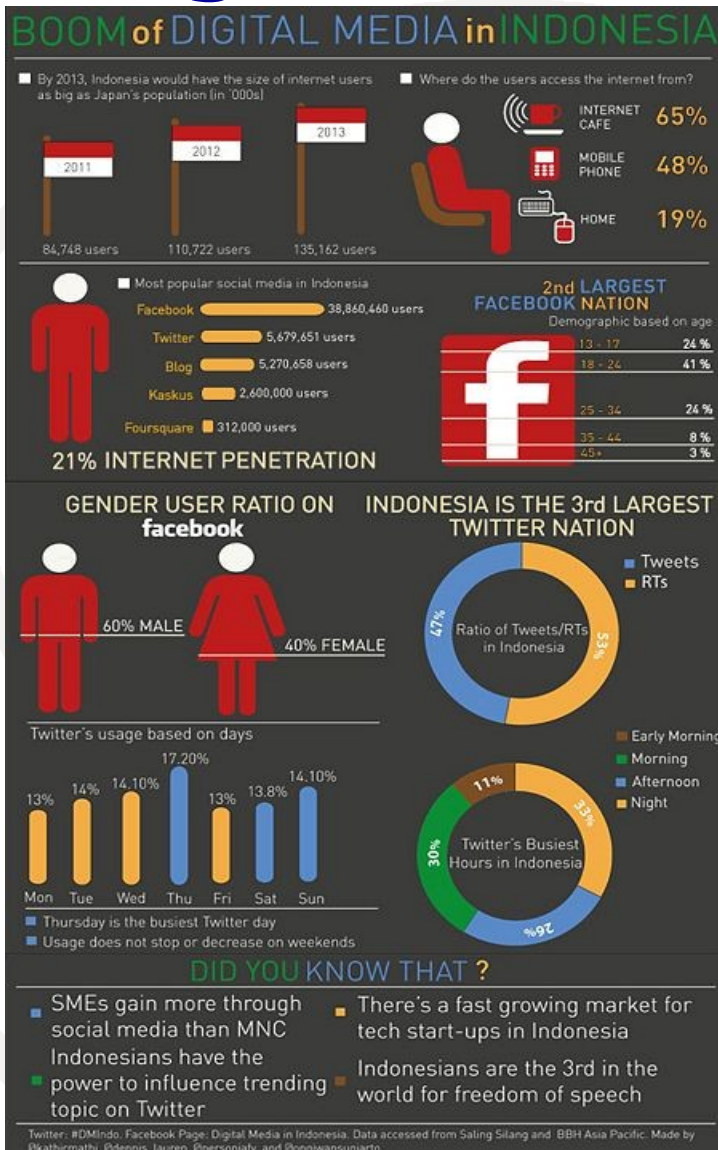


In less than
5 years,

half

of Indonesian
population will use
Internet from mobile
access.

Digital Media Development 1/2

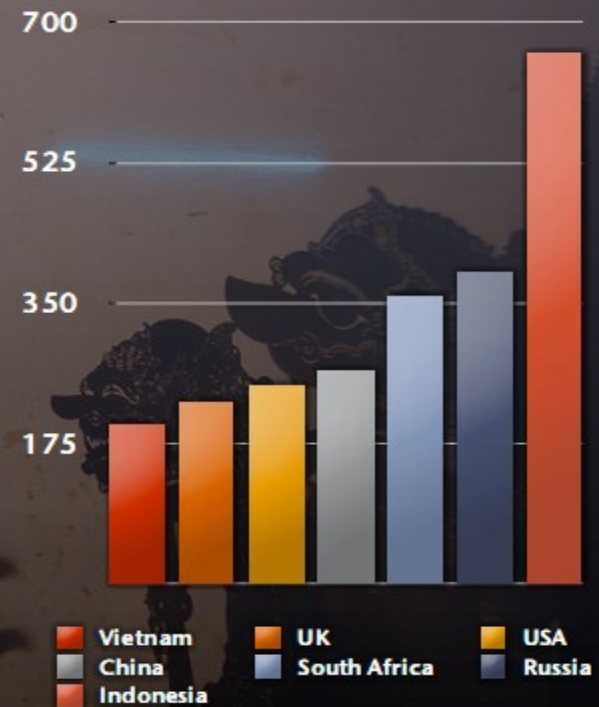


- By 2013, Indonesia would have internet users as big as Japan's population (135 million)
- Indonesia is the 2nd largest facebook user in the world, reaching 38 million users.
- Indonesia is the 3rd largest twitter user in the world, reaching 5 million users.
- Favorite places to access internet : Internet café, Mobile phone and home.

Digital Media Development 2/2

Indonesia ranks among
the **HIGHEST** in the
world for mobile browsing
intensity

661 pages
per month/person



Indonesia Statistics

Indonesia has :

- More than 178 ISP
- 39 NAP
- 3 IX (national exchange)

Internet users :

- 1 million (1999)
- 45 million (Juni 2010)
- 60 million (Des 2010)

Internet subscribers:

- 100.000 (1999)
- 7 million (Juni 2010)

• Media online visitors :

- More than 25 million people every day

• Internet traffic 2010:

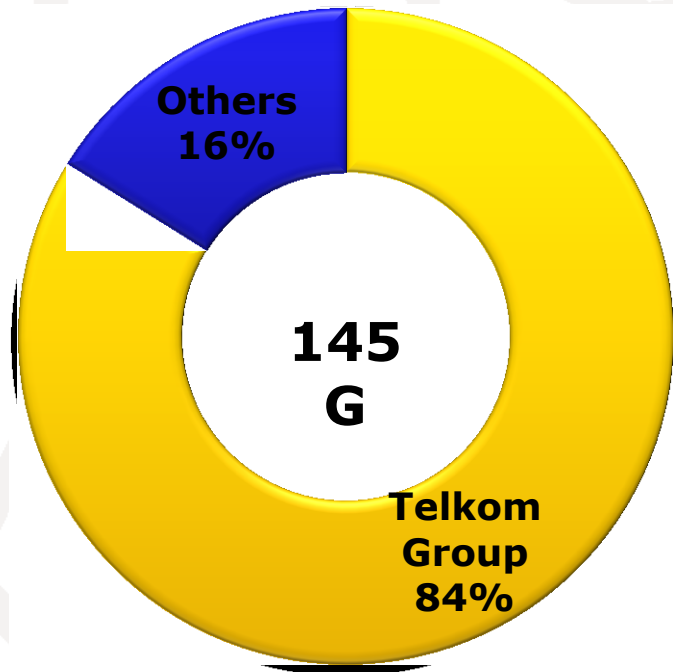
- National IX : 50 Gbit/s
- International : 60 Gbit/s

• More than 3 million computer sale :

- 2 million notebook (March 2010)

Internet Connectivity Market

International Bandwidth :

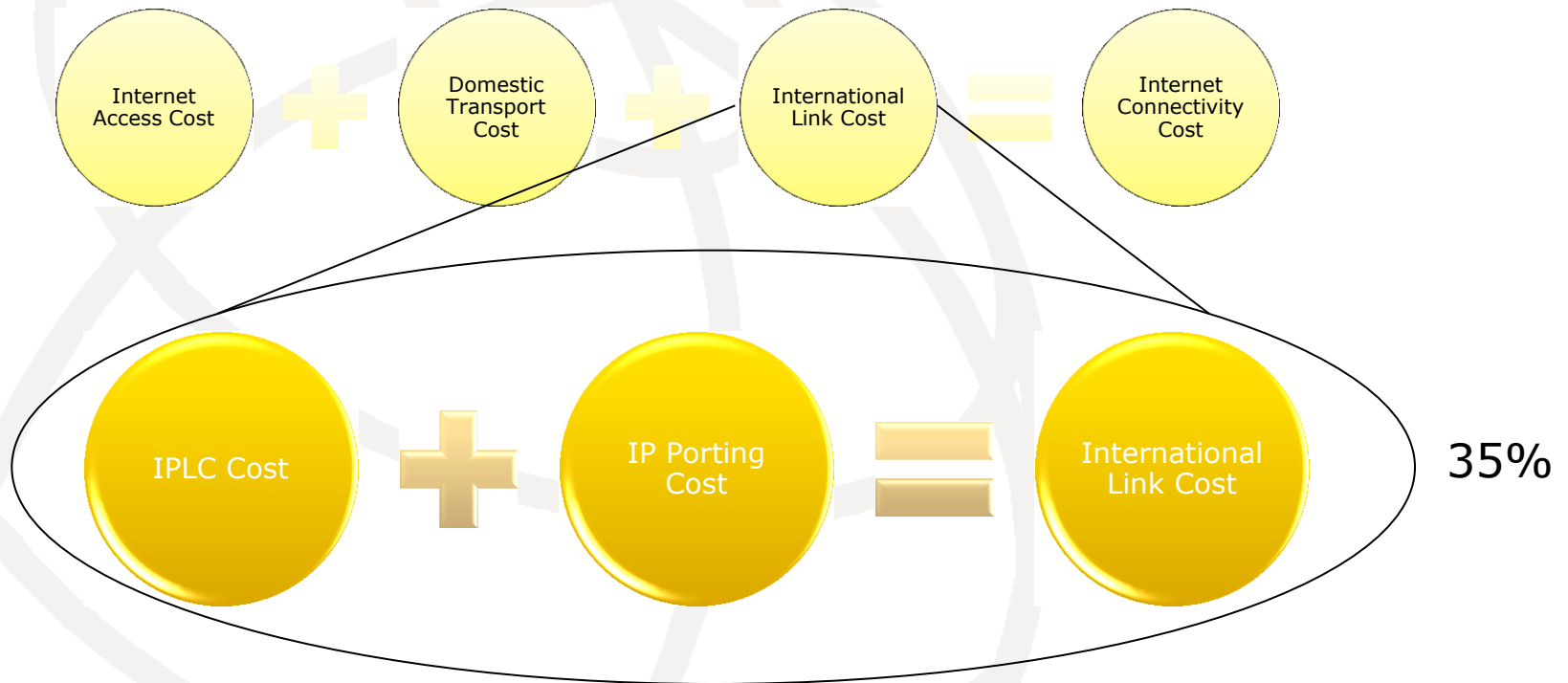


- Main source of international bandwidth is coming from Singapore, Malaysia and also Hongkong.
- The price to get international bandwidth is vary depend on the volume start from around USD 20/Mbps.
- High growth of data traffic driven by mobile broadband and highly competitive market in Indonesia, make ip transit market tend to go to price war between NAP with more than 50% price decreasing in a year.

- Indonesia has internet international bandwidth around 145 G, consumed by Telkom, Indosat, XL, other mobile operator and major NAP

IP Transit : Grade of cost

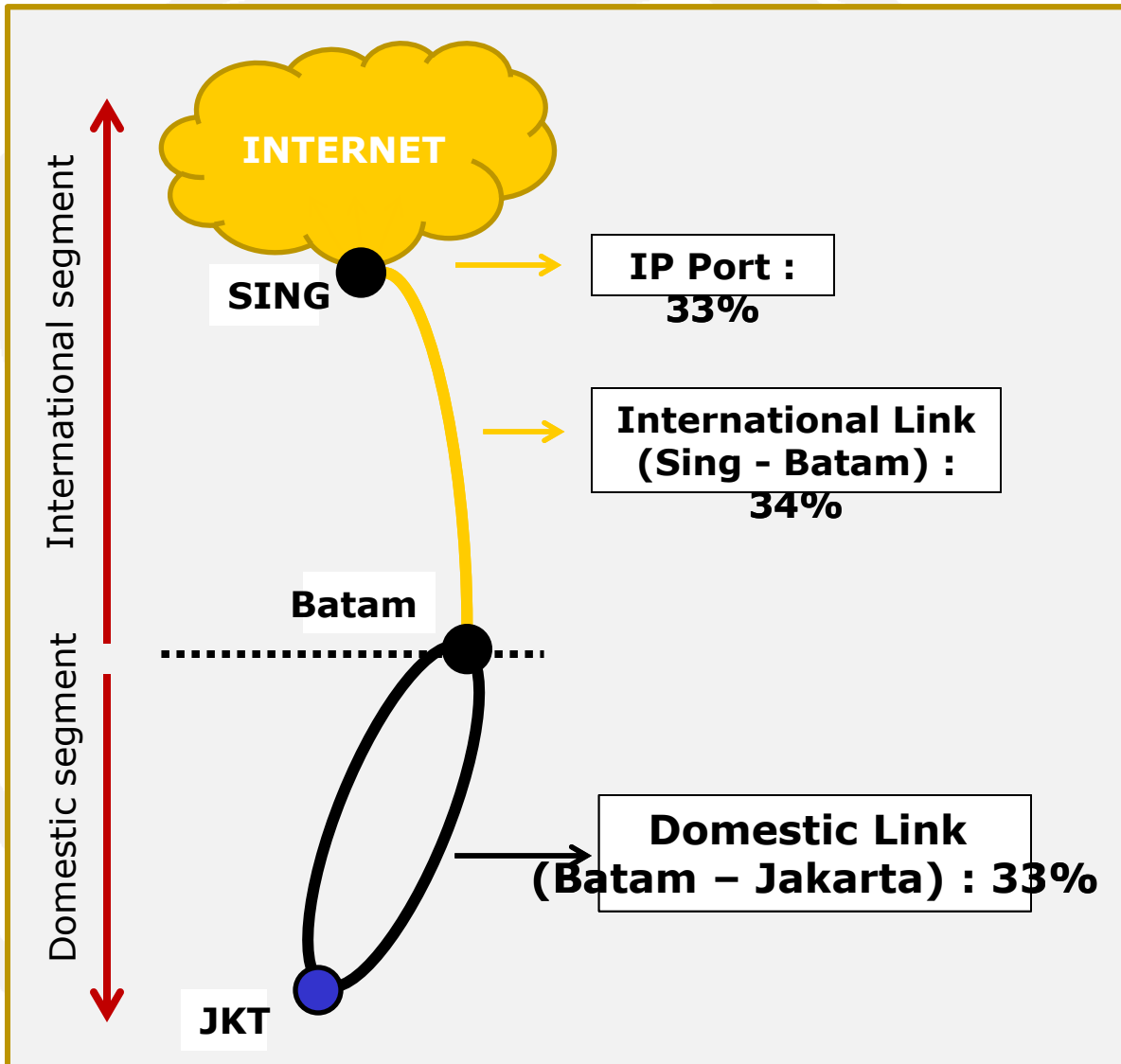
Currently portion and grade of cost :



Low : A - B USD = USD 40 - USD 20 per Mbps per month for 1G order
Midle: C- D USD = USD 60 - USD 40 per Mbps per month for 1G order
High : E - F USD = USD 80 - USD 60 per Mbps per month for 1G order

Example of cost structure

Internet connectivity (ip transit) cost structure in Indonesia:



- IP transit cost structure, consist of 3 (three) elements;
 - IP port
 - International link
 - Domestic link
- 3 (three) element share almost the same proportion in ip transit cost structure
- Sourcing internet in Singapore, cost around 33% of internet connectivity in Indonesia.

Conditions :

- Capacity : 10G
- Internet source : Singapore (dominant)
- Area : Jakarta
- Exclude last mile to Customer PoP

Policy and Regulation on IP Transit

- Minimum bandwidth commitment 45 Mbps to be a NAP (Modern Licensing);
- Yearly evaluation by regulator : merge the bandwidth if lower than 45 Mbps
- Encourage operator to open new international route and gateway;
- Will using ICT fund program to develop international gateways



Thank You.