## Contribution from Switzerland GSR-21 Best Practice Guidelines

I would like to draw your attention to a recent legislative development in Switzerland, regarding the development of high-speed and superfast broadband. Specifically, it relates to a postulate by the Transport and Telecommunication Commission of the National Council of the Swiss Parliament, requesting that the Government (Federal Council) elaborate a superfast broadband strategy (see 21.3461 | Stratégie de la confédération en matière de très haut débit | Objet | Le Parlement suisse (parlament.ch)).

The Swiss Parliament is requesting that the Government submit a strategy setting out the long-term plan for developing the infrastructure for superfast broadband. In this strategy, the Federal Council must, in particular, show how it will be possible to extend Internet access over the coming years in areas where the market will not allow for the desired coverage of superfast broadband (over 80Mb/s). This means encouraging public demand, without distorting competition or hampering private investment in the network's development. In drafting the broadband strategy, the Federal Council must, among other things, take into consideration the repercussions of a superfast network on local and regional development, and factor in stable trends in economic and professional life.

Against this background, the Swiss Parliament considers that the development of superfast broadband infrastructure on a national scale is of the utmost importance for the Swiss economy and population. Switzerland already has good broadband coverage. That said, in some regions, the degree of coverage remains inadequate, and factors such as urbanization, demand and topography can impede infrastructure development. These regions currently benefit from universal service, in line with the Telecommunications Act. However, universal service currently guarantees only a basic level of service. The fact that the basic level of service in Switzerland is of good quality is solely due to multiple political interventions over recent years, aimed at improving the quality of service to keep up with developments in telecommunications. In the past, this approach was considered acceptable as there was no alternative, but it is no longer deemed appropriate for the medium and long terms. Increasing digitalization means that it is especially important from an economic and social perspective to deploy superfast broadband networks, adapted to future technologies. This was not the case when the concept of universal service was created more than 20 years ago.

The initial plan is to guarantee universal access to superfast broadband of at least 80 Mb/s. Subsequently, the Federal Council must establish how to encourage the medium-term deployment of the infrastructure needed for superfast broadband of at least 80 Mb/s. The Federal Council therefore needs to develop a superfast broadband strategy that will, in future, cover every region in the country in a targeted and effective manner, adapted to local needs. The strategy will also have to reduce, as far as possible, the risk of market distortion and be fully effective within around 8 to 10 years. The Federal Council must also look into possible sources of funding, and conduct a costing estimate. One solution for a source of funding would be to use part of the monies received by the Confederation from spectrum auctions for mobile telephony frequencies. Part of that income would thus remain in the telecommunication market.

With the above, the Swiss Parliament has strengthened the Swiss Government's initiative (see <u>16-306-bericht-bakom-2021-04-16-f.pdf (parlament.ch)</u>) in which developing the concept of universal service is proposed as a means of guaranteeing national coverage of no less than

80 Mb/s. Given that universal service in Switzerland was developed and applied to fill gaps in the market and is designed to offer a range of basic services of a particular quality at an affordable price to the whole population, nationwide, the time has come – according to this initiative – to use some of the mechanisms of universal service to boost coverage across the country.