

# Satellite Market Challenges and Opportunities

*By VNPT International/VNPT*

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## VNPT – Who we are:

- ❖ Vietnam Posts and Telecommunications Group (VNPT) is a leading telecom operator that have the biggest telecom infrastructure in Vietnam (satellites, marine cables, terrestrial and mobile, etc.)
- ❖ A large economic group with many subsidiary and affiliate companies which cover all fields of ICT market:
  - Telecom services
  - Content and media
  - Manufacturing
- ❖ VNPT International (VNPT-I), a subsidiary of VNPT, is a company who operate VINASAT-1/2 and global business.
  - VINASAT-1: Ku band over SEA Region C band over Asia-Pacific Region
  - VINASAT-2: Ku band over SEA Region



## Our vision and commitment

- ❖ We commit to deliver the highest quality and most reliable services to the customers in Vietnam and across the Region and also do the best for the community and society.
- ❖ With that commitment, we believe we can be the best and preferred service provider the markets.





## Overview

- ❖ Satellite market in Vietnam
- ❖ Market trends
- ❖ Challenges
- ❖ Opportunities
- ❖ Way forward

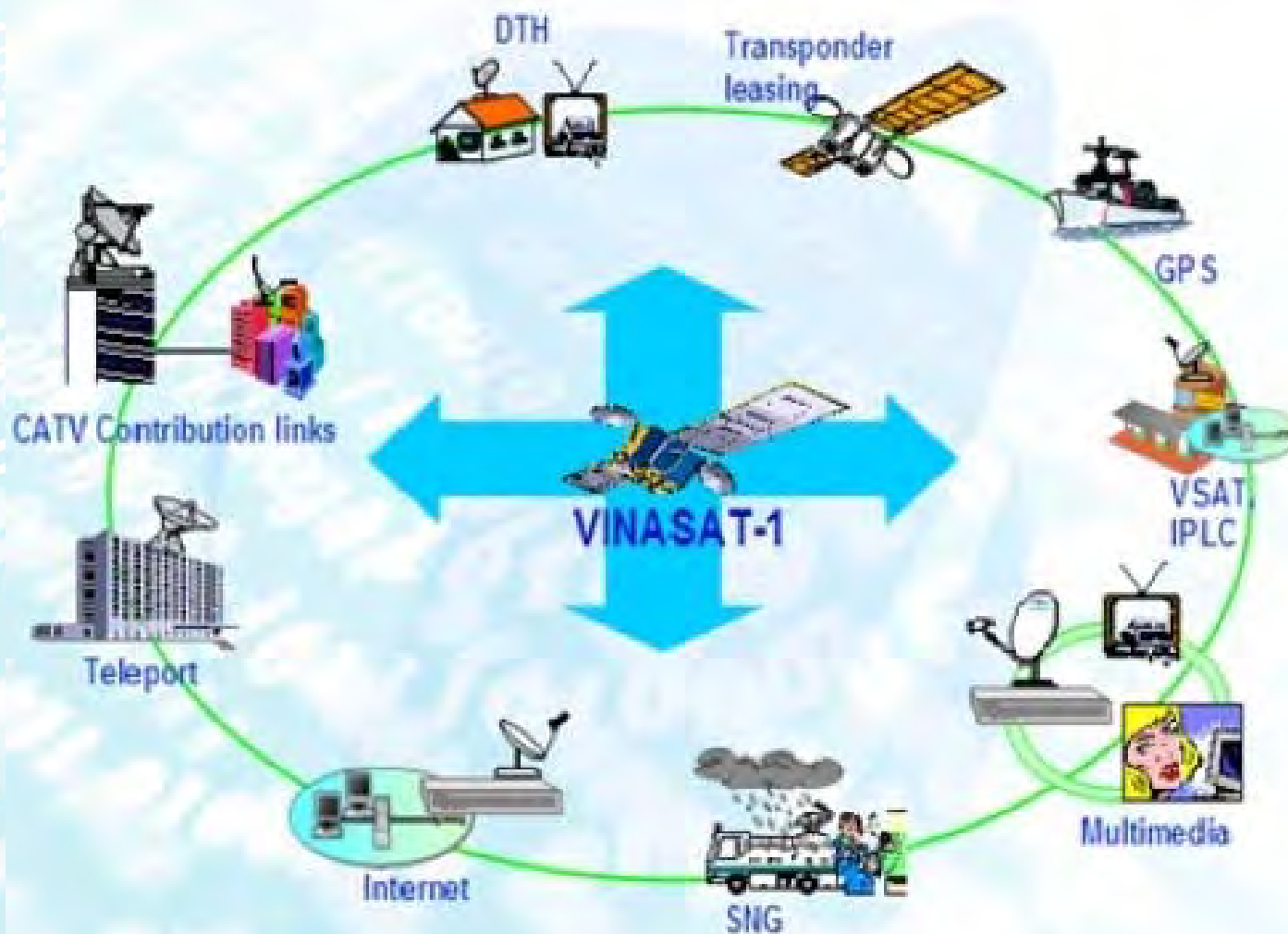


## Satellite market in Vietnam

- ❖ Satellite market in Vietnam has been growing strongly in Vietnam since the years 2000s with the successful launch of VINASAT-1 (2008) and VINASAT-2 (2012)
- ❖ Common types of service:
  - Broadcast
  - VSAT
  - Mobile Backhaul
  - Content Delivery



## Satellite market in Vietnam





## Roles of Satellite Communication in Vietnam

- ❖ Satellite Communication has been playing an important role to the Telecom market with many essential applications:
  - Disaster Relief
  - Environmental data collection and Surveillance
  - Border security network
  - Distance learning and Telemedicine
  - Rural and remote connection
- ❖ Satellite services have also contributed to narrow the digital gap between the urban and rural area in Vietnam



## Market trends

- ❖ The growth of IP traffic for social networking, multimedia, etc.
- ❖ The growth of mobile traffic will also increase the need for mobile backhaul, content delivery over satellite
- ❖ The coming of Internet of Thing requires a huge numbers of connections
- ❖ The growing requirement from customers who need to be connected anywhere and anytime





## Services to meet the trends

- ❖ High throughput satellites to meet the need of increasing IP traffic
- ❖ Services to keep the customers connected anytime, anywhere:
  - Maritime
  - Inflight connectivity
- ❖ Continues developing services to help the remote communities to have the chance to connect to the Internet and keep our commitment with the society.



## Challenges

- ❖ Satellite is a long term business and it take a long time to regain the investment but new risks can spawn during that time.
- ❖ The price of satellite services are quite high compare to the income of main part of the Vietnamese and the people in the region nearby.
- ❖ In Vietnam, we are lacking of conductive applications to speed up the development satellite services.
- ❖ The orbit is crowed and the satellite spectrum is getting congested. It is now more and more harder to develop new satellite project.



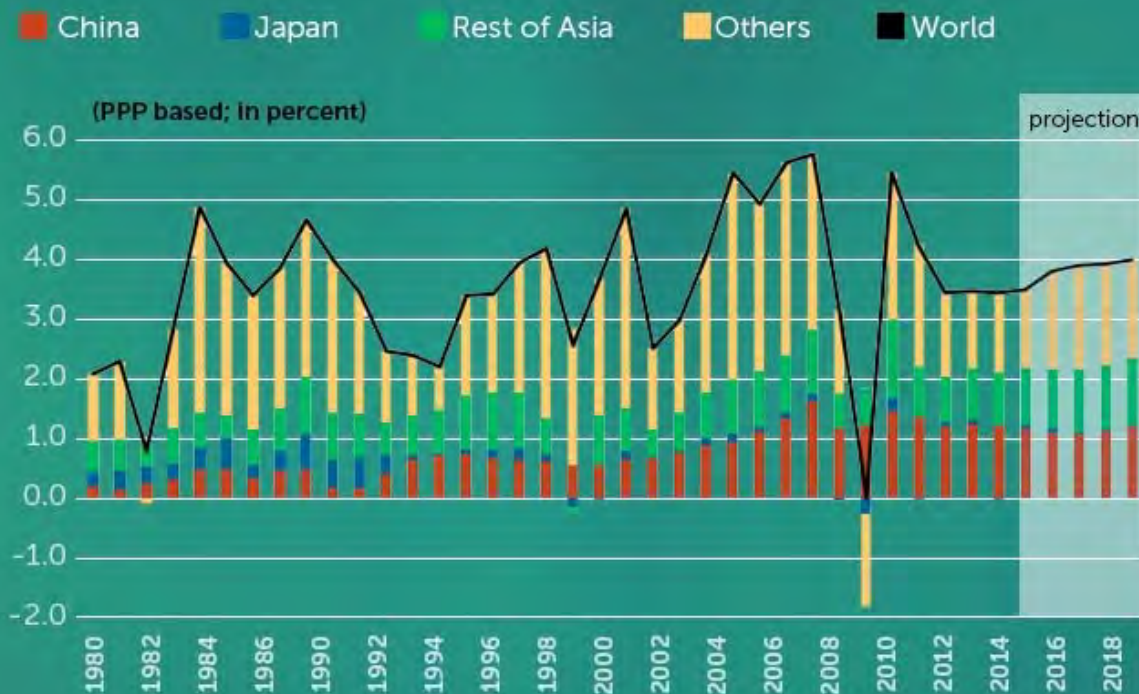
## Challenges

- ❖ The planned band make it easier to access the spectrum but it will be more difficult to access the market.
- ❖ The growth of IP traffic requires satellite services to find more bandwidth to catch up with the requirement of the customers.
- ❖ The effect of climate change to Vietnam and the region:
  - More disasters come with heavier consequences.
  - More financial burden for operating and even for reforming
  - Current prediction models seem no longer valid.

## China, Japan, and Other Asian Economies: Contribution to World Real GDP Growth



INTERNATIONAL  
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- Asia will remain the global growth leader.
- Asia accounts for nearly 40 percent of global output, but it contributes nearly two-thirds of global growth.
- Asia's leading role in world growth is set to continue over the medium term despite slowing potential growth.

The growing trend of Asian Economics (imf.org)



## Our Opportunities

- ❖ Asia is the fastest growing region and it will continue at least for the medium term despite some slowdowns in few economies. (IMF Report 2015)
- ❖ The growing of ICT market in Vietnam and the region will urge the growth of satellite market
- ❖ The emerge of mobile connectivity is also a opportunities for satellite services to be a part and then get benefits from that.



## Ways Forward

- ❖ Collaboration in developing a satellite project in one orbital slot is a good way to share the spectrum and financial burden.
- ❖ Capacity exchange is a good way to help operators to follow their familiar customers in the globalize economy.
- ❖ Paper satellite is an issue should be dealt with to give new comers a better chance to access the spectrum and satellite market
- ❖ As satellite spectrum is getting congested, we not only need to preserved the current satellite spectrum but also should have new spectrum allocated (e.g.: uplink spectrum in A.I 1.6.2)



**Thank You!**