Enhancing Life

Role of FTTH in Social and Economic Development

Faris Awartani
Chairman of the Board

Fibre to the **Home**
Council **Middle East**
& North Africa

Bradband
MEA2013

Broadband World Forum MEA 2013
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www.ftthcouncilmena.org

About Us

FTTH Council MENA is founded as non-profit organization in Jordan since 2011 by 5 board members from Alacatel-Lucent, Moseco, Cisco, MEFC and Prysmian.

➢ **Our Vision:** A sustainable future enabled by Fibre to-the-Home

➢ **Our Mission:** To accelerate FTTH adoption in Middle East and North Africa through information and promotion in order to enhance the quality of life, contribute to a better environment and increased competitiveness

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Our Members

Our members are from the main FTTH industry players of the region including Vendors, National and Private Networks, Governments, Service operators, Utilities.

Around 35 members since August 2011.

Platinum Members

Gold Members

Silver Members

Star Members

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3 Committees involved in the council activities

Technology & Training Committee

the pillar for promoting FTTH in the MENA region with an agnostic view of the FTTH technology and the know-how through its certified training .

Market Development & Intelligence Committee

latest FTTH market data and evolution of FTTH/FTTB of the MENA region.

Policy & Regulatory Committee

follow and lobby relevant policy and regulatory developments in the MENA region in terms of broadband deployment and FTTH roll-out .

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Global Power with Regional Strength since February 2012

FTTH Council Global Alliance: FTTH Global Ranking

Chris Holden, President, FTTH Council Europe
Heather B. Gold, President, FTTH Council North America
Frank Jaffer, President, FTTH Council Asia Pacific
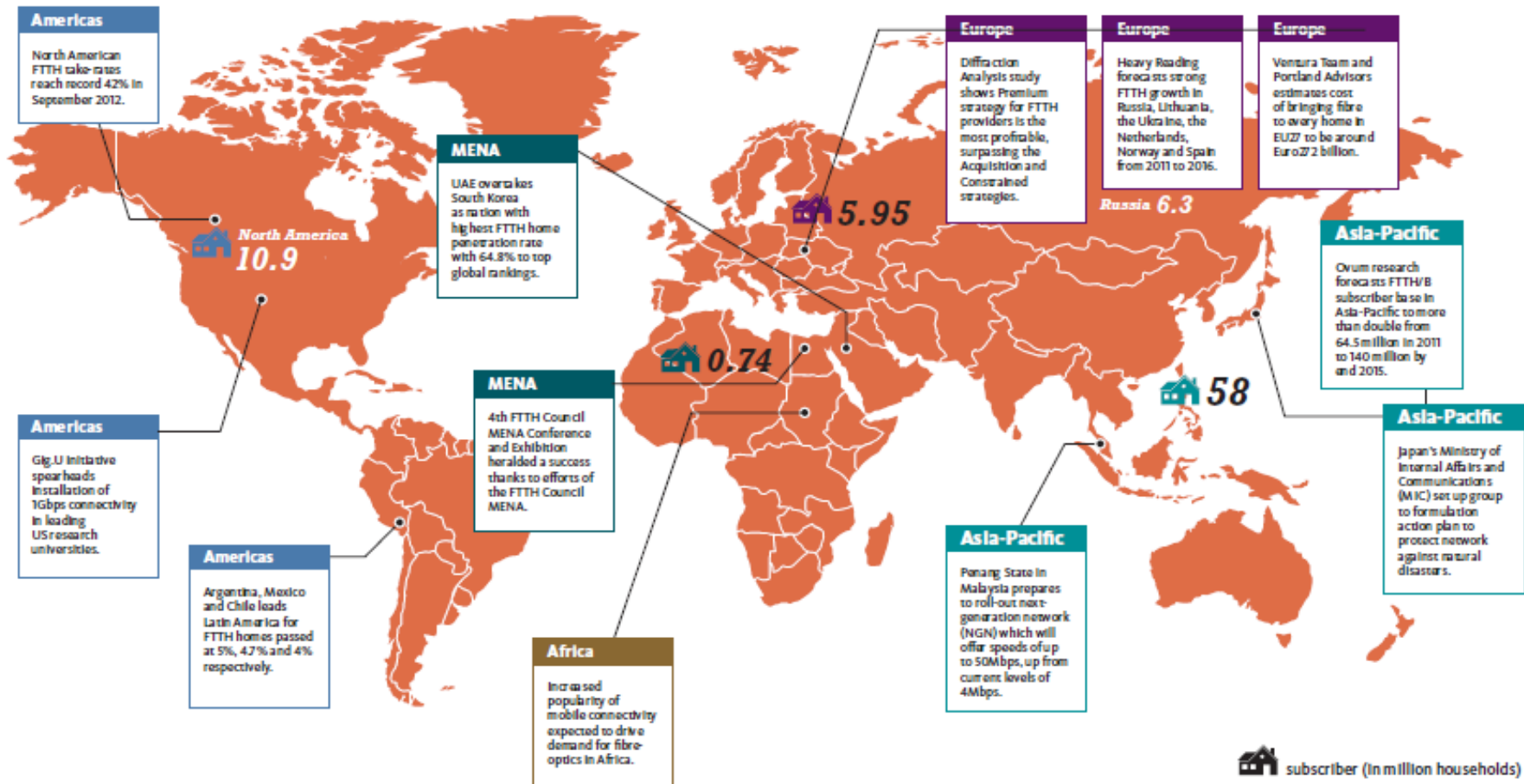Faris Awartani, President, FTTH Council Middle East & North Africa
Juanita Clark, Managing Director, FTTH Council Africa
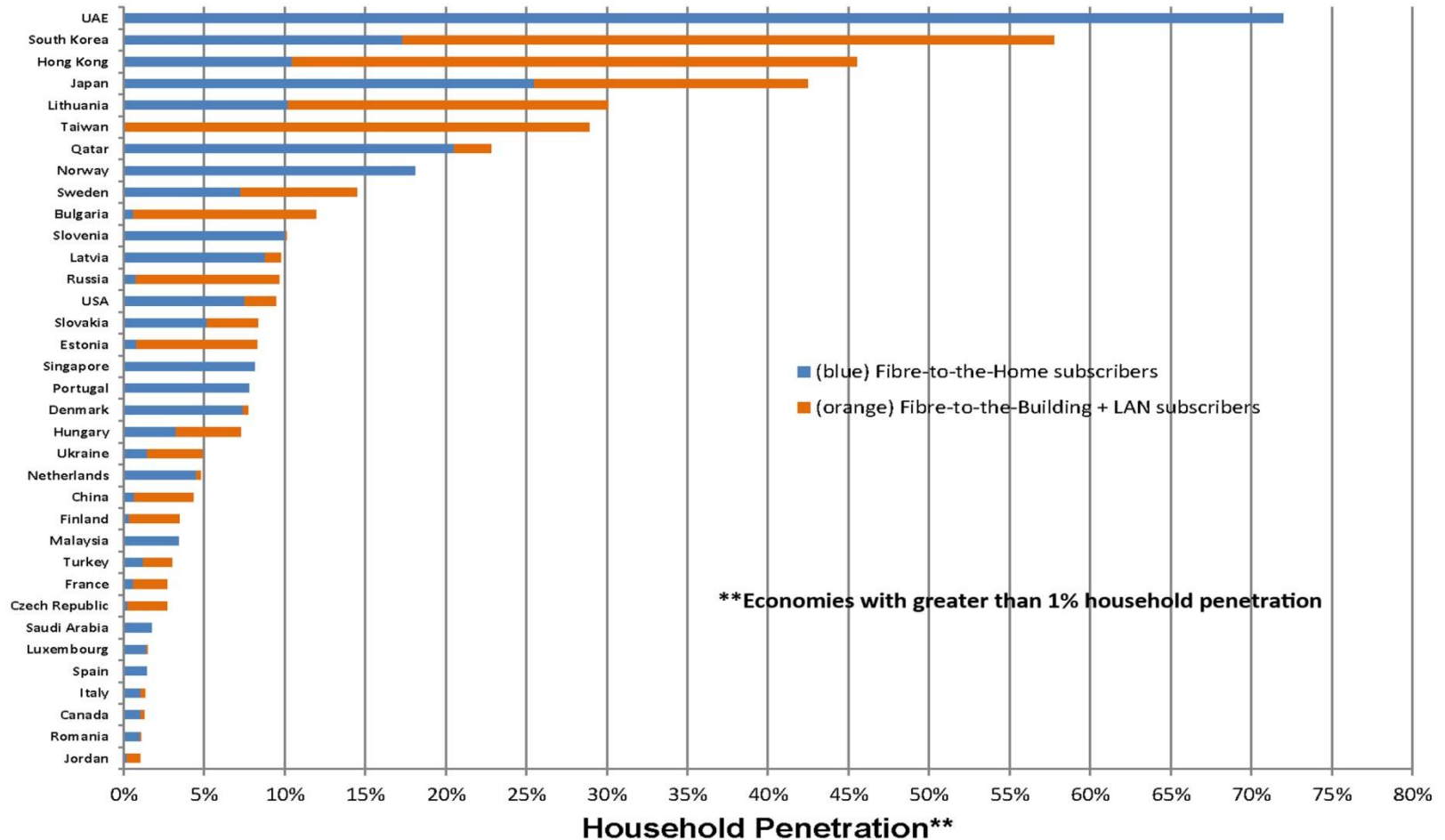
FTTH Market: Globally

Fibre Round The World

An overview of the news and breakthroughs taking place in fibre optics across the five FTTH Council Regions.

Americas

North American FTTH take-rates reach record 42% in September 2012.

Americas

Gig.U initiative spearheads installation of 1Gbps connectivity in leading US research universities.

Americas

Argentina, Mexico and Chile leads Latin America for FTTH homes passed at 5%, 4.7% and 4% respectively.

MENA

UAE overtakes South Korea as nation with highest FTTH home penetration rate with 64.8% to top global rankings.

MENA

4th FTTH Council MENA Conference and Exhibition heralded a success thanks to efforts of the FTTH Council MENA.

Africa

Increased popularity of mobile connectivity expected to drive demand for fibre-optics in Africa.

Europe

Diffraction Analysis study shows Premium strategy for FTTH providers is the most profitable, surpassing the Acquisition and Constrained strategies.

Europe

Heavy Reading forecasts strong FTTH growth in Russia, Lithuania, the Ukraine, the Netherlands, Norway and Spain from 2011 to 2016.

Europe

Ventura Team and Portland Advisors estimates cost of bringing fibre to every home in EU27 to be around Euro272 billion.

Asia-Pacific

Ovum research forecasts FTTH/B subscriber base in Asia-Pacific to more than double from 64.5 million in 2011 to 140 million by end 2015.

Asia-Pacific

Japan's Ministry of Internal Affairs and Communications (MIC) set up group to formulation action plan to protect network against natural disasters.

Asia-Pacific

Penang State in Malaysia prepares to roll-out next-generation network (NGN) which will offer speeds of up to 50Mbps, up from current levels of 4Mbps.

North America **10.9**

5.95

Russia **6.3**

0.74

58

subscriber (in million households)

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& North Africa

UAE Number One in the Global Ranking of FTTH Penetration Rate

June 2012 Ranking with MENA region update of September 2012

Economies* with the Highest Penetration of Fibre-to-the-Home/Building + LAN

- (blue) Fibre-to-the-Home subscribers
- (orange) Fibre-to-the-Building + LAN subscribers

**Economies with greater than 1% household penetration

Household Penetration**

June 2012 Ranking
Source: Fibre-to-the-Home Councils
December 2012

*Economies with at least 200,000 households

FTTH Market: MENA

UAE is taking the lead of the Global Ranking with FTTH penetration rate of **64.8%.**

➢ The MENA region has the highest average **take-up rate** of **41.1%** by September 2012, there were 740,700 FTTH/B subscribers out of the 1.8 million homes where FTTH/B is available.

➢ Three of the four MENA states in the Global Ranking are **Jordan** (1% penetration rate), **Saudi Arabia** (1.7%), and **Qatar** (22.8%).

➢ **Growth of 188.4%** or 257,000 FTTH/B subscribers between 2010 and 2012

➢ **Growth of 100.7%** or 900,000 homes passed

FTTH: Opportunities

Homes passed vs. **Homes subscribed**

MENA COUNTRIES	Homes Passed		Growth Sept. 2010 - Sept. 2012
	September 2010	September 2012	
	FTTH/B Homes Passed		
Algeria	1 000	10 000	900,0%
Bahrain	500	4 500	800,0%
Egypt	52 300	109 400	109,2%
Iran	0	0	0,0%
Iraq	200	20 000	9900,0%
Jordan	400	n.a	n.a
Kuwait	2 700	4 750	75,9%
Lebanon	4 500	5 500	22,2%
Libya	-	n.a	n.a
Morocco	500	n.a	n.a
Oman	3 122	151 400	4749,5%
Palestine	0	0	0,0%
Qatar	1 600	135 000	8337,5%
Saudi Arabia	30 400	360 000	1084,2%
Sudan	0	0	0,0%
Syria	0	0	0,0%
Tunisia	n.a	n.a	n.a
UAE	800 000	1 000 000	25,0%
Yemen	0	0	0,0%
TOTAL FTTH/B	897 222	1 800 550	100,7%

MENA COUNTRIES	September 2010	September 2012	Growth Sept. 2010 - Sept. 2012
	FTTH/B subscribers		
Algeria	1 000	1 000	0,0%
Barhain	500	1 000	100,0%
Egypt	1 550	3 000	93,5%
Iran	0	0	0,0%
Iraq	n.a	n.a	n.a
Jordan	500	11 500	2200,0%
Kuwait	800	2 400	200,0%
Lebanon	300	600	100,0%
Libya	n.a	1 500	n.a
Morocco	n.a	n.a	n.a
Oman	n.a	700	n.a
Palestine	0	0	0,0%
Qatar	800	38 000	4650,0%
Saudi Arabia	5 050	100 000	1880,2%
Sudan	0	0	0,0%
Syria	0	0	0,0%
Tunisia	n.a	1 000	n.a
UAE	246 300	580 000	135,5%
Yemen	0	0	0,0%
TOTAL FTTH/B	256 800	740 700	188,4%

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FTTH: Investment

Accelerating FTTH rollout is typically hindered by required investments, business model pressures, and regulatory risks

To overcome the challenges, modern and new technologies continue to attract significant government investments .

Effective investments would translate government imperatives, to national ICT visions and goals

National Economy

Digitization Ecosystem

FTTH Investments
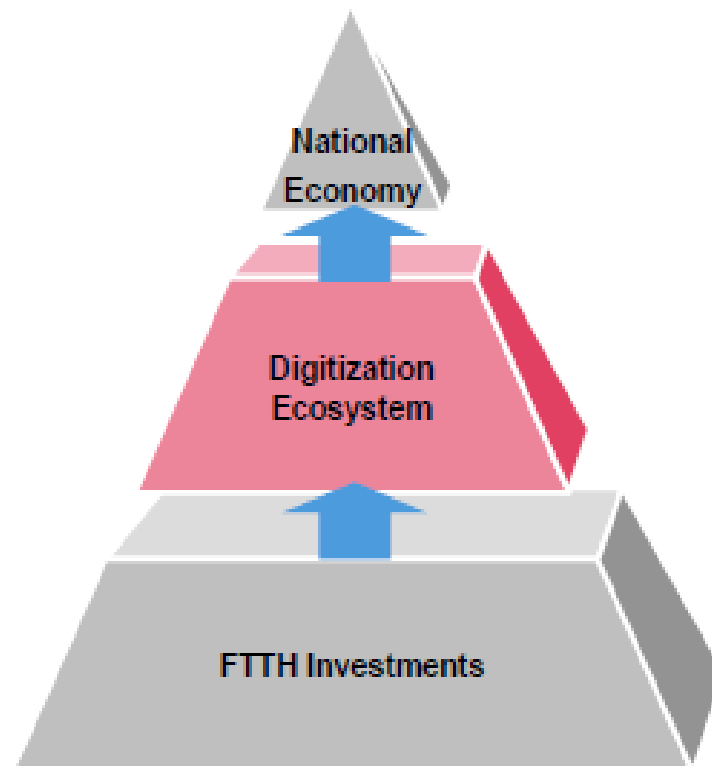
FTTH: Digital Economy

As stated by Booz & Co in their digital highways studies presented in our council, putting Fiber access at use would definitely accelerate the digitization system and enhance the development of the national economies
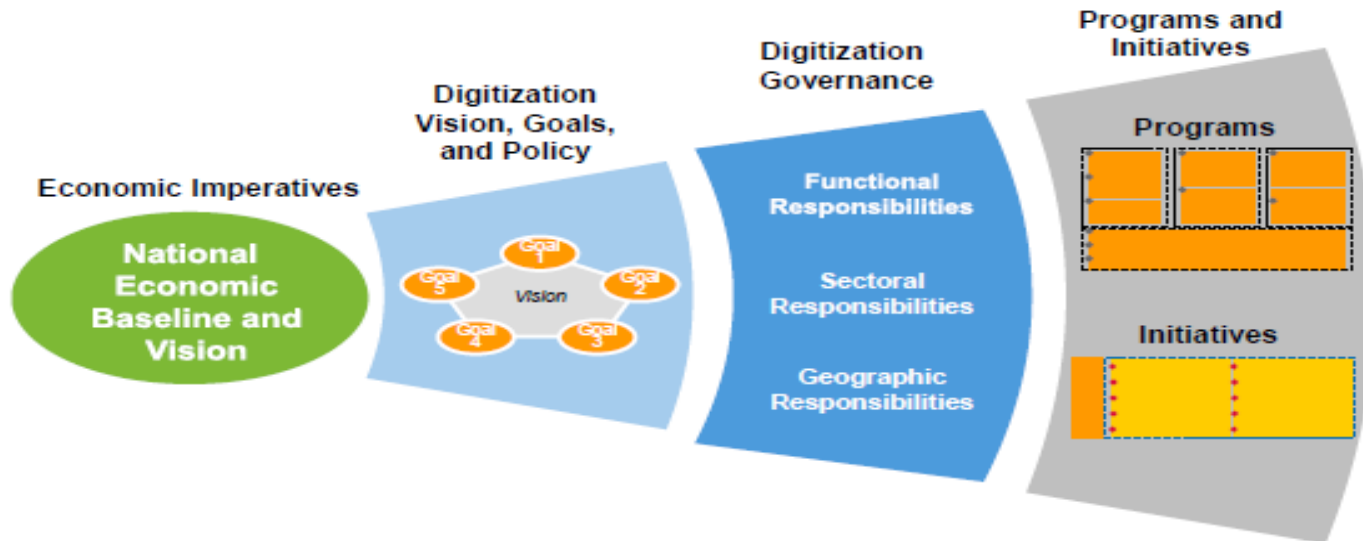
FTTH: Key economic driver

➢ General willingness to adopt new technologies, will create demand for faster connectivity leading to great investment opportunity and significant socio-economic benefits.

➢ Digitization outcomes have a high impact on economic development e.g. smart cities, digital presences, smart systems and digital goods

E-Health could save 400$ billion in healthcare costs in OECD countries and will help saving one million lives in Sub-Saharian Africa.

E-Education can reduce student drop-outs by 8% or 1.8 million children and enable 180 million students to further their education

Smart metering can cut carbon emissions by 27 million tons – the equivalent of planting 1.2 billion trees

Cities will make smarter use of their services through intelligent solutions using the Fiber infrastructure . They will be able to quickly design and deploy next generation intelligence systems that improve sustainability.

FTTH: Key economic driver

FTTH creates business opportunities & competitiveness

- ✓ Operators: increased ARPU (30%!), lower churn-rate, OPEX savings

- ✓ Businesses: new ways of working, reduced travel & office rental costs, better time management, more innovation, better competitiveness

- ✓ Regions/Municipalities: retain and attract more businesses & investment, offer cost-efficient services to the community, increase local competitiveness

FTTH is a critical driver for the knowledge economy

- ✓ Deployment of FTTH creates jobs
- ✓ New services create GDP growth, not only from ICT industry (entertainment industry etc.)

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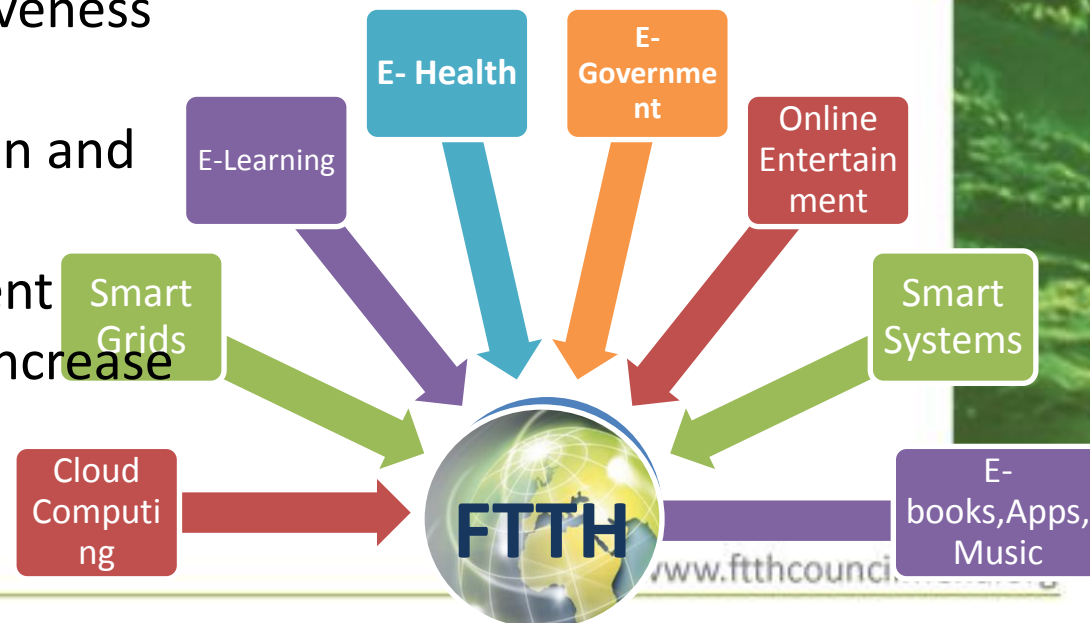
To conclude: A Sustainable Future and better quality of life enabled by FTTH.

FTTH enables users to benefit from applications, content and services based on ultra high speed broadband

Highest impact in rural areas

➢ Developing feasibility for connecting rural areas is always a challenge.

➢ Public Private Partnership must be in place where several initiatives can be developed to connect the rural areas.

➢ Possible initiatives such as Utilities and Housing Developers can play a significant role in providing FTTH to urban and rural areas.

FTTH Council MENA Partnership & Education

➢ Regular cooperation with ITU in the Arab region for capacity building and Fiber related technologies, particularly for government agencies

➢ FTTH Council MENA and Fiber Optics Association (FOA) Joint seminars to promote FTTH education and training in the MENA region.

➢ 1st Certified FTTH Training in the region. Launched since July 2012 in Beirut, Amman and Riaydh.

FTTH, The New Era of Digital Transformation
The 5th edition of FTTH Council MENA Conference

November 2013
Marrakech, Morocco

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