



**National Broadband Policy  
for  
Providing Equitable Broadband in India**

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# RURAL MARKETS HAVE HUGE POTENTIAL

- Represent Country's:
  - 70% of our total population
  - 56% of Country's disposable income
  - 64% of Expenditure
  - 33% of Savings
- 1% of Rural India=1/4 million Households
  - LIC sells 50% of its policies in Rural areas
  - FMCG companies get > 53% of their sales contribution from Rural areas; HUL gets > 50% of its sales from Rural areas
- Rural India presents huge opportunity but also demands huge investments
  - Key Factor - Much lower population density
  - Cost driven by - Coverage and Capacity
  - Revenues driven by - Population



# REALITY CHECK

Less Than 2% Household  
Broadband Penetration

Less Than 3% Household PC  
Penetration



## Key Challenges: Complex and Multidimensional

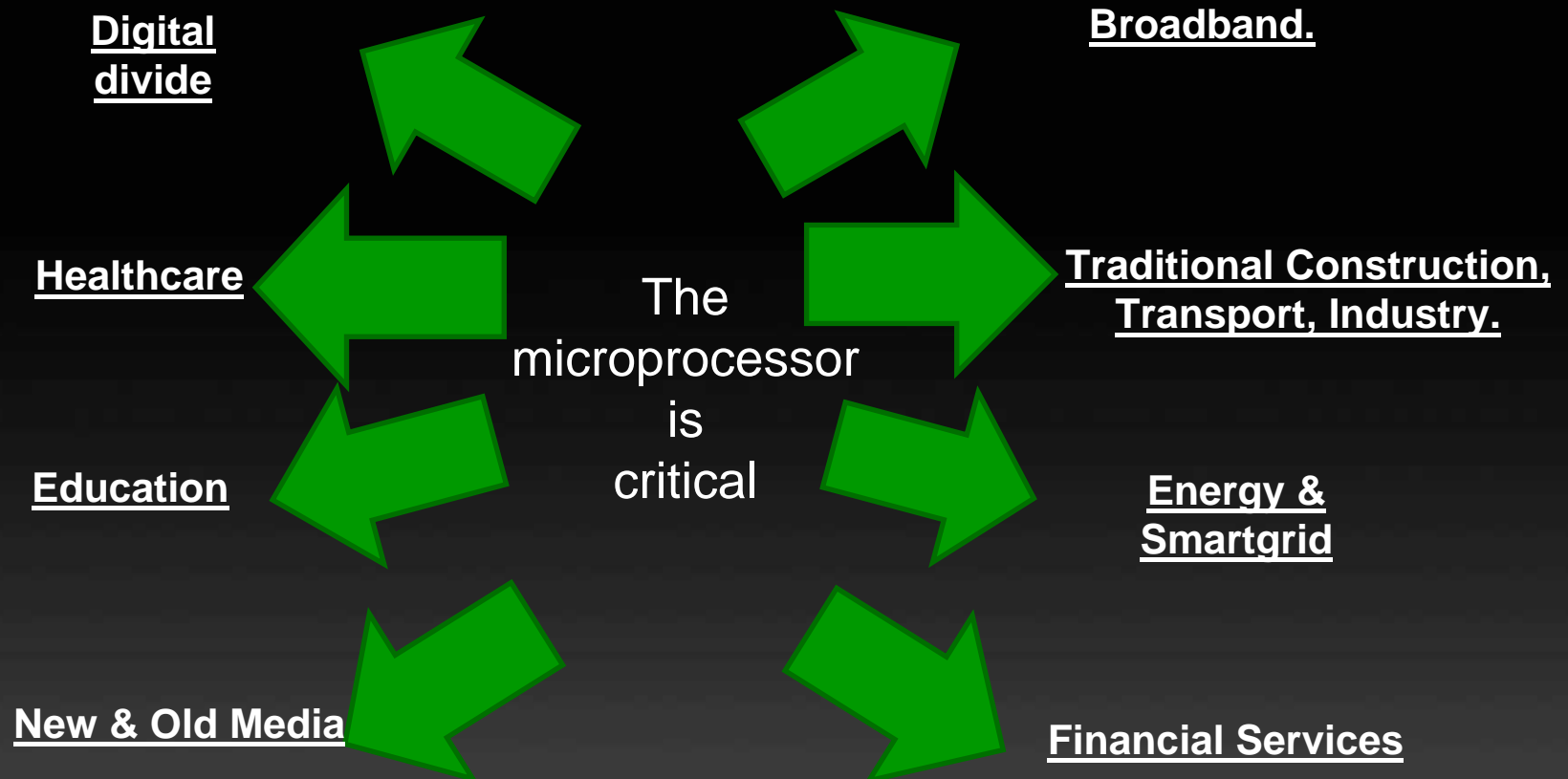
- Connecting the Unconnected/Bridging the Digital Divide
- N/W Roll outs – Infrastructure creation, Power, Land
- Setting up distribution channels, Geographical variance
- Low income, low ARPU potential customers
- Lack of customized applications; Right of Way
- Local content in local languages – to suit rural subscribers
- Non availability of sufficient backhaul capacity
- Collaboration amongst stakeholders within the ecosystem



**Broadband Internet:**  
**“The Next Great Utility is Changing Lives”**  
Closing the digital divide  
Unleashing the power of the Internet  
Direct impact on the economy and peoples livelihood  
New government stimulus programs



# Policy MUST Address Big Issues in the Global Economy



Internet for all



# SMART OBJECTIVES

- Broadband: Key driver for Economic Growth
- Make Broadband Ubiquitous, Affordable, High Quality
- Country specific Broadband Goals
  - Specific
  - Measurable
  - Attainable
  - Realistic
  - Time Bound



# Key Requisites for delivering BB in India

- BB Policy with SMART Objectives
- Deployment
- Adoption
- Metrics and Disclosure
- Universal Service
- Spectrum



# Possible Strategies to stimulate Rural BB Penetration

- A collaborative effort involving the government, the cross section of industry and more importantly the citizens
  - to develop innovative offerings; new business models
- Local content in local languages – to suit rural subscribers
- Incentives for Service providers to expand in Rural areas
  - Low Mobile Termination Charges (MTC)
  - Reasonable Interconnect Usage Charges (IUC)
- Spectrum efficient technologies and techniques
- Getting BB included in the infrastructure stimulus package at the Centre
- Creating Digital Infrastructure state by state
  - Facilitate data services through broadband
  - Attributing specific budgets for BB infrastructure
  - Making BB Populist, cutting across party lines



# Possible Strategies to stimulate Rural penetration...(in continuation)

- Getting traction from USOF for BB
- Various industry players in our country have done all the ground work that is required to launch such a world class broadband infrastructure both wired and wireless.
- Collaboration amongst Bureaucracy/Policy Makers/influencers – Telecom Secretary, IT Secretary, Education Secretary, Health Secretary, Special Secretary on deploying BB successfully.
- Policy measures can include subsidized / free broadband to all students, schools, community service centers and primary health care centers.
- Focus on deployment of broadband into the education system beyond Secondary and Higher Secondary institutions.
- Ensure that State governments give priority to the Centre's National E-Governance Program (NeGP) under which the Common Services Centre (CSC), the State Wide Area Network (SWAN) and the State Data Centre (SDC) are built. Clearly, the SWAN is a pre-requisite for the effective functioning of the CSC network and broadband is the key enabler.
- The state could promote a joint fund with the industry for funding broadband and content companies to accelerate proliferation.



# Industry Ecosystem Imperative



Engage  
Collaborate  
Innovate

## Recommendation

- Allocate additional spectrum for rolling out BWA services in 2.3 GHz, 2.5GHz, 700 MHz and 3.3-3.4GHz bands
- Initiate measures to boost the BWA eco-system proliferation
- Abolishing all taxes and duties on PC, PC components, BB enabled devices, MIDs, laptops, Nettops, Netbooks
- Allocating a certain % of budget for all sectors for ICT deployment
- Invest in essential infrastructure and the latest innovative technology
- Adopt supportive forward looking regulations that foster market based investment
- Encourage competition, Formulate PPPs
- Role of State Governments in providing BB to schools, colleges, hospitals, hinterland
- We believe that a “technology and service neutral” approach to spectrum management is one of the best methods to foster geographical coverage of broadband and addressing the social and economic digital divide

***“You must be the change  
you want to see in the world***

***- Mahatma Gandhi***

