

## Forfás launches broadband benchmarking report

Ireland has made significant progress in improving levels of broadband coverage and take-up in the last two years, however we are still behind competitor countries in terms of rolling out high speed next generation networks (NGN), according to a new broadband benchmarking report published by Forfás today.

Broadband connections now account for 90 percent of internet connections, compared to 58 percent in Q1 2007, which represents a significant transition from dial-up. Ireland has 21.4 broadband subscribers per 100 inhabitants compared to the OECD average of 22.4 (excluding mobile broadband and leading countries such as the Netherlands (38.1) and Denmark (37)).

The download speeds available in Ireland are greatly improved on recent years, but remain below the fastest speeds available to customers in other OECD countries. In Ireland 0.6 percent of total broadband connections are fibre connections. This compares to 11.3 percent of subscribers on average in OECD-28 countries.

Commenting, Jane Williams, Chief Executive, Forfás, said "Advanced broadband services are essential to underpinning entrepreneurship and innovation and are needed to position Ireland for export led recovery. Greater investment in telecommunications infrastructure is required if Ireland is to converge towards leading countries in terms of high quality broadband availability. Ireland needs to be among the leaders in Europe in the provision of next generation telecommunications infrastructure, access and services by 2012. Many telecommunications companies and states around the world are investing significantly in next generation networks that can cater for the bandwidth needs of industries in the future. Driving next generation connectivity is a key enterprise policy priority for Ireland. We must ensure that a competitiveness threat does not open up for Irish firms as significantly faster speeds are becoming widespread in other countries."

Ireland's key weakness is the lack of deployment of fibre infrastructure closer to the consumer for both wired and wireless networks. The report makes a number of key policy recommendations to address this including:

- **Actions to facilitate the necessary investment by private telecommunications operators.** Arising from changes in EU policy, the Department of Communications and ComReg should review options to increase revenues and reduce costs and risks for private sector operators while continuing to support competition in the market. This includes ensuring an appropriate return on investment for private telecoms operators to incentivise investment in next generation networks; examining the potential for infrastructure sharing between telecommunication operators; reducing the costs of building access networks, and enabling wireless spectrum to play a strong role in the delivery of higher-speed broadband.

- **Actions to utilise existing state investment and regulation to support development.**  
This includes:
  - Facilitating access to public ducting and other infrastructure that could be used for fibre deployment. The Department of Communications has committed to a “one-stop shop” for State broadband infrastructure to provide broadband operators with integrated access to State-owned infrastructure. Forfás is highly supportive of the completion of this initiative which should be progressed swiftly;
  - Extending existing Metropolitan Area Networks to key IDA industrial sites in Cork and Waterford to meet existing enterprise needs; and
  - Building additional MANs in five outstanding National Spatial Strategy centres can support the availability of advanced broadband services.

The full report is available to download from the Forfás website, [www.forfas.ie](http://www.forfas.ie)

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NOTES TO EDITORS

**Key Findings:**

- Broadband connections now account for 90 percent of internet connections in Ireland, compared to 58 percent in Q1 2007, which represents a significant transition from dial-up.
- Coverage and take up rates are converging to the OECD average. Ireland has 21.4 subscribers per 100 inhabitants compared to the OECD average of 22.4. Further progress is required if Ireland is to converge with the leading countries such as the Netherlands (38.1) and Denmark (37).
- The download speeds available in Ireland, while greatly improved on recent years, remain substantially below the fastest speeds available to customers in other OECD countries. In Ireland 5 percent of broadband connections are above 10Mb/s - a much lower proportion than leading EU countries such as Portugal (47 percent), Belgium (45 percent) or Sweden (34.5 percent).
- The speed and cost of services available to businesses in Ireland have improved in recent years. DSL business services of up to 12 Mb/s are now available in many key urban centres and up to 24 Mb/s in a very limited number of locations in Irish cities.
- Businesses in many other countries can procure significantly faster services for the prices charged in Ireland, particularly those subscribing to 12 Mb/s services.
- In terms of residential connections, Ireland compares poorly with leading countries in terms of the fastest speed broadly available which is 20 Mb/s at a cost of €423 per annum excluding VAT. This speed will become available to approximately 35 percent of Irish households - predominantly in cities - when the upgrade of the cable network is complete in 2010. Much faster speeds are available in many other European countries at a comparable cost - for example France, Sweden, Denmark, UK and Germany.
- In South Korea, France, Sweden, Finland and the Netherlands some residential customers can avail of speeds of over 100 Mb/s.

- Ireland remains behind leading regions in terms of upgrading the local access network to fibre and in offering very fast connection speeds over fibre.
- In Ireland only 0.6 percent of total broadband connections are fibre compared to 51 percent in Japan, 46 percent in South Korea and 21 percent in Sweden. On average, 11.3 percent of subscribers in OECD-28 countries currently access the internet over fibre connections. Fibre is growing rapidly in Sweden, Denmark, Norway, the Slovak Republic, Hungary and the United States.