



**Asia-Pacific
Economic Cooperation**

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Australian National Broadband Network

Purpose: Information
Submitted by: Australia



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Economic Cooperation**

Australian National Broadband Network

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Presented by
**The Australian Government
The Department of Broadband, Communications and the
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Announcement

A new network

- National Broadband Network – using predominately Fibre to the Premises (FTTP) technology but supplemented by next generation wireless and satellite services.
- A new, initially Government owned, company to invest up to AU\$43 billion in the network.
- The company will be a wholesale only operator, subject to regulatory oversight.
- Private sector investment will be sought.

In addition the Government also announced:

- It will commence immediate negotiations with Tasmania to drive an early rollout in that state; and
- Immediately invest \$250 million in provision of competitive, regional backhaul.

Progress to date

- Have made an initial investment in the network of **AU\$4.7 billion**
- Established a new company (**NBN Co Limited**)
- Appointed a lead adviser to undertake an **implementation study**, to report in early 2010

Progress to date

Tasmania

- Announced the communities to first receive FTTP connections in the rollout of the NBN in Tasmania, and commenced work on the rollout
- Announced the establishment of a new subsidiary company, NBN Tasmania Limited, to undertake the Tasmanian project

Priority Fibre Backbone

- Consulted and identified the first six priority locations for fibre backbone rollout, under the AU\$250 million Regional Backbone Blackspots Program
- Received and evaluated responses to the Request for Tender to build, operate and maintain the backbone transmission links in these locations;

Legislative framework

- Indicated legislative changes that will govern NBN Co Limited and facilitate the rollout of FTTP networks; and
- Introduced regulatory reforms to the existing telecommunications framework including arrangements to address the vertical and horizontal integration of Telstra.

Innovation

The NBN initiative is about more than a network, it is as much about **competition** and **innovation**:

- it is only competition and innovation, on top of the network that will delivering the benefits over the long run for Australia.
- the value of the NBN is in what people do with it, it is not in the network itself.

Objectives

The NBN initiative is designed to realise twin objectives:

- To make high-speed broadband services available to all Australians through investment in new broadband infrastructure; and
- To address longstanding shortcomings about the competition impact of the telecommunications industry structure.

Starting Afresh

- The network will be wholesale only, and customer of the network will not be allowed to gain control of the company.
- While the company will be government owned at the outset, it will attract private sector investment, and will ultimately be fully privatised.
- The network will use the best available technologies, designed to last into the future.
- From the outset the company will be subject to regulatory oversight.

Regulatory Reform

- **The regulatory reform elements of the NBN fall under three key headings:**
 - Reforming the existing regulatory framework in the transition to the new network;
 - Regulation of the new NBN company and the NBN access regime; and
 - Regulation to facilitate fibre rollout, including requiring fibre connections to all new 'greenfield' estates.

Regulatory Reform

Key reform elements include:

- addressing Telstra's high level of integration to promote greater competition and consumer benefits;
- streamlining and simplifying the competition regime to provide more certain and quicker outcomes for telecommunications companies;
- strengthening consumer safeguards to ensure services standards are maintained at a high level; and
- removing redundant and inefficient regulatory red-tape.

Government Priority

The priority is to deliver a functional telecommunications sector that provides affordable and effective communications services so that Australia can compete in the global digital economy.