

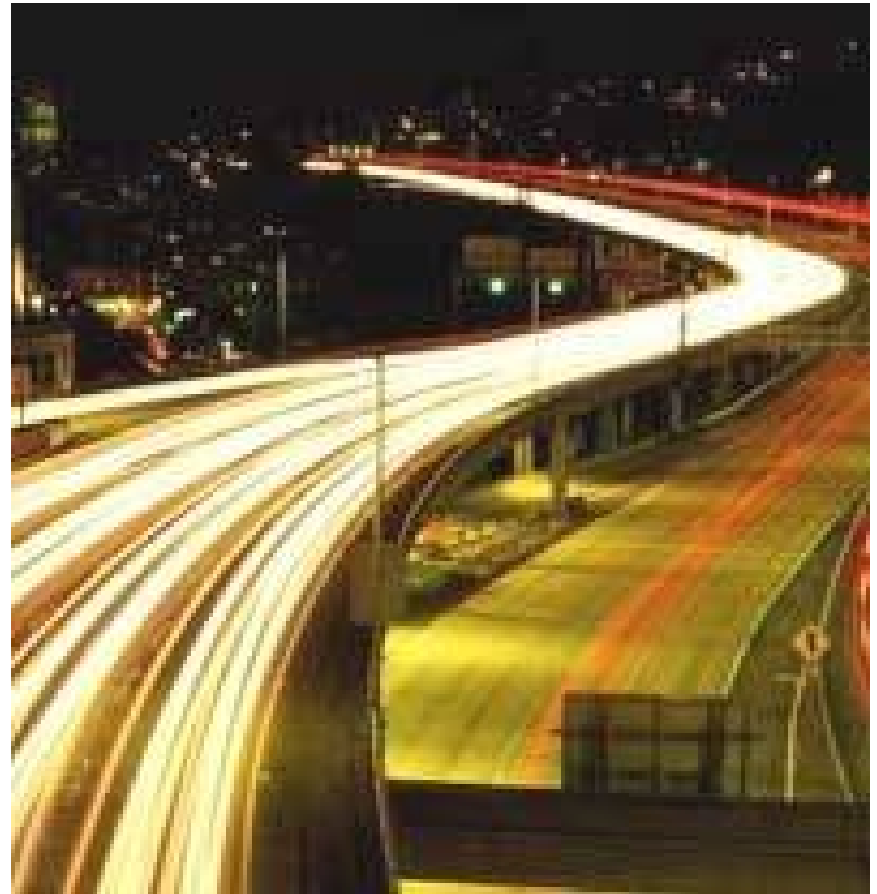
Broadband promises and perspectives

Broadband and developmental process: a growth accelerator

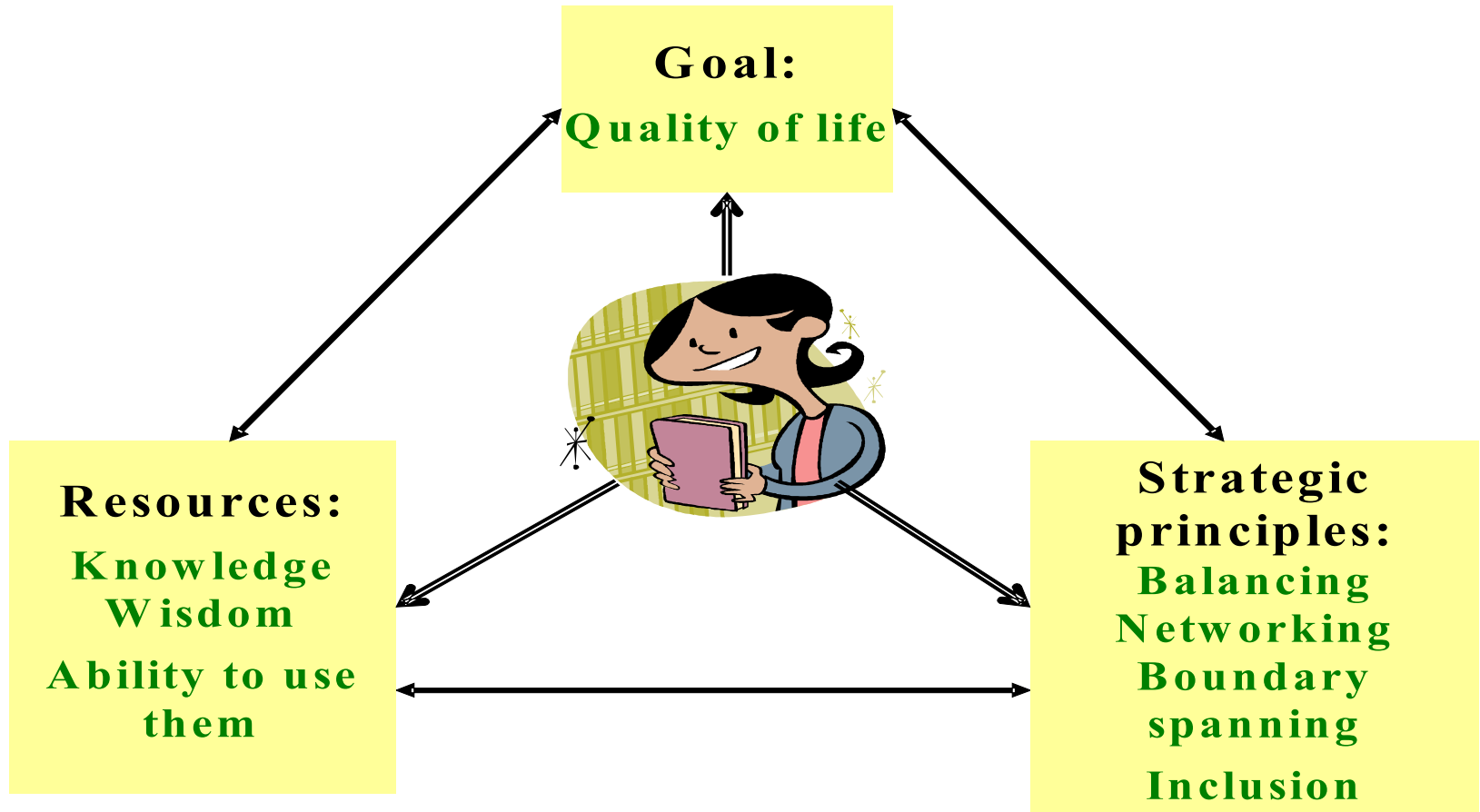
Prof. Edvins Karnitis

Public Utilities
Commission of Latvia

Commissioner



Knowledge-based and human-centred growth model



Information society: a knowledge-based process
information → knowledge → wisdom

Information society

Knowledge
experience, competence,
know-how, skills

ICT

catalyst

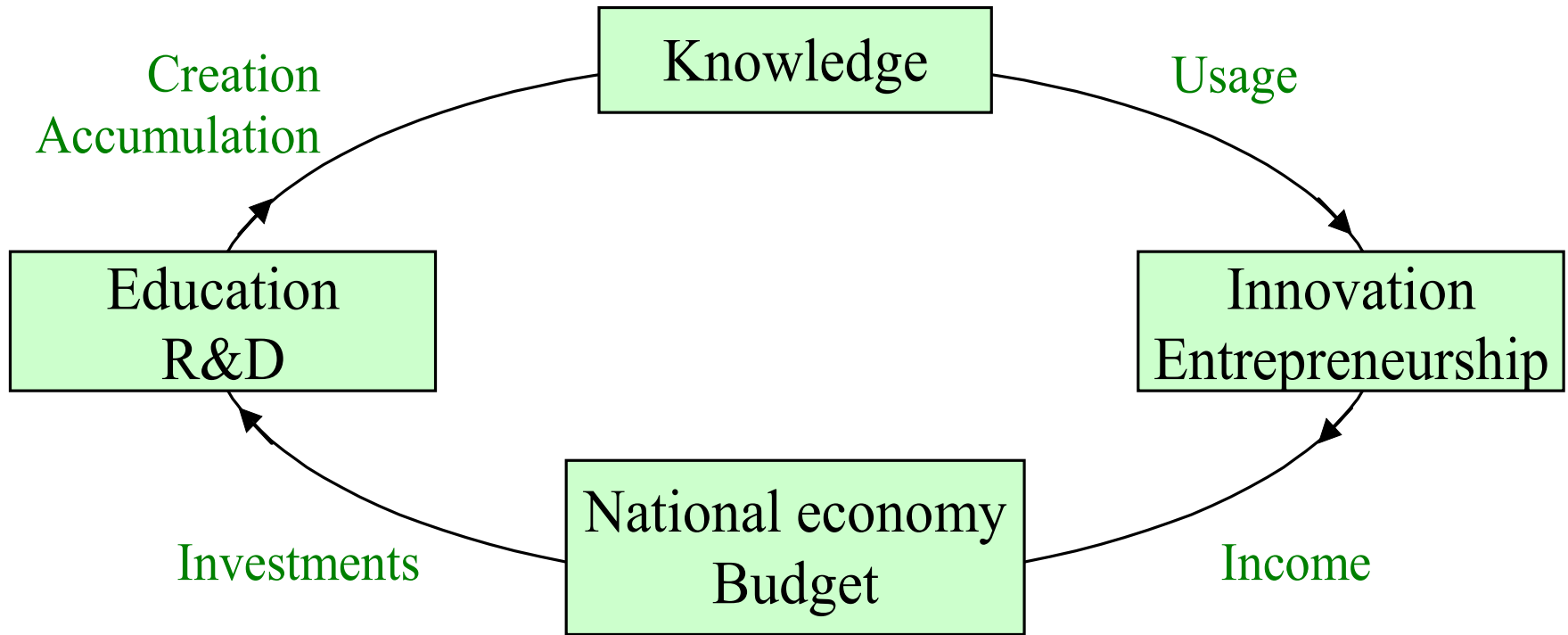
creation
accumulation
acquirement
sharing
usage

globalization, networking
knowledge management
creativity, innovation

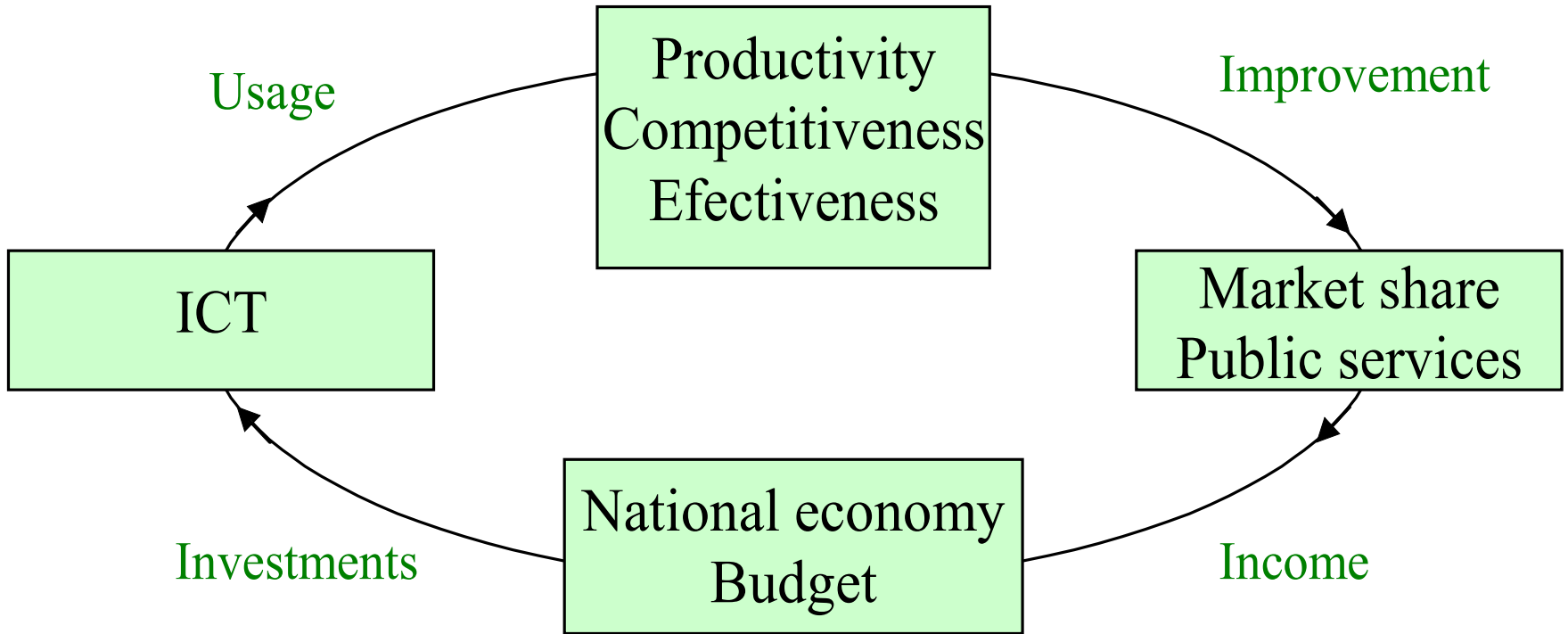
Knowledge-based
societal
organisation
model of society

knowledge economy
political component
social dimension

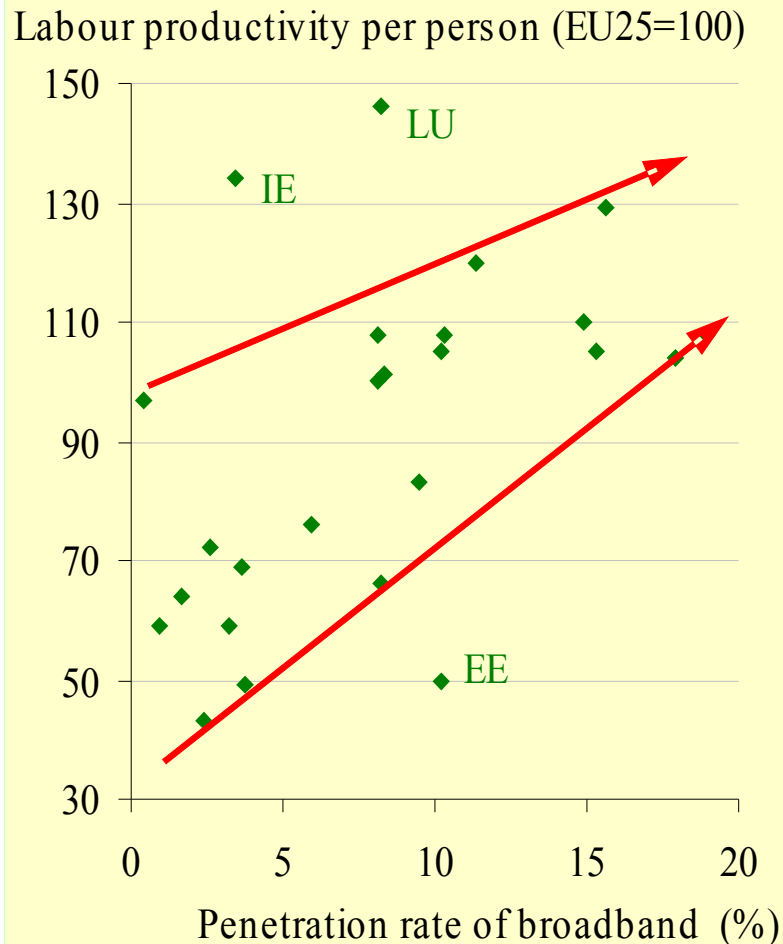
Knowledge turnover: a positive feedback



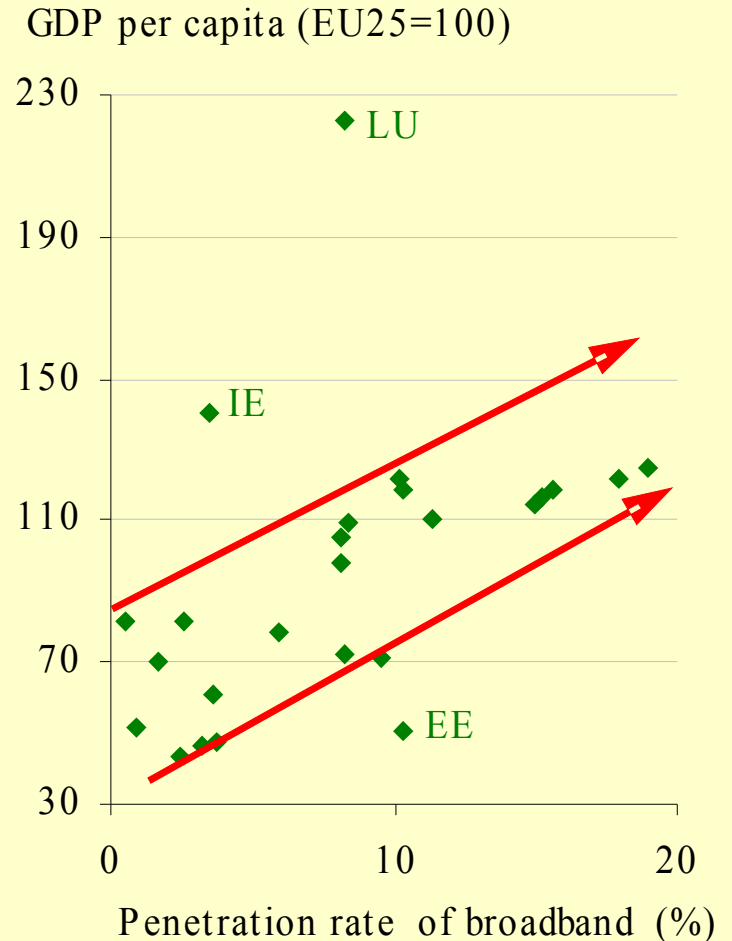
ICT as a growth catalyst



Correlation: broadband and economy (EU Member States, 2004)



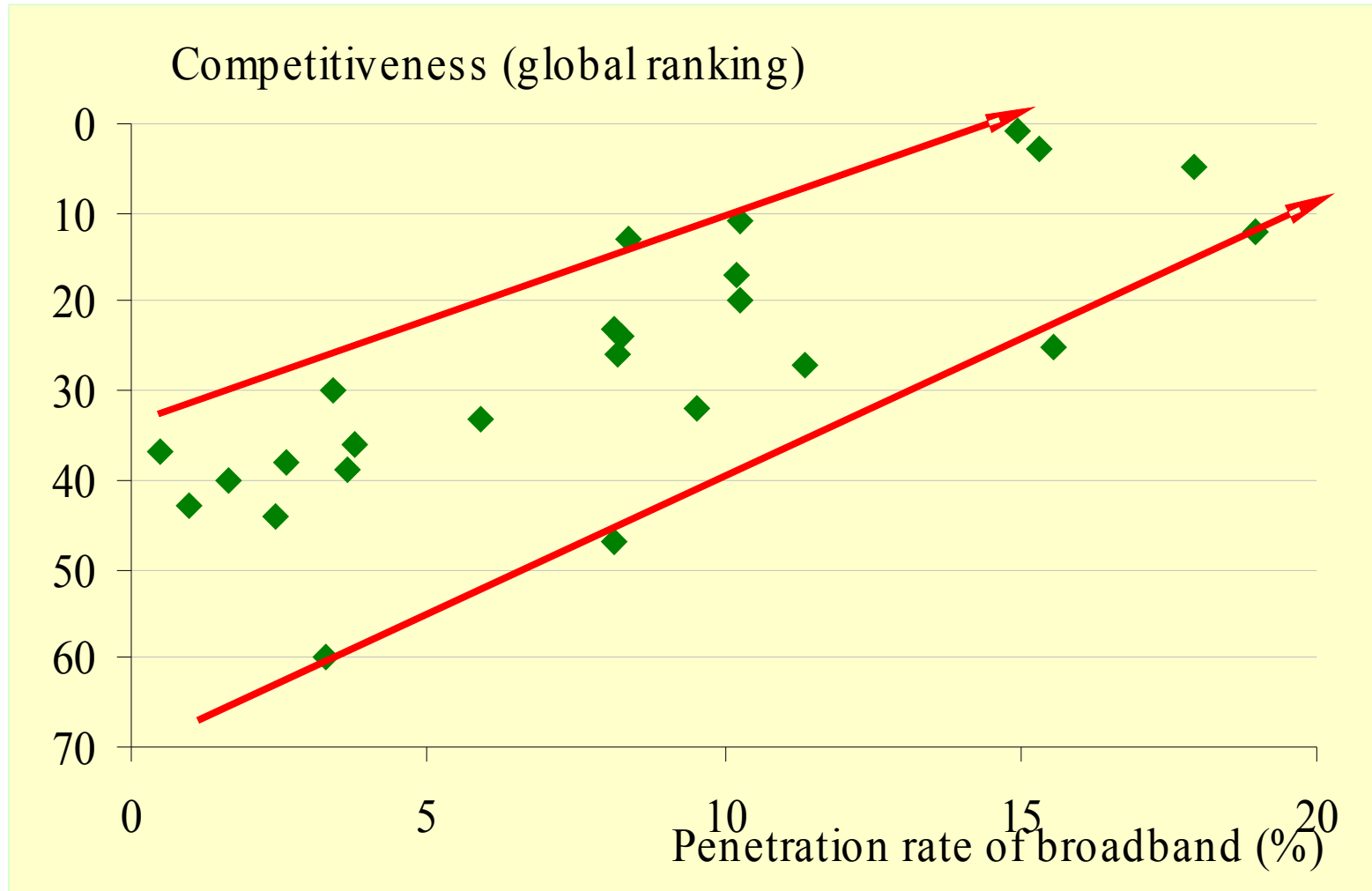
40% of productivity growth
is achieved due to ICT



25% of GDP growth
is achieved due to ICT

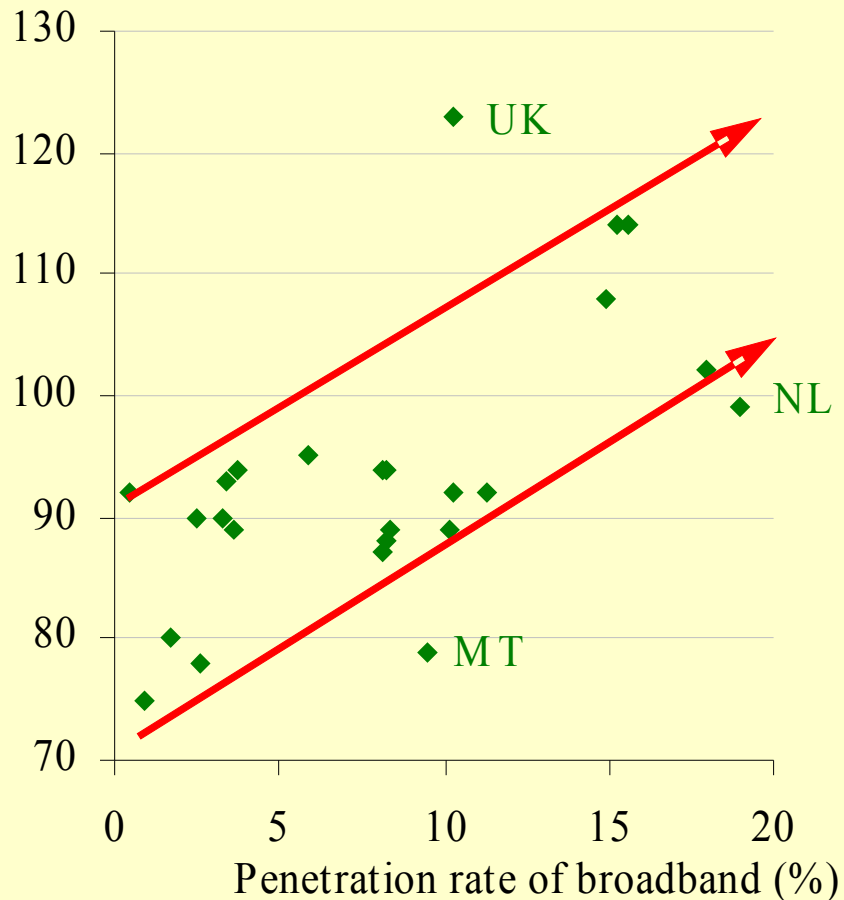
Correlation: broadband and competitiveness

(EU Member States, 2004)

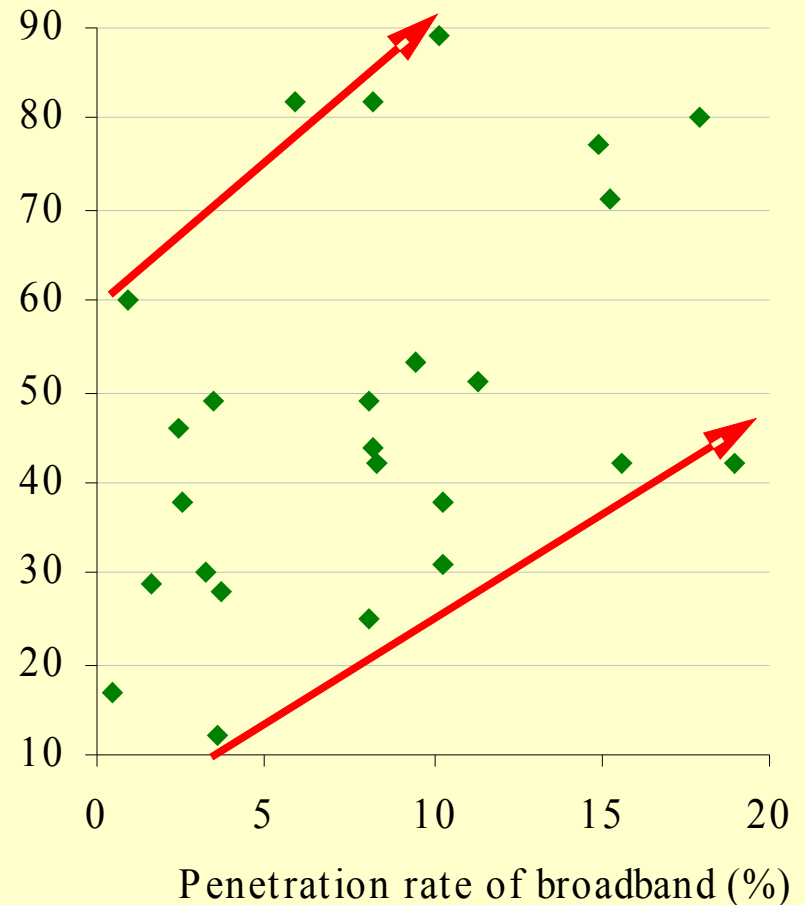


Correlation: broadband and education (EU Member States, 2003 – 2004)

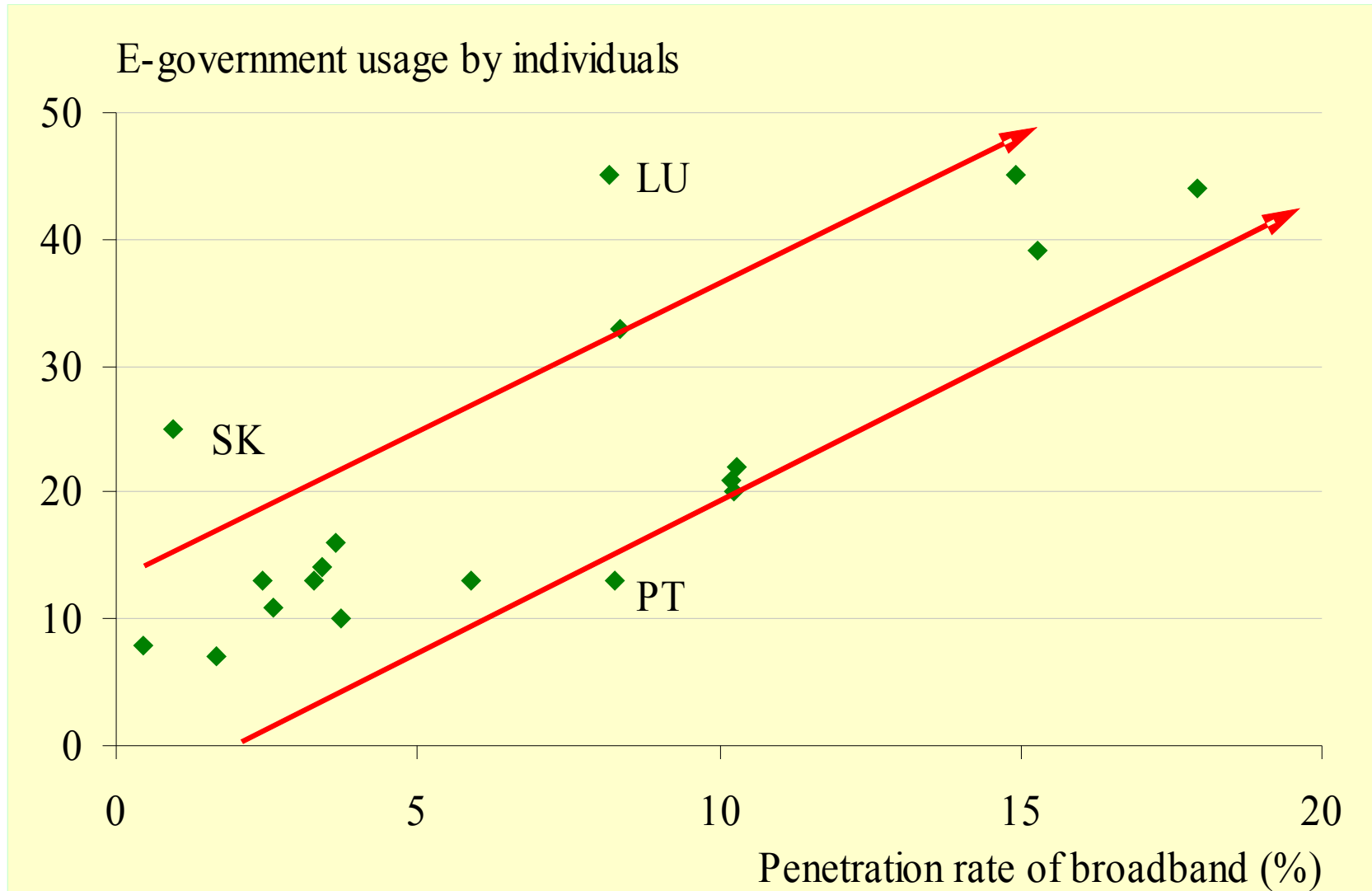
Gross enrolment ratio (% of population 7–24)



Lifelong learning (% of population 25–64)

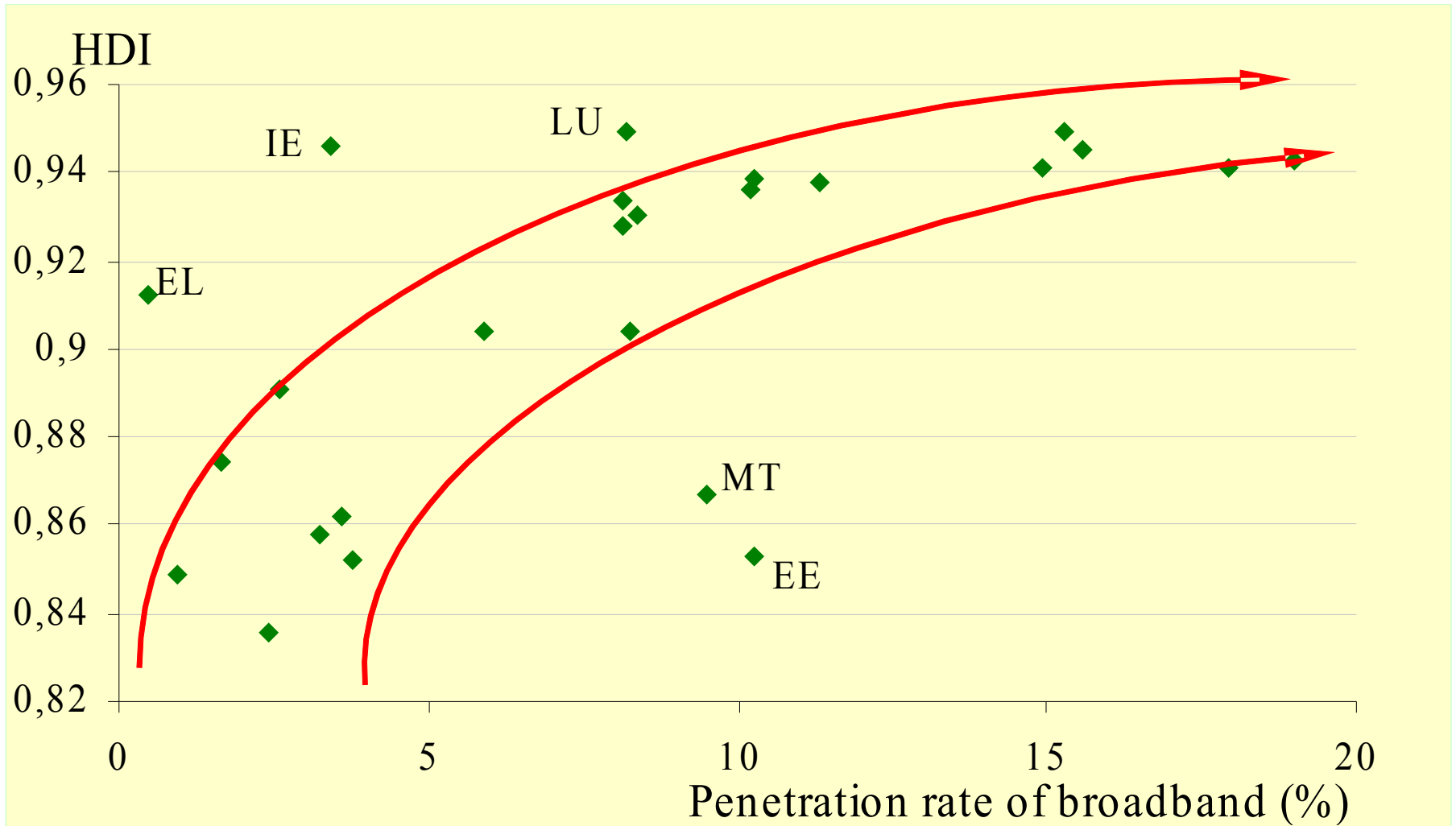


Correlation: broadband and usage of public services (EU Member States, 2004)



Correlation: broadband and HDI

(EU Member States, 2003 – 2004)

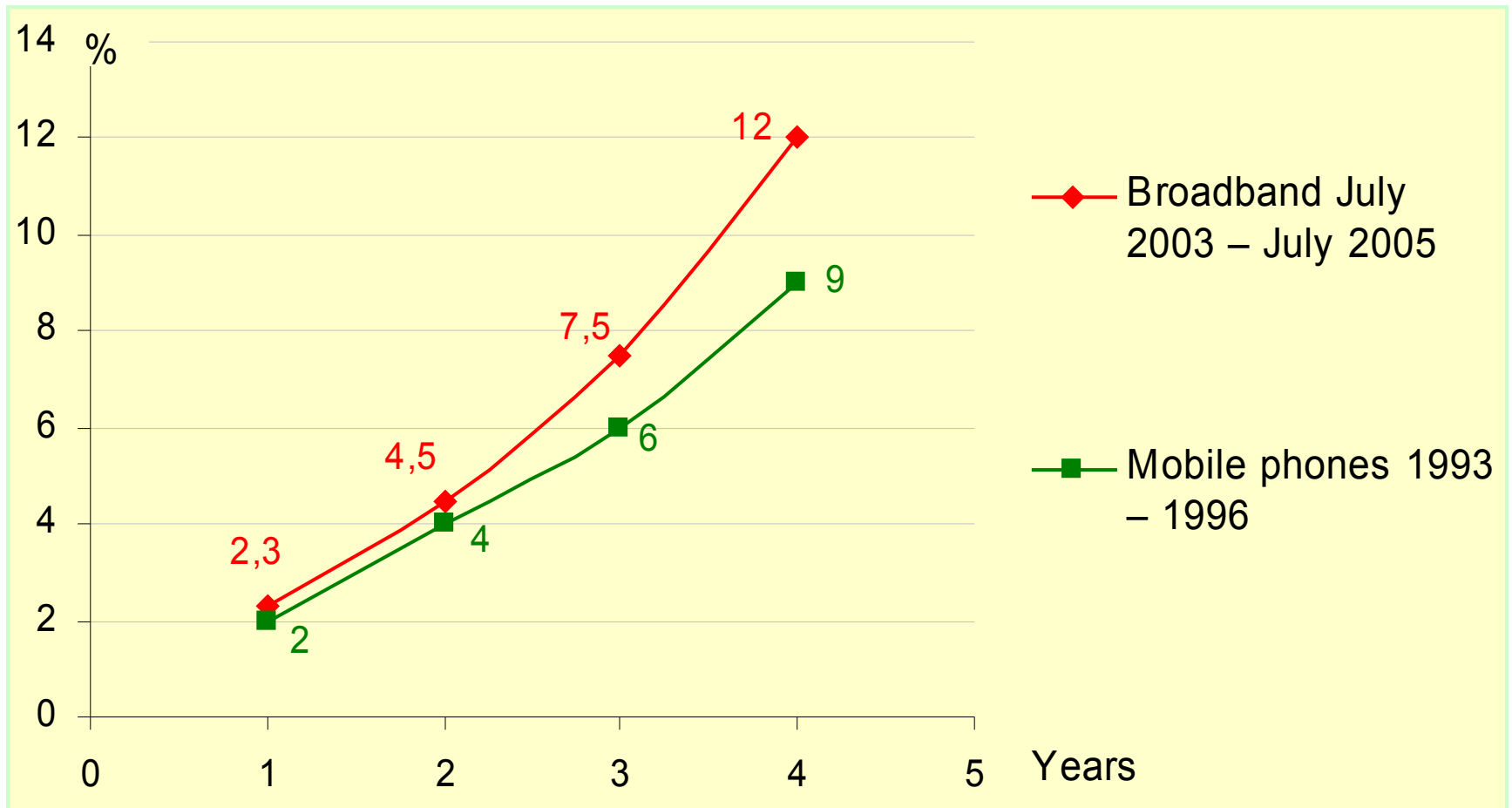


Improvement of the broadband spread

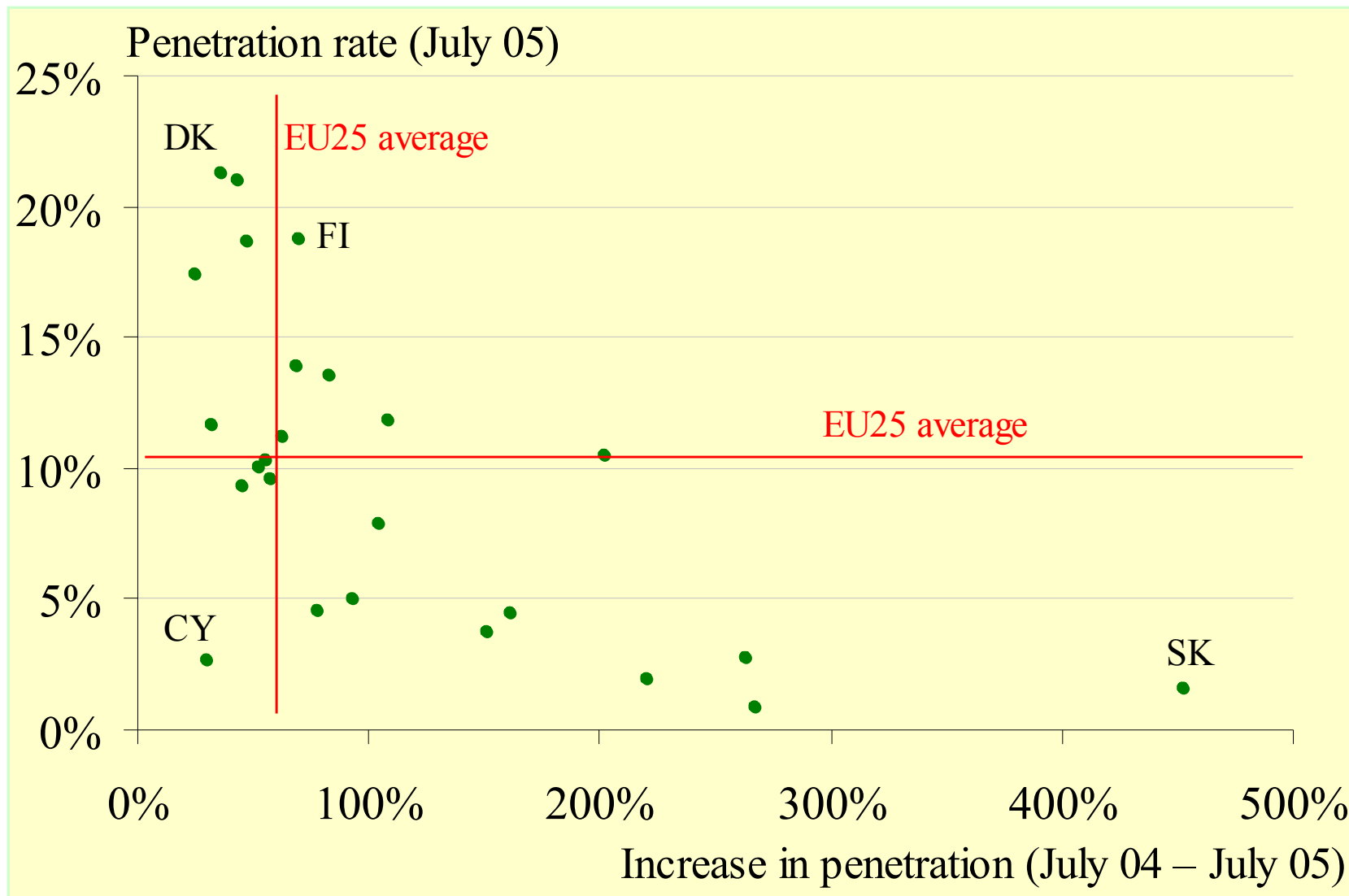
Pillars:

- access to network;
- availability of content and services:
 - supply-side;
 - demand-side;
- specific skills:
 - computer literacy;
 - information literacy;

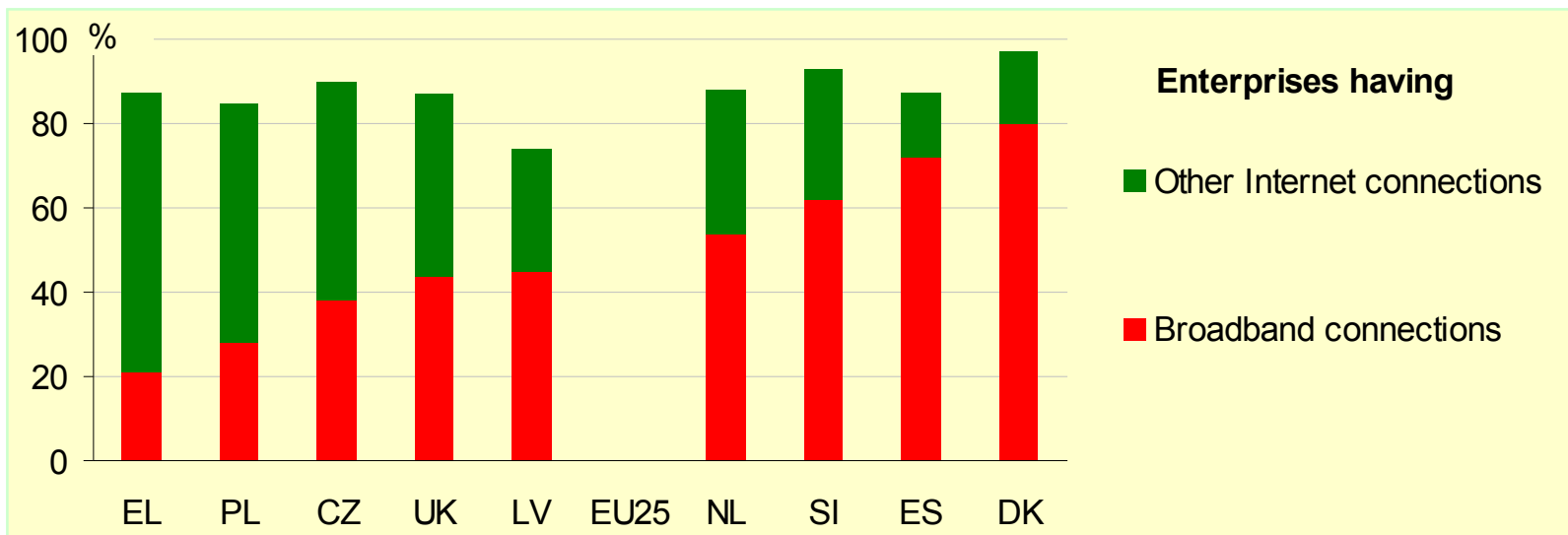
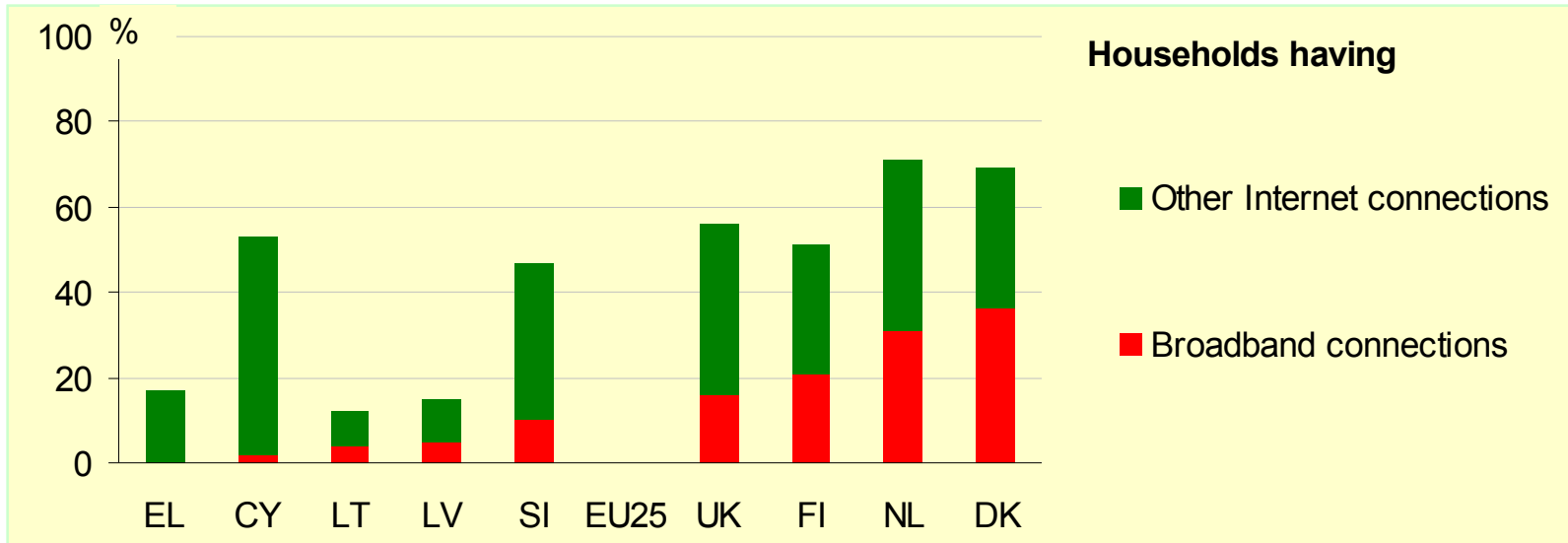
Speed of progress: growth of penetration in initial stage of evolution (EU25)



Broadband: penetration rate and speed of progress (EU Member States, 2004 – 2005)

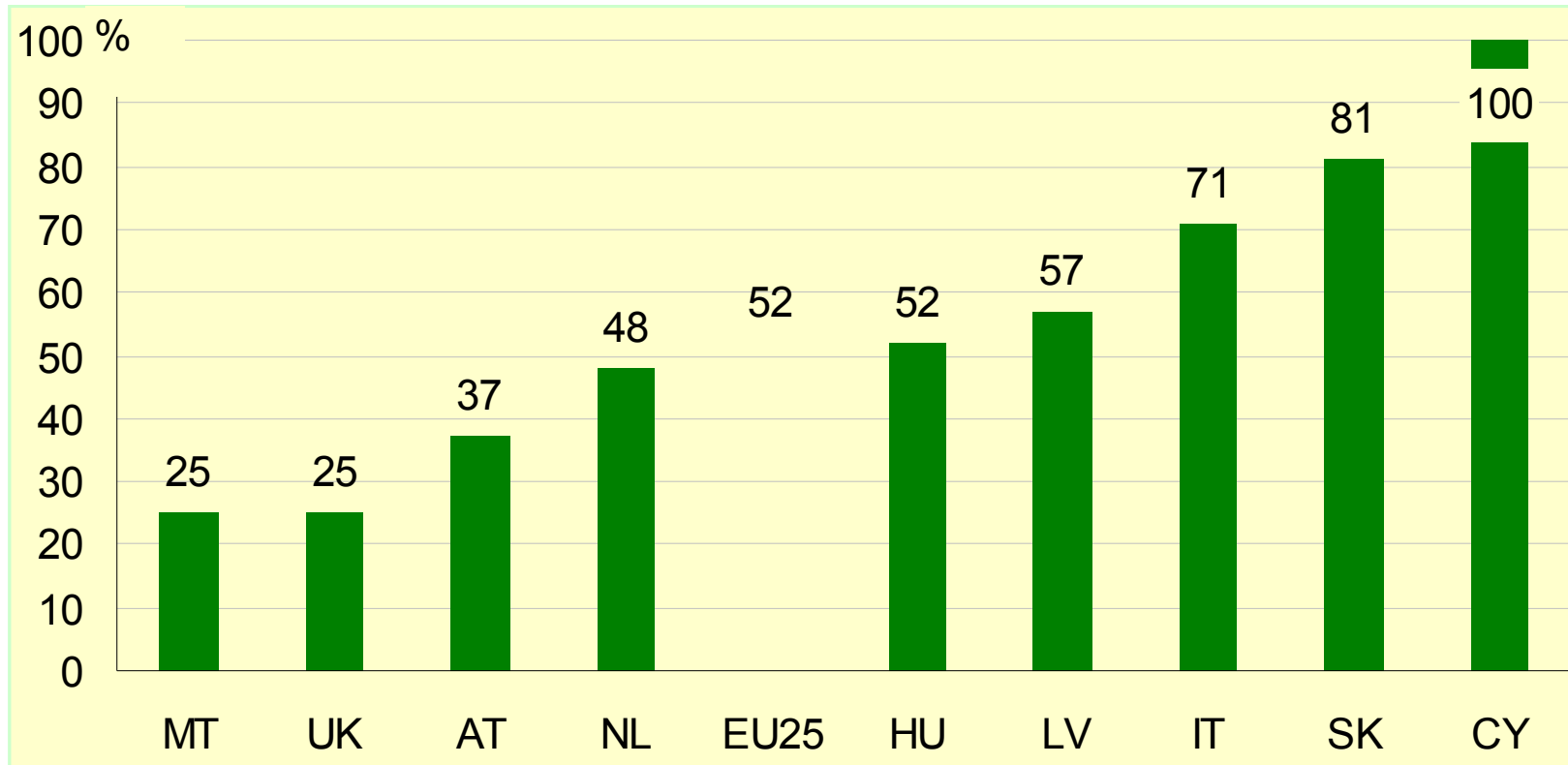


Broadband lines and narrow-band connections (EU Member States, 2004)



Broadband lines: lack of competition

Percentage of lines provided by the fixed incumbent operators
(EU Member States, July 2005)

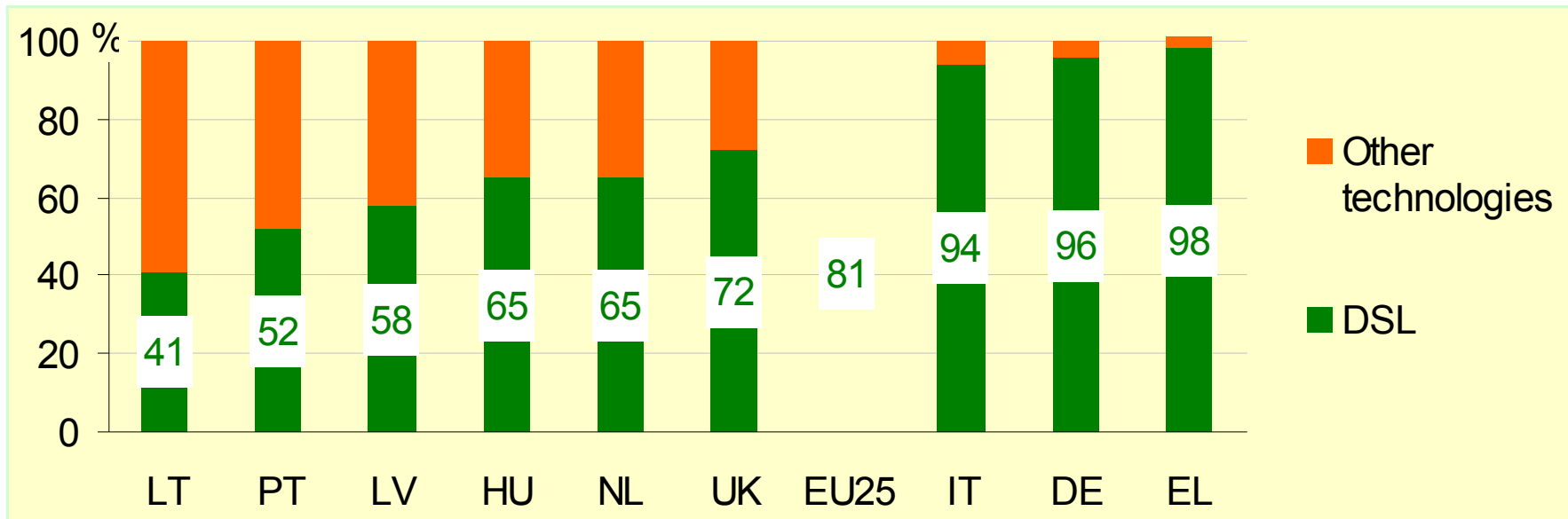


Could regulatory measures increase competition?

Regulation of broadband

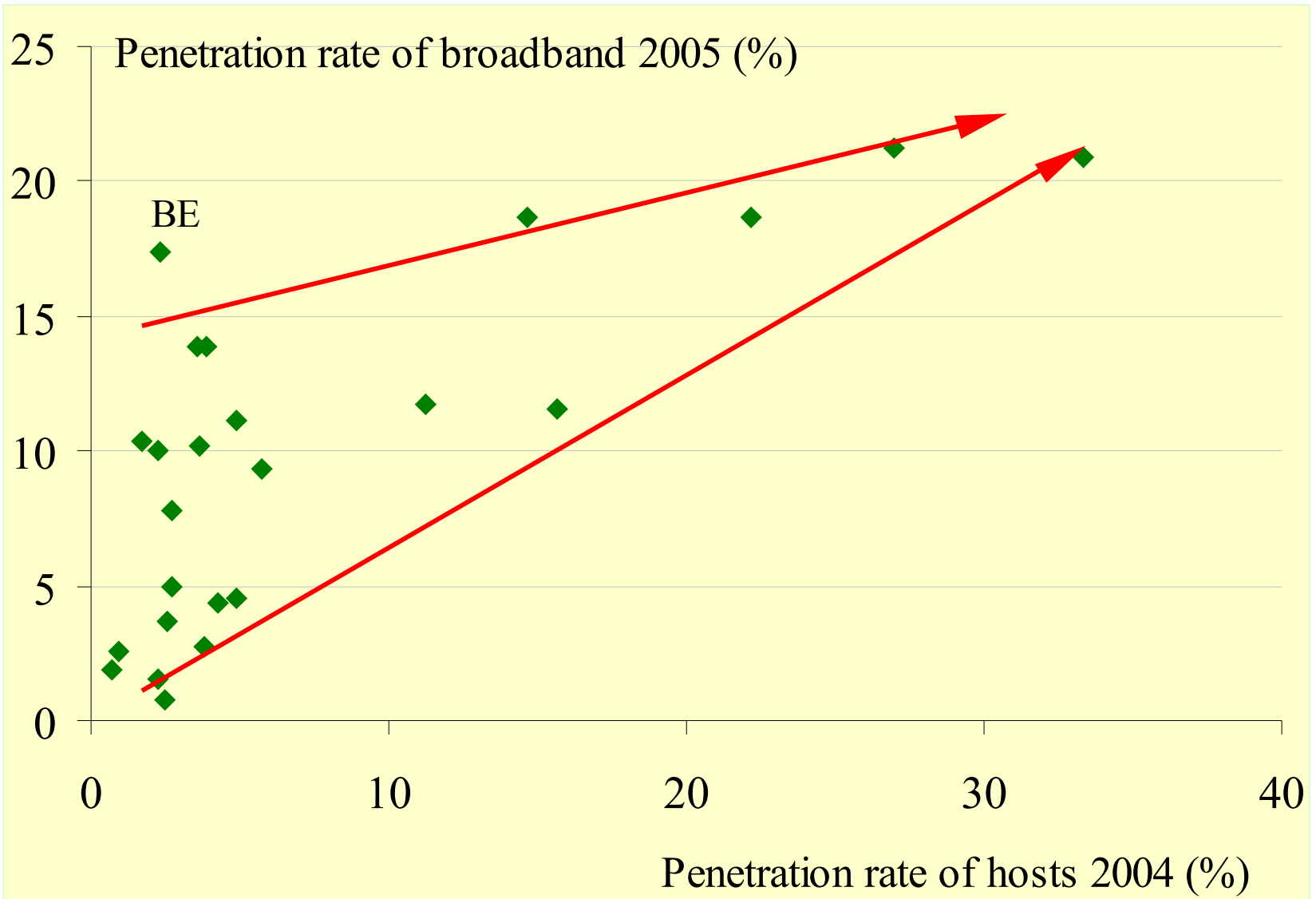
- regulation of broadband – retail level?
- SMP obligations?
- universal service:
 - inclusion of access to broadband in the defined set of services;
 - quality – 144 kbps?
 - tendering as principle to determine US providers;
 - matching financing of the national (municipal) budget;
 - conformity with social programs;

Technological platform: dominance of DSL (EU Member States, July 2005)

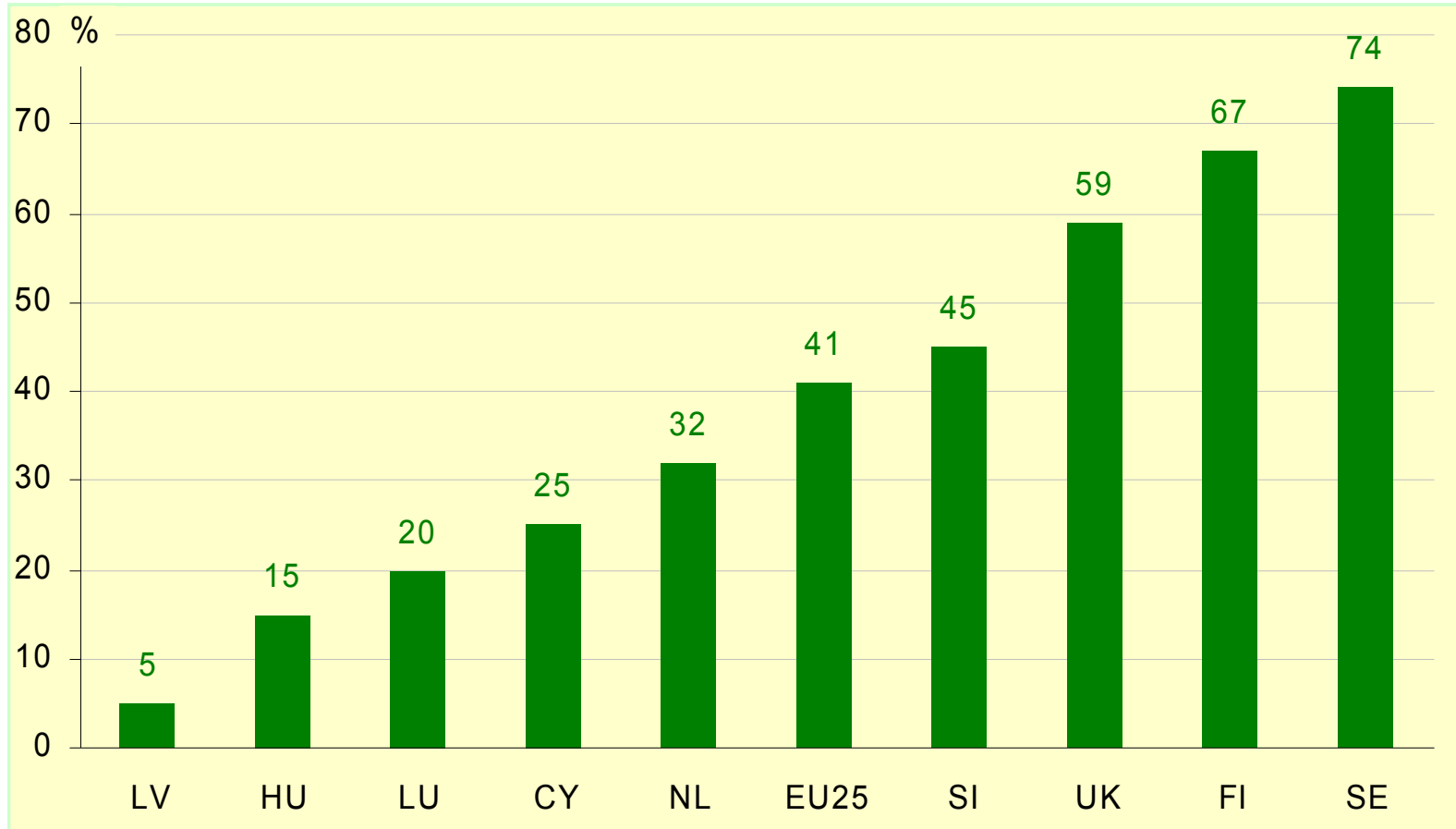


- cable (3–6 Mbps);
- WiMAX?
- power lines?
- another?

Supply: services above broadband connections (EU Member States, 2004 – 2005)



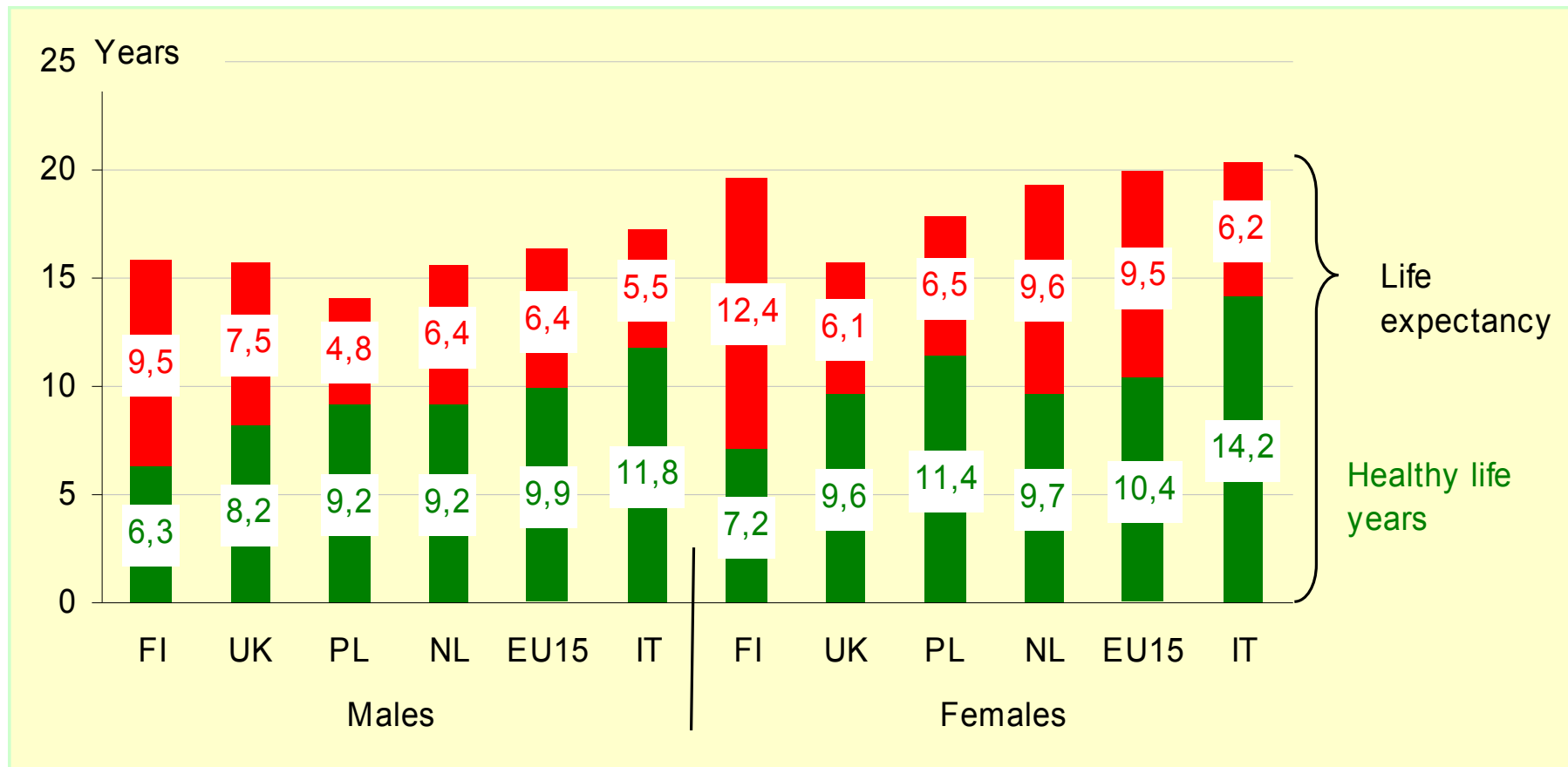
Supply: availability of 20 basic e-government services (EU Member States, 2004)



Demand: healthcare and social services

Life and healthy life expectancy at age 65

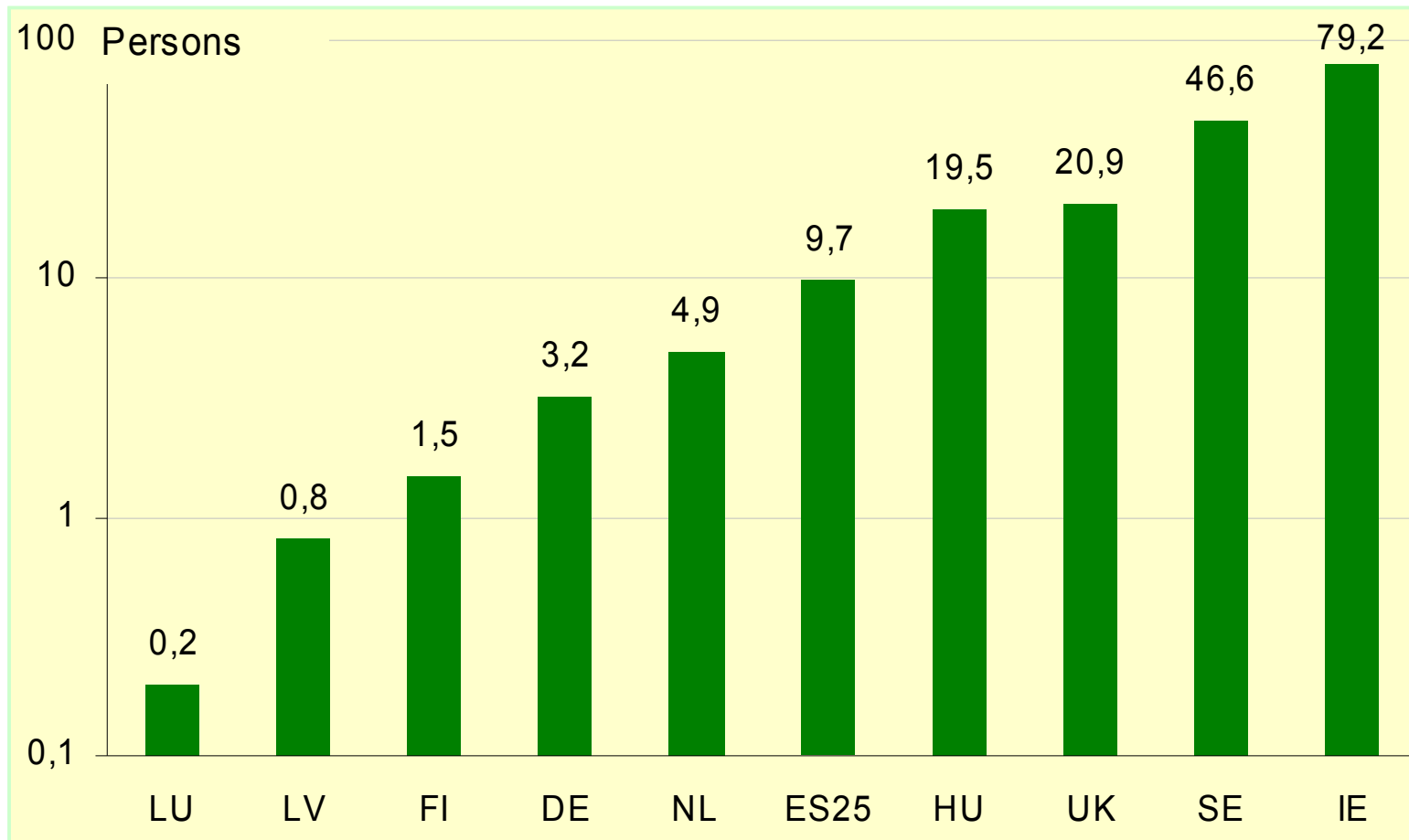
(EU Member States, 2002)



Introduction of the universal information service

Computer literacy skills

ECDL owners per 1000 of population
(EU Member States, July 2005)



Information literacy skills

- further development of the literacy;
- ability to understand necessity of information;
- to communicate fluently in all old and new media;
- ability to access, analyse and develop new information, to use advanced services;
- ability to cope with the vast amount of information;
- growing safety for other users – elimination of needless traffic, lesser loading of hosts, non-proliferation of Spam, viruses and worms;