

Suruhanjaya Komunikasi dan Multimedia Malaysia

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Kenyataan Media Press Release

For Immediate Release

IMPROVING BROADBAND COVERAGE, AFFORDABILITY AND SPEED A PRIORITY FOR MCMC

CYBERJAYA, 1 October 2015 --- Improving broadband coverage, affordability and speed for Malaysia is a priority for the Malaysian Communications and Multimedia Commission (MCMC). MCMC understands the importance for Malaysians to have access to broadband at the right speed and price points.

As at Quarter 1 of 2015, 3G coverage for the country was at 86% of populated areas, while for 4G, the coverage was at 38.3%. Streamyx is available to 78% of households in Malaysia while broadband over fibre covers 35% of households.

Service offerings in the fixed broadband market are diverse and consumers have a wide range of services to choose from. Packages range from 384 kbps up to 100 Mbps with prices starting from RM38. With more demand for data services, prices for broadband are expected to reduce over time. MCMC is also undertaking measures with the cooperation of industry to make high speed broadband more affordable. For example, the latest package introduced into the market offers speeds of 30 Mbps (plus 8 Mbps for Internet TV) at the price of RM199, which translates to RM5.25 per Mbps.

According to the International Telecommunications Union (ITU), broadband can be considered affordable when the price is at or below 5% of the average monthly income. Malaysia's fixed broadband price as a percentage of Gross National Income is at 2.42% as at 2014 (3.1% in 2013) as indicated in ITU's report on Measuring the Information Society.

While there are many high speed broadband packages available currently, subscribers still appear to prefer lower speed packages. Based on the subscriber demographics as at August 2015 for the main fixed broadband service provider, 71% of Streamyx customers subscribe to broadband packages at speeds of 1Mbps or less.

There could be many reasons for this, and it is not necessarily an indication that Malaysians prefer slow broadband. The lack of compelling content and online applications may be a contributing factor. It is therefore also equally important to ensure widespread availability of digital services in various areas such as education, health and online payment platforms to drive demand for high speed broadband. With more demand, service providers will have commercial reasons to improve their infrastructure and lower their prices.

On MCMC's part, focus will be placed on ensuring that Malaysians have access to broadband at the right speed and price points. In line with targets set out in the 11th Malaysia Plan for ICT



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infrastructure, MCMC expects to achieve 95% broadband coverage in populated areas and improved speeds (100 Mbps in urban areas and 50% of suburban areas having 20 Mbps) by 2020. Approximately RM20 billion is expected to be invested by both industry and MCMC in the next few years to achieve these goals.

Efforts on this have already started this year, such as the deployment of the High Speed Broadband Project Phase 2 and Suburban Broadband Project. These initiatives are expected to provide high speed broadband access to 450,000 premises in state capital cities and 750,000 premises in suburban areas, in addition to the 2.5 million premises covered currently.

All these initiatives will be included in a Communications and Multimedia Action Plan 2020 which is being developed to achieve widespread coverage, higher speed, better quality and affordable broadband for all Malaysians.

Mengenai Suruhanjaya Komunikasi dan Multimedia Malaysia (MCMC)

MCMC adalah sebuah badan berkanun ditubuhkan di bawah Akta Suruhanjaya Komunikasi dan Multimedia Malaysia 1998 yang melaksana dan mempromosikan matlamat dasar kebangsaan Malaysia bagi sektor komunikasi dan multimedia. MCMC mengawalselia dan menggalakkan pembangunan industri komunikasi dan multimedia yang merangkumi bidang telekomunikasi, penyiaran, dan juga aktiviti dalam talian, perkhidmatan pos dan pensijilan digital. Akta Komunikasi dan Multimedia mengadakan peruntukan kepada MCMC peranan melaksanakan dasar, manakala dasar membuat keputusan adalah diperuntukkan kepada Menteri. Menteri boleh juga mengeluarkan arahan mengenai dasar kepada Suruhanjaya.

Untuk maklumat lanjut, layari www.mcmc.gov.my dan untuk penjelasan lanjut, sila hubungi: Tel: +603

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