

CHAIRMAN'S



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It is an honour, as the Chairman of the Malaysian Communications and Multimedia Commission (the Commission), to present this Universal Service Provision (USP) Report 2020, an annual publication pursuant to Regulation 36 of the USP Regulations 2002.

This Report will highlight the progress and development of the network facilities and network services infrastructure that have been deployed across the country, utilising income from the Universal Service Provision Fund (USP Fund). The Report also provides information on the financial front for the year 2020. Under the remit of the USP Regulations 2002, the infrastructure and network services deployed under the USP initiatives are meant for underserved areas and for underserved groups within served areas.

Looking back at the year 2020, we saw a lot of work done and also challenges that changed the nature of how people communicate, interact and learn, as the world was affected by the COVID-19 pandemic that invariably

resulted in the communications and multimedia industry making forays into a new landscape.

In January 2020, the Commission started off the year with the implementation of the National Fiberisation and Connectivity Plan 1 project. The project involved the installation of network facilities and the deployment of network services for the provisioning of public cellular services (including mobile broadband) in 152 locations in 93 *mukim*. This encompassed eight states, namely Johor, Kedah, Kelantan, Negeri Sembilan, Pahang, Perak, Terengganu and Sabah. The provisioning of services for NFCP 1 will provide 3G and 4G services at average speeds of 30Mbps, which will ensure people at the identified locations enjoy parity in service quality.

M E S S A G E

USP INITIATIVES

1

NATIONAL FIBERISATION AND CONNECTIVITY PLAN (NFCP)

2

THE NATIONAL FIBERISATION AND CONNECTIVITY PLAN 1 (NFCP 1)

3

THE NATIONAL FIBERISATION AND CONNECTIVITY PLAN 5 (NFCP 5)

4

COMMERCIALISATION OF SITES UNDER THE TIME 3 EXTENSION PHASE 1 (PART 2) PROJECT

5

COMMUNICATIONS TOWERS AND UPGRADING OF BASE STATIONS

6

FIXED BROADBAND DEPLOYMENT (SUBURBAN AND URBAN BROADBAND)

7

RURAL BROADBAND

8

FIBERISATION OF TOWERS

9

SMART DEVICES WITH INTERNET PACKAGES

10

COMMUNITY INTERNET CENTRES (PUSAT INTERNET KOMUNITI)

11

COMMUNITY WIFI HOTSPOTS

Although we had a very good start, we then saw Malaysia hit by the COVID-19 pandemic in the first quarter of the year. Due to the pandemic, we saw a great surge in the demand for data and broadband connectivity. This came about as socio-economic activities and how we live our lives had to be recalibrated. There was an increase in the usage of online videoconferencing, online learning and other means of social media interaction as the world adjusted and embraced this paradigm shift.

To embrace these challenges, the Commission initiated a joint lab with the main service providers in the country, which was held from July to August 2020, to come up with plan for a resilient and robust infrastructure highway that addresses speed and coverage issues in a both comprehensive and adequate fashion to enable Malaysia to flourish. The lab formulated the *Jalinan Digital Negara* (JENDELA), a comprehensive digital infrastructure plan that the nation can be proud of.

The national aspirations of JENDELA are to achieve 96.9% LTE coverage in all populated areas by the end of 2022. On the fixed broadband front, the aim is to have 83% of all premises in Malaysia connected by means of fixed broadband by the end of 2022.

Under JENDELA Phase 1, which was initiated by way of the issuance of the invitation for the submission of the draft plans on 15 November 2020, and revised on 15 January 2021, the Commission has identified a total of 1,661 locations nationwide for the provisioning of public cellular services for 2G and 4G technology. The project is estimated to have a value of RM4.6 billion and will have a huge impact on both the coverage and quality of public cellular services and mobile broadband in this country. The end-users will enjoy an average speed of 35Mbps, particularly in rural and remote areas. This is an investment that will be fully funded via the USP Fund over the next five years, and will ensure parity of services nationwide. This is the first time ever that the Commission has made a decision to undertake a mega project that involves such a huge number of locations.

I trust this Report will provide you with helpful, interesting and useful information on the USP front. We look forward to undertaking a far more aggressive journey through the initiatives in JENDELA, which we are confident will serve to narrow and eventually eliminate the digital divide in Malaysia.

