



ITU Regional Development Forum 2008 for the CIS, CEE and Baltic States

**“Bridging the ICT standardization gap in developing
countries”**

Tashkent, Uzbekistan, 10-11 June 2008

Telecom Solutions for Rural and LD Areas

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Strategic Planning and Assessment



Telecom Solutions for Rural and LD Areas Content

- **Geo-characterization and challenges for Rural and LD areas**
- **Network solutions per technology or combined technologies**
- **Solution mapping per scenario**



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Geo-characterization

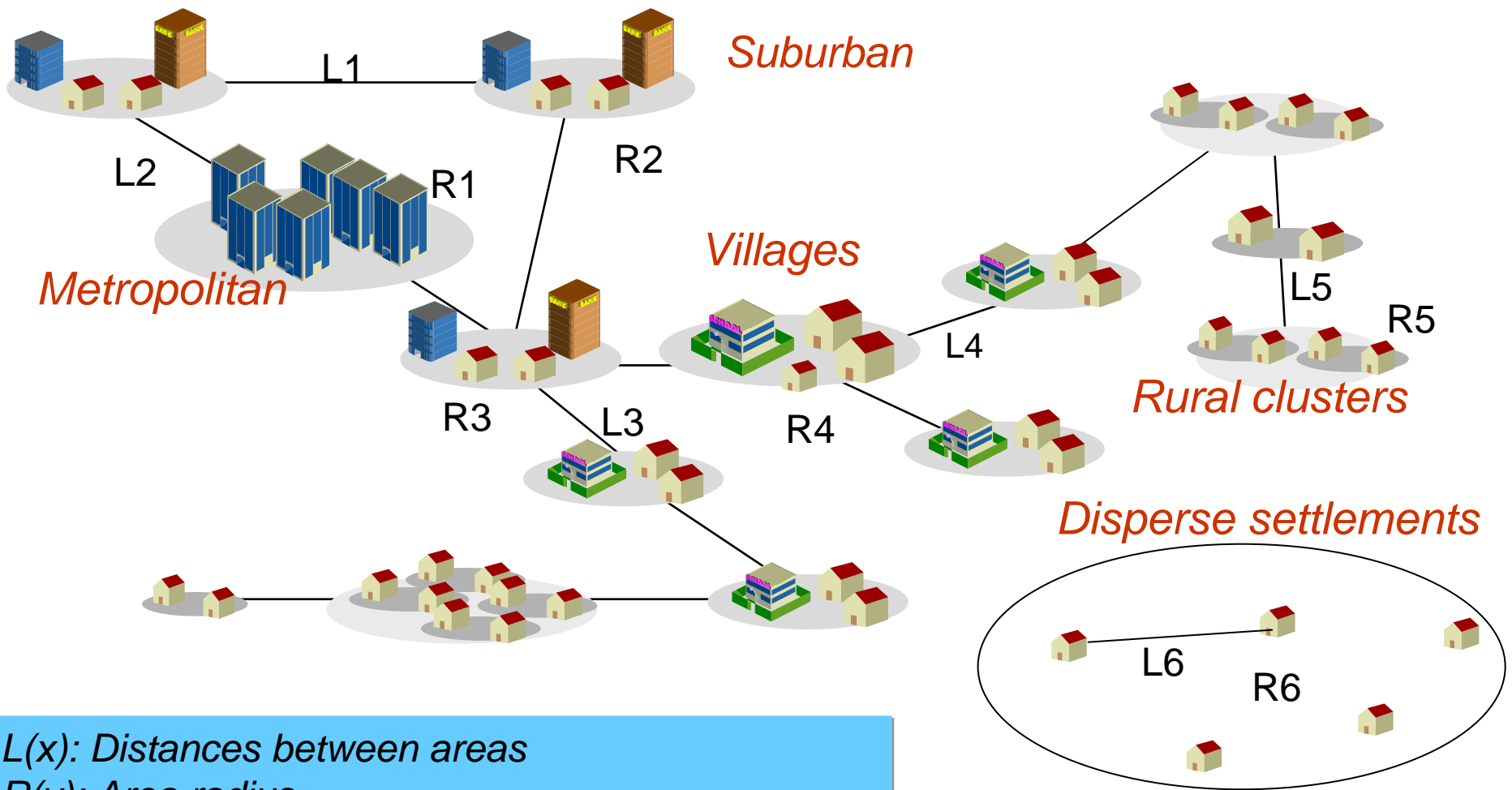
Large variety of geo-scenarios by combination of following key factors:

- **Topology** with 3 main types:
 - Nucleus of population or villages,
 - Rural clusters,
 - Dispersed settlements
- **Density:**
 - up to 5 inh./km² for dispersed rural,
 - up to 50 inh./km² for rural clusters and
 - up to 200 inh./km² for Low Density areas and villages
- **Infrastructure availability:**
 - Civil infrastructure, roads and urbanization level
 - Energy
 - Telecom infrastructure or Outside Plant
- **Services demand and economic level:**
 - Basic services and payment capability
 - Tourist resorts and development settlements
 - Context-specific per country: political, cultural, etc.



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Example of Geo Scenarios modelling



$L(x)$: Distances between areas
 $R(y)$: Area radius

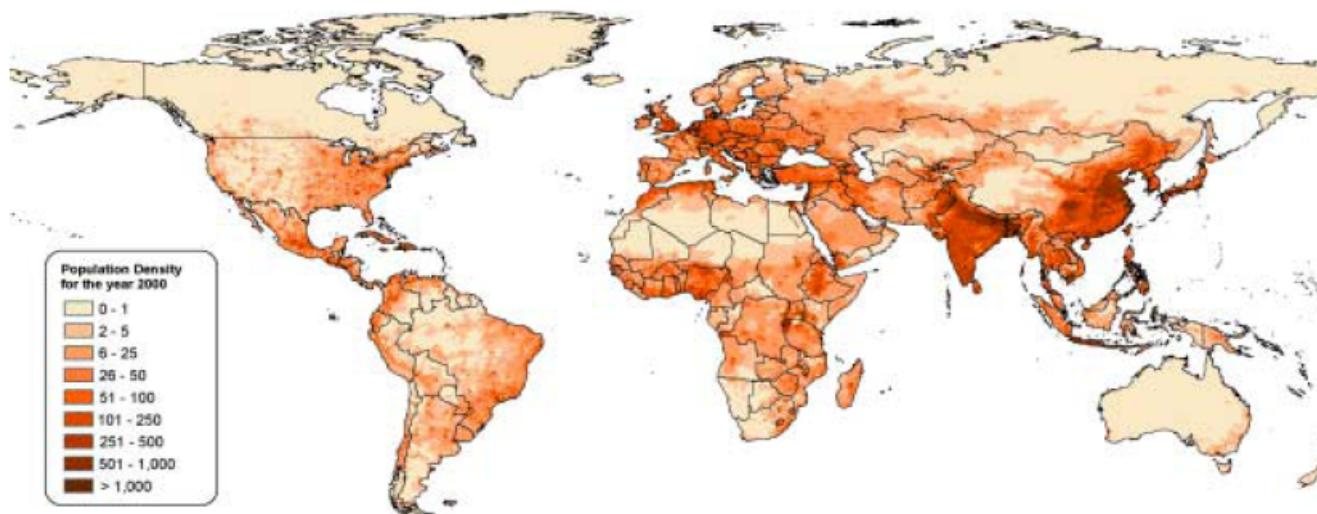


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Involved population and location

MAP 3.1

Population density in 2000 from GPWv3 adjusted to UN totals



Source: Center for International Earth Science Information Network (CIESIN), Columbia University and Centro Internacional de Agricultura Tropical (CIAT)

Between 40% and 60% population live in Rural and LD areas



Telecom Solutions for Rural and LD Areas Challenges

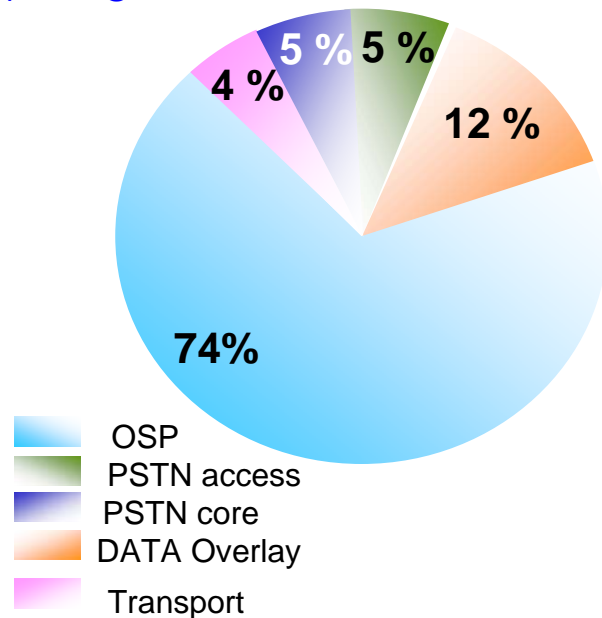
- **Main challenges for the planners, designers and development experts are highlighted:**
 - **Scarce resources availability**
 - **Higher costs than urban areas and increasing with lower density following a quadratic rule**
 - **Low Traffic and Services demand generating low revenues**
 - **Difficult business feasibility with very long recovery time for investments**
 - **Regulatory constraints with rules and tariffs designed for urban areas and not appropriate for Low Density requirements**
 - **Technology solution mapping needed to select most economic solution as big differences exist among alternatives**



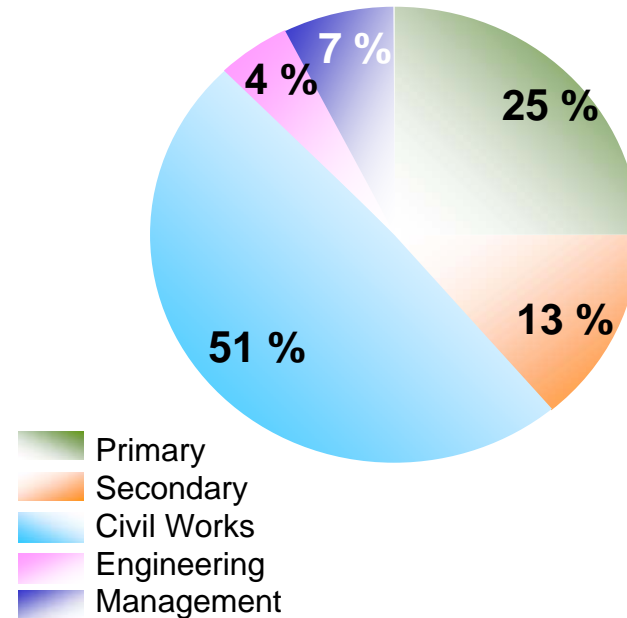
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Investment Distribution in Greenfield Access

Network Cost Composition for traditional PSTN and Data (Villages 1 node Ducts+ Aerial)



Infrastructure (OSP) Cost Composition (Villages 1 node Ducts+Aerial)

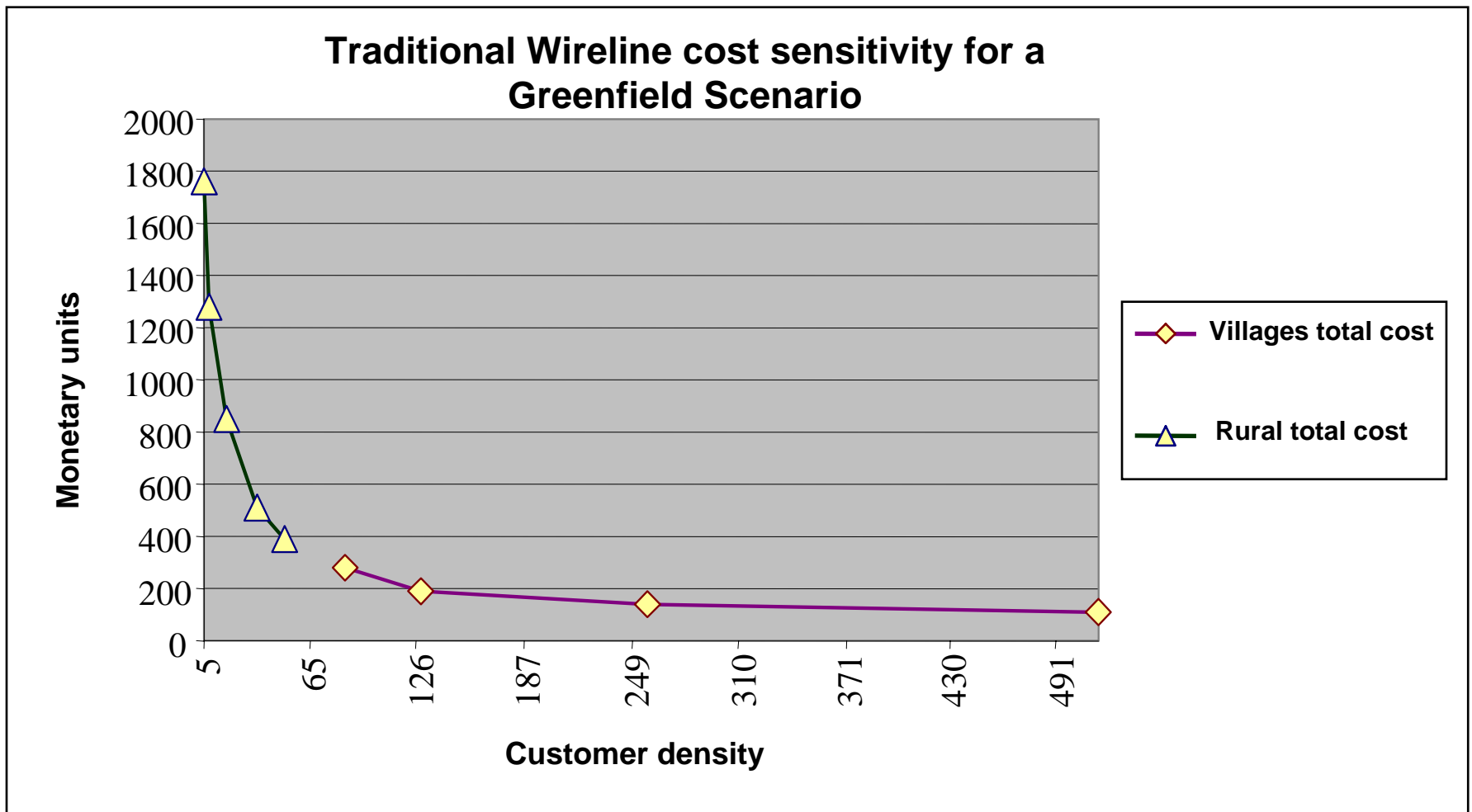


Dominant Outside Plant component compared to Electronic Equipment for traditional WL technologies



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Investment Sensitivity to customer density





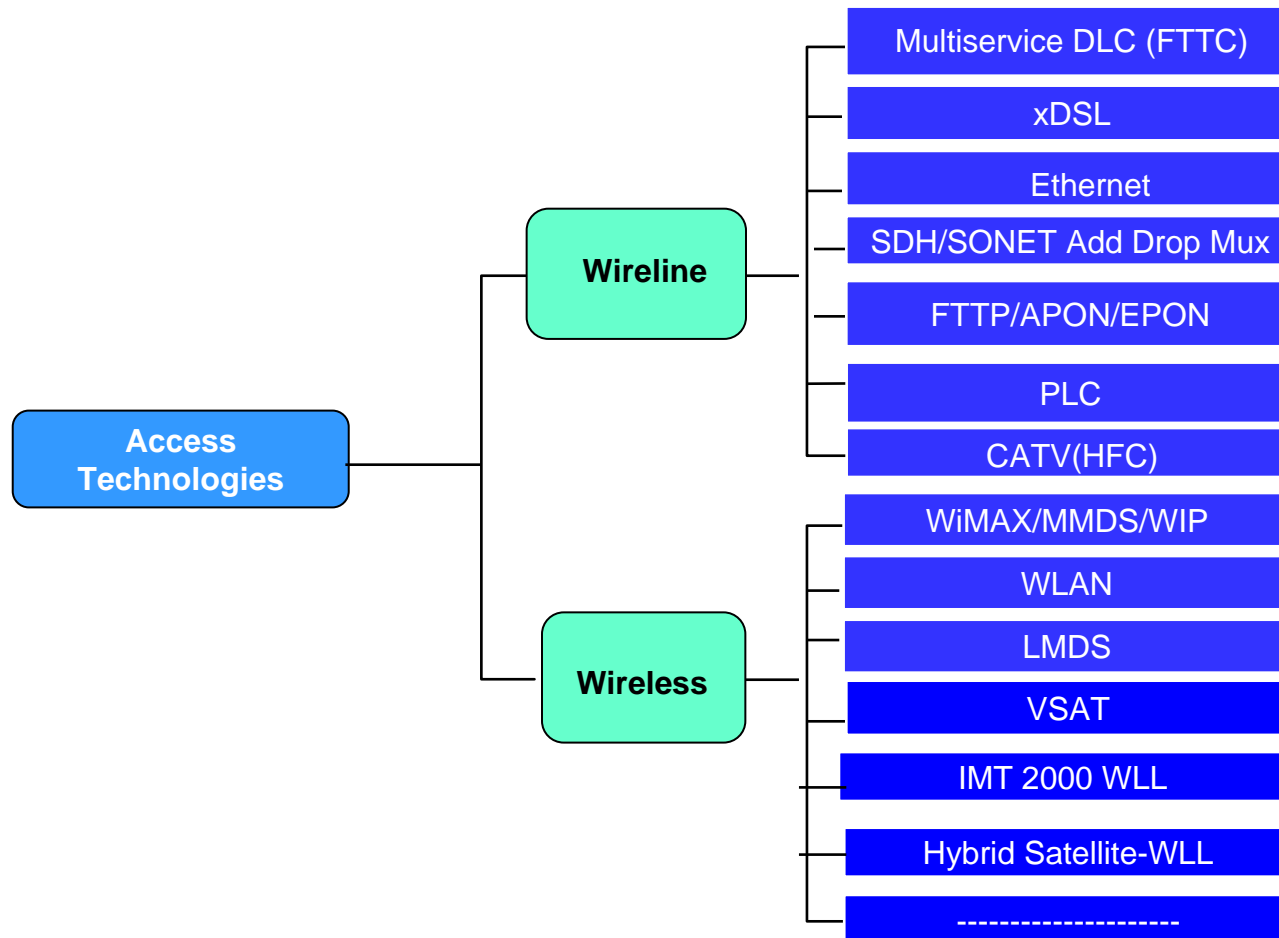
Telecom Solutions for Rural and LD Areas Content

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Multiple technology alternatives at access



- Multiple existing options and growing with time and research efforts



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Frequent applicability mapping at access

Technology Solution	Scenario Type			
	LD Villages	LD resorts	Rural Clusters	Disperse settlements
WL-DLC/xDSL	✓✓	✓✓	✓ (if OSP available)	
WL-PLC			✓	✓
FTTx	✓ FTTC	✓✓ FTTP		
WiMax	✓✓	✓✓	✓	✓
IMT 2000- WLL			✓✓	✓
Satellite			✓	✓✓
Mobile	✓✓	✓✓	✓✓	✓

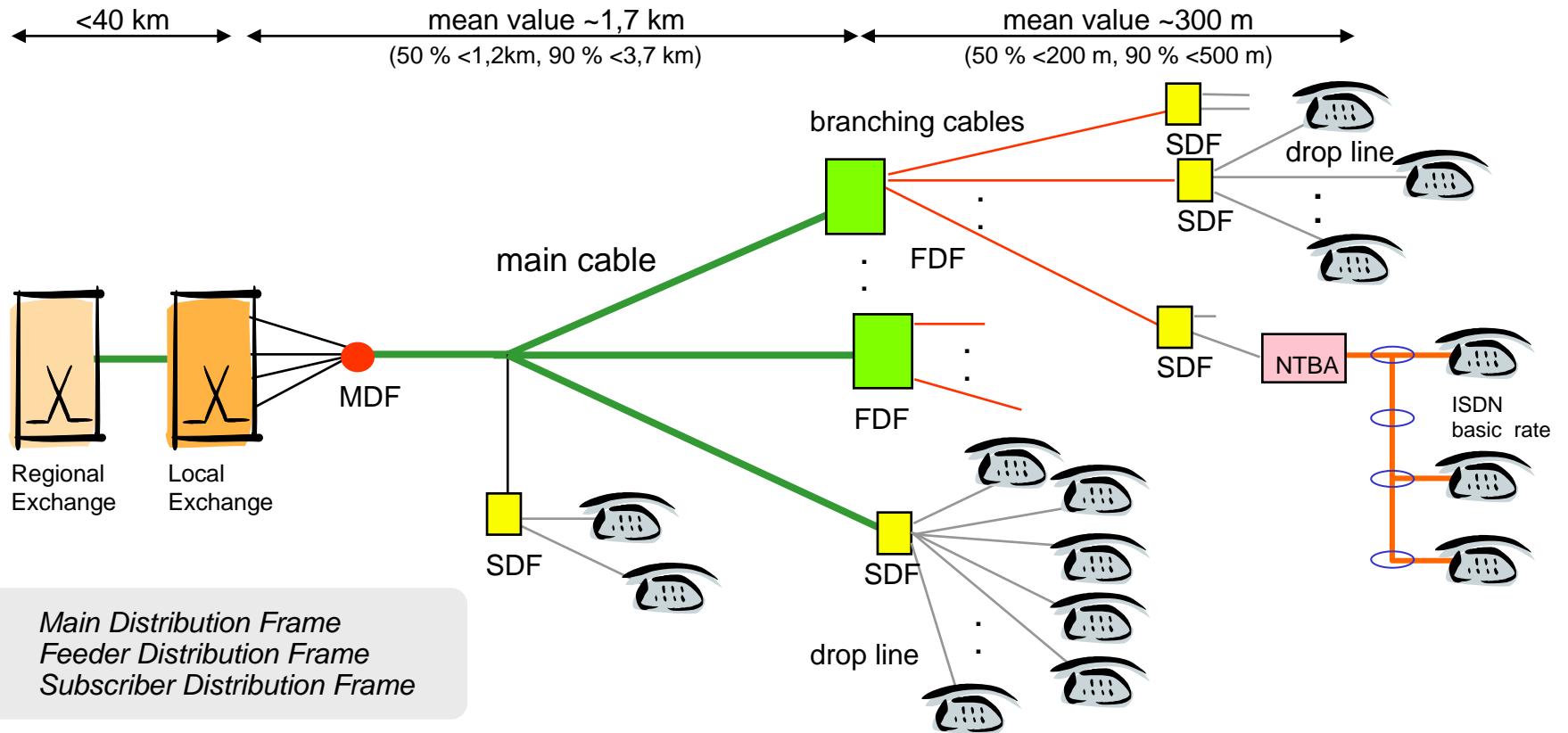
Most frequent applicability is illustrated per solution category



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Access Network Architecture: Wireline

Typical Access Network structure: (classical)



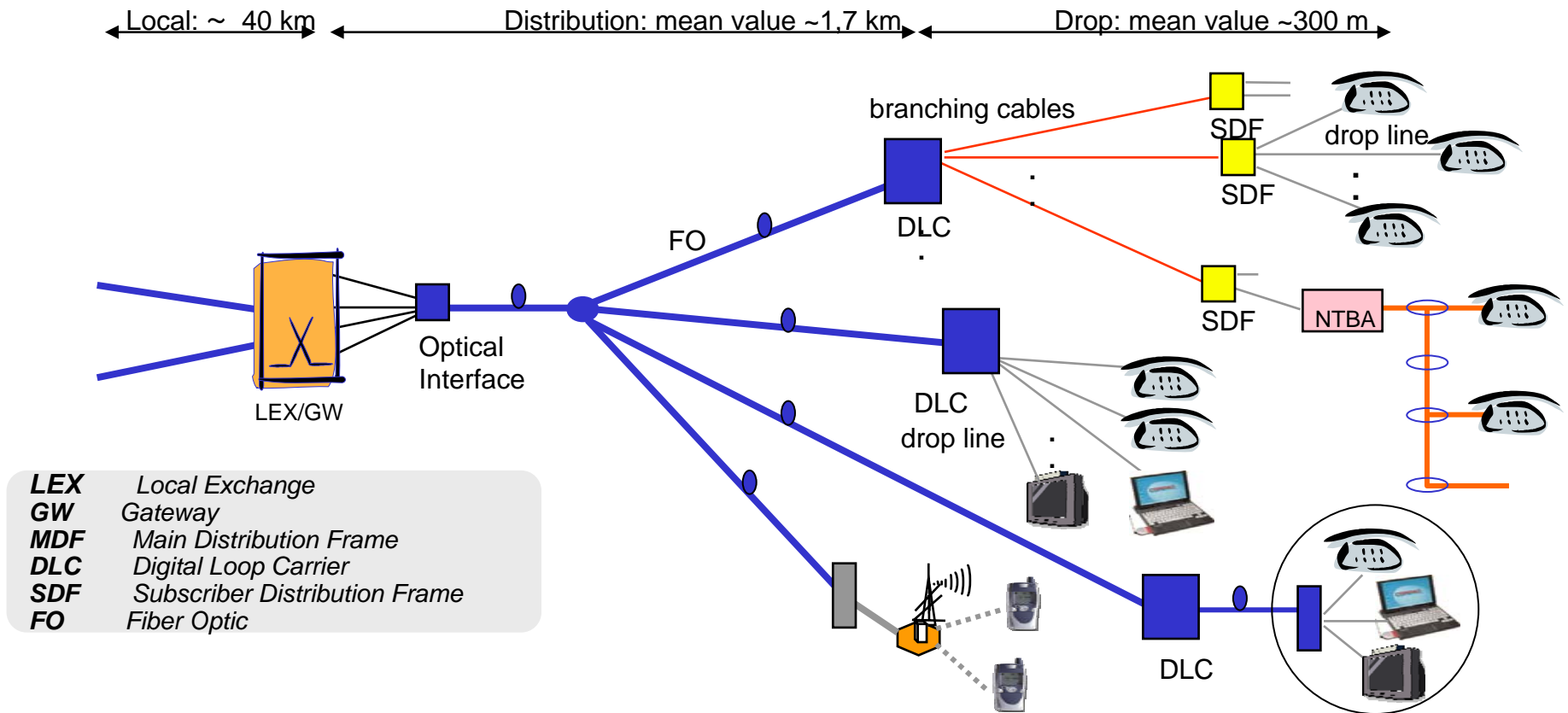
Frequent average distance values for EU networks



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Access Network Architecture: Wireline Evolution: FTTx

Typical Access Network evolution towards BB and Convergence

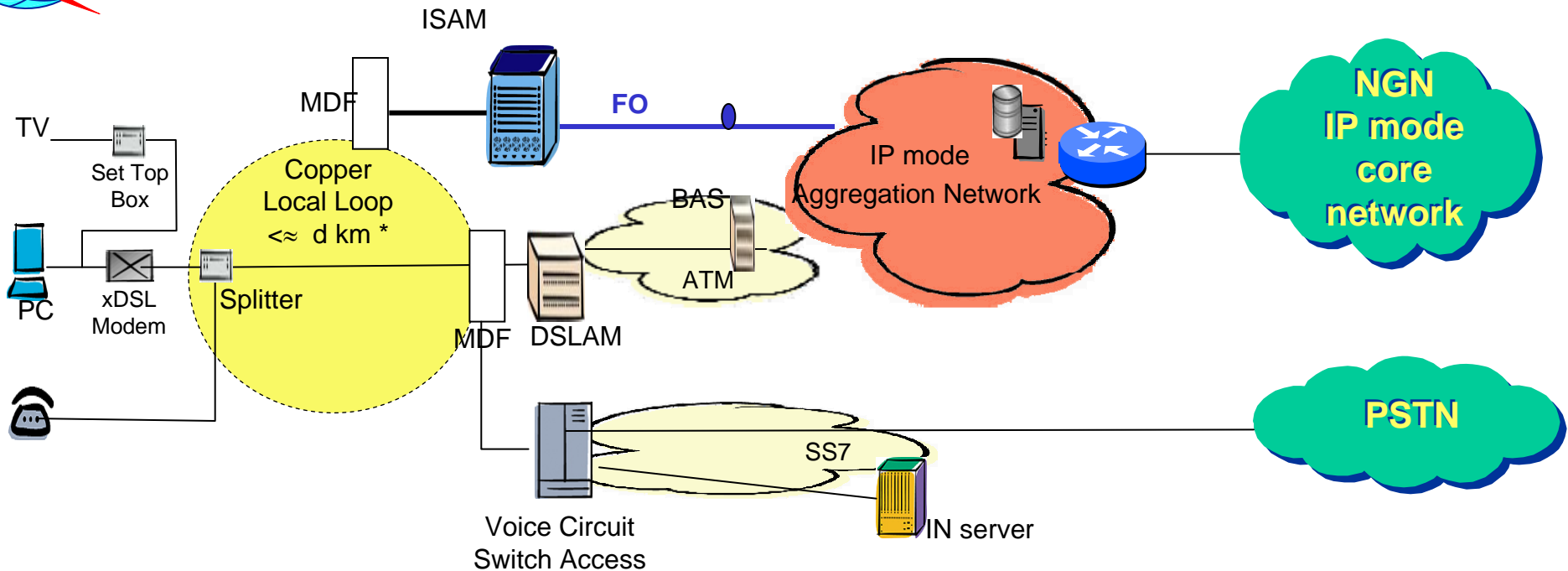


FO deployed closer to subscriber premises at required investment pace



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Access Network: xDSL



* Bandwidth/distances per solution

- ADSL: up to 4/8 Mbps/800 kbps $d \leq 3/1,5 \text{ km}$
- ADSL plus: up to 4/ 8 Mbps/800 kbps $d \leq 4.5/2,1 \text{ km}$
- SHDSL: up to 2.3 Mbps symmetric $d \leq 1.8 \text{ km}$
- VDSL: up to 52 Mbps Assym/ 26 Mbps Sym $d \leq 300\text{m}$

(higher distances imply less bitrate following bandwidth shape curve)

MDF: Main Distribution Frame

DSLAM: Digital Subscriber Line Access Multiplexer

ISAM: IP mode Subscriber Access Multiplexer

IN: Intelligent Network Server

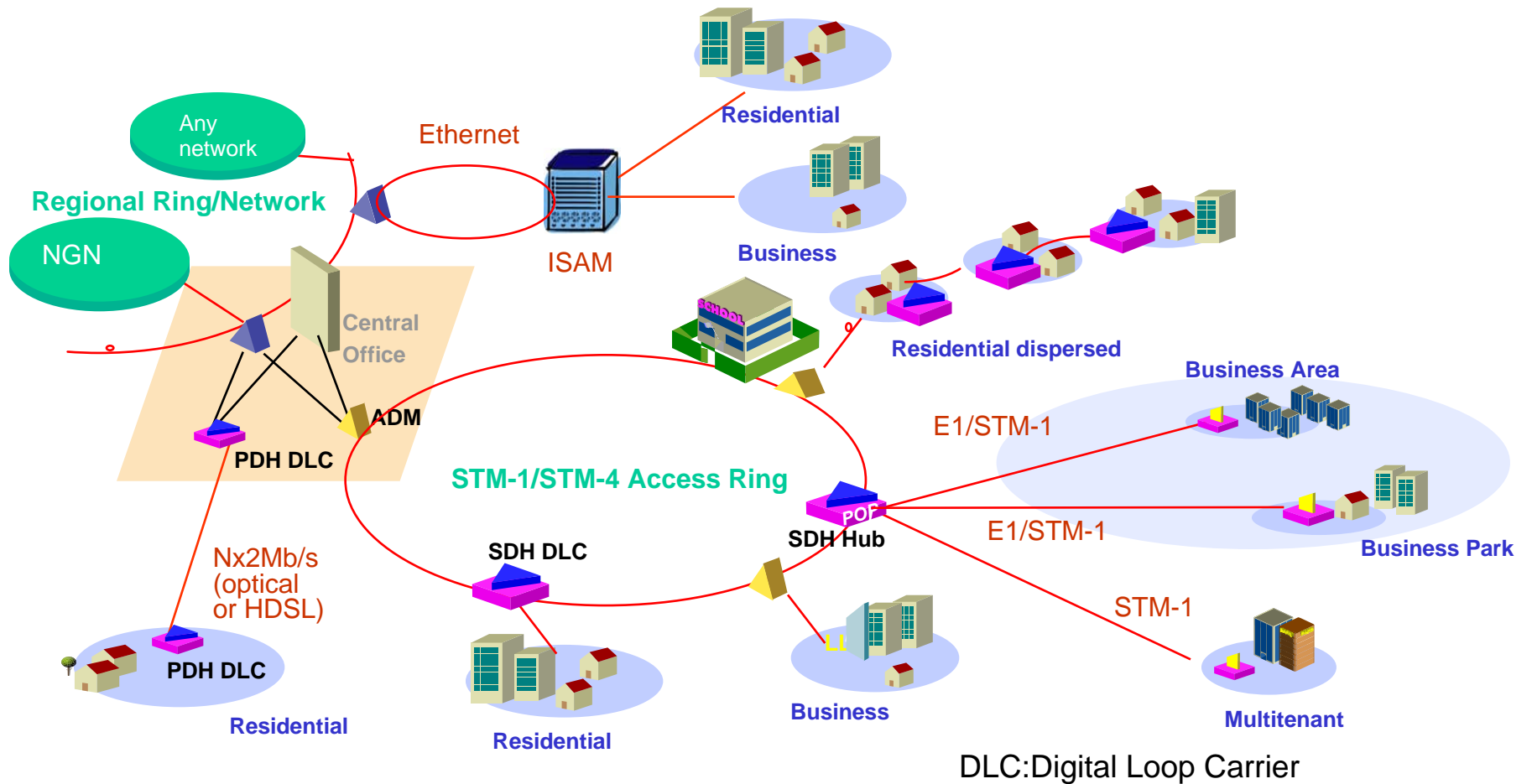
BAS: Broadband Access Server

- Capacity range per customer between 4 Mbps and 52 Mbps
- High reusability of existing infrastructure and equipment



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Example for Multi-scenario Access Network Architecture

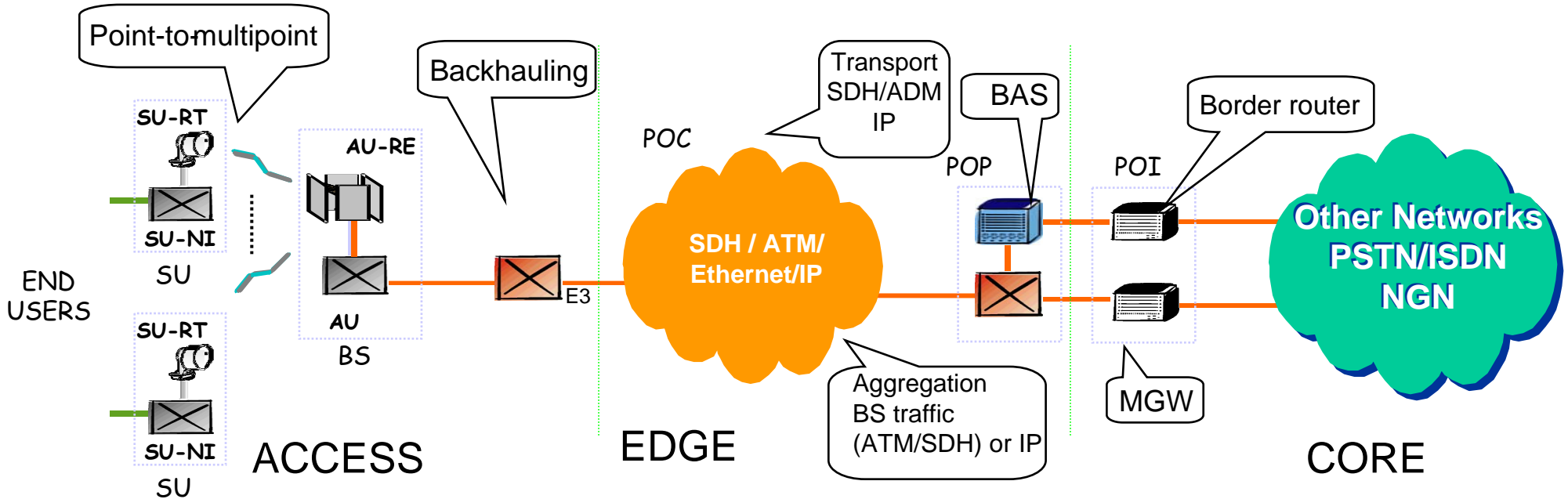


- High variety of geo-scenarios and capacities covered with a product family



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Access Network Architecture: WiMax & WLL category



SU: Subscriber Unit
 SU-RT: Subscriber Unit Outdoor Unit
 SU-NI: Subscriber Unit Indoor Unit

BS: Base Station
 AU: Access Unit
 AU-RE: Radio Front-end
 MGW: Media Gateway

POC: Point of Concentration
 POP: Point of presence
 POI: Point of Interconnection
 BAS: Broadband Access Server

Note: BAS is needed for an ATM approach but not for an NGN solution

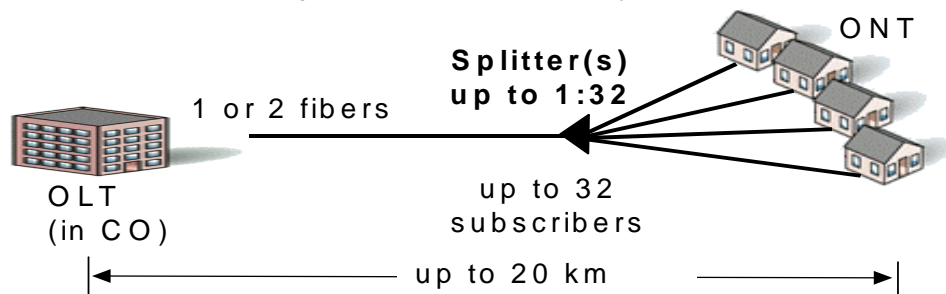
- Point to multipoint solutions with shared capacity among customers in the same BS



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Access Network Architecture: FTTP

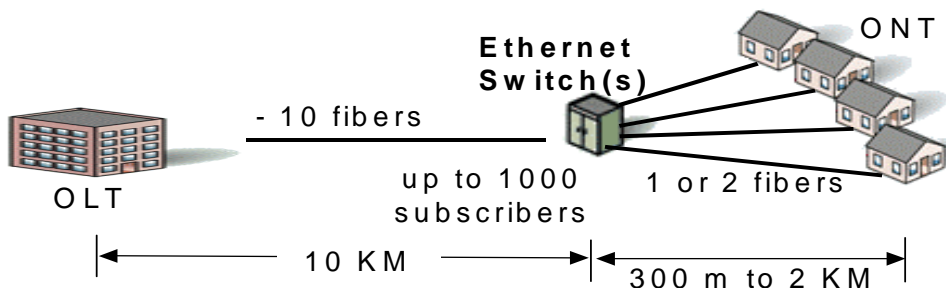
Passive Optical Network (PON)



- + No remote actives
- + 50% fewer ports needed
- + Lower life cycle cost
- + Voice, Video, Data easy
- Higher port cost
- Lower data bandwidth than P2P

ONT: Optical Network Termination
OLT: Optical Line Termination
CO: Central Office

Point to Point (P2P) Switched Ethernet



- + Higher bandwidth
- + Possibly lower first cost
- + Greater security
- Less reliable?
- Higher maintenance?
- Voice and Video over IP unproven

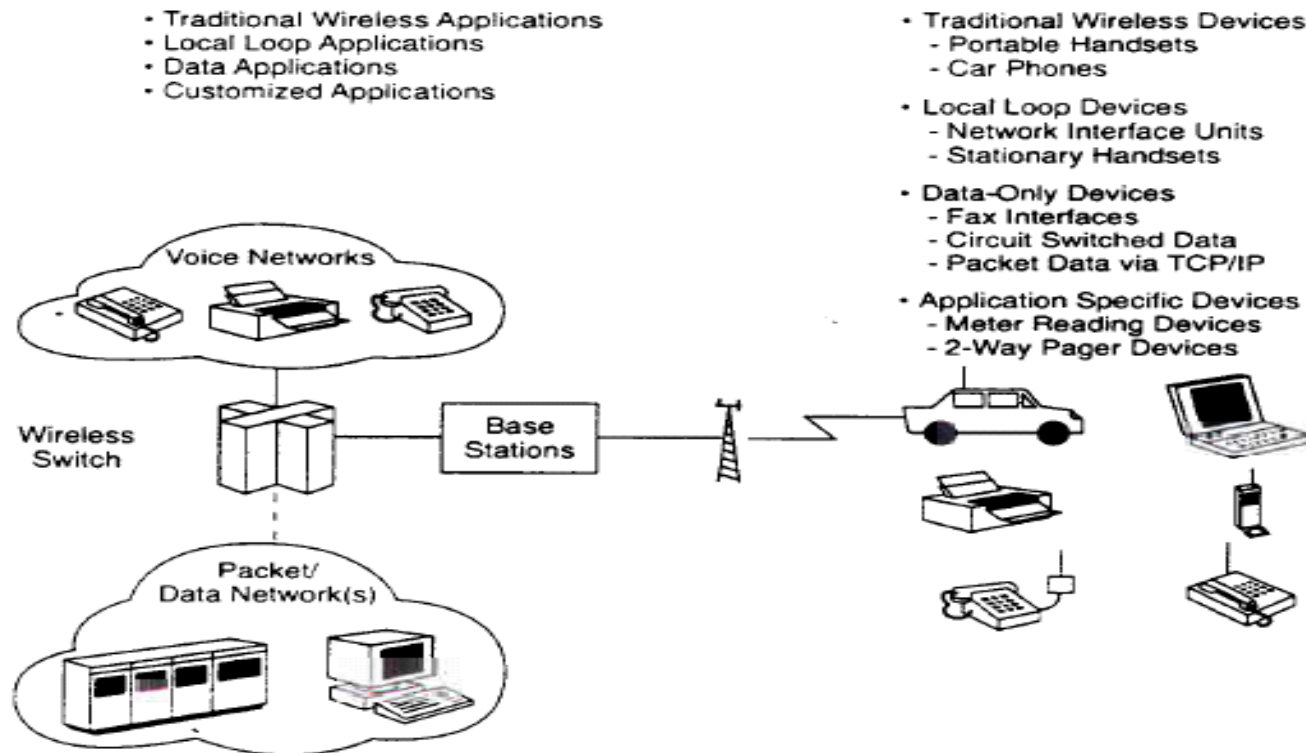
- Future oriented solution with a trend to decrease costs with economy of scale production
- Capacity range per customer between 100 Mbs and 1000 Mbps



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Access Network : IMT 2000 WLL or FWA

Example for access architecture based on CDMA 2000

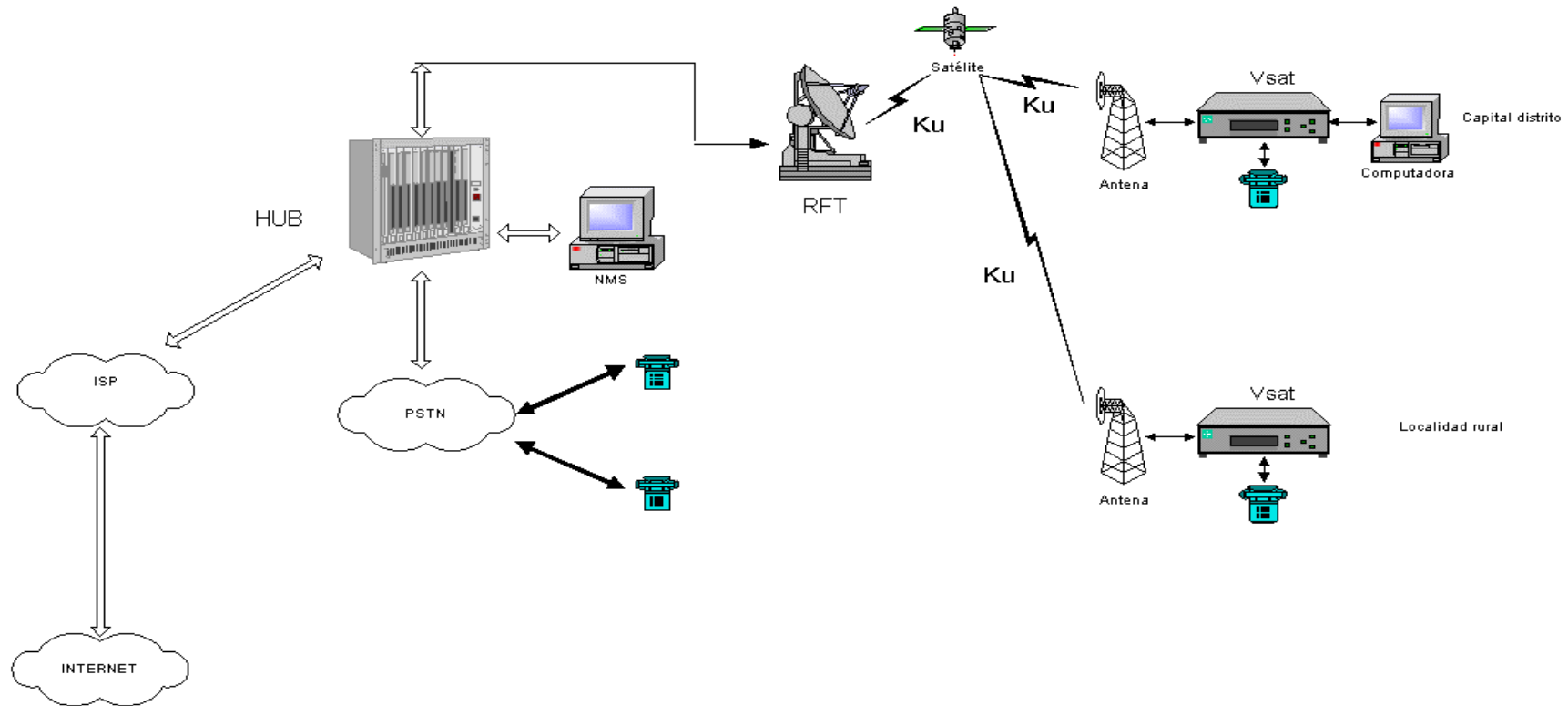


- Easy to reuse existing infrastructure from mobile networks or start from scratch
- Provides capability for both voice and data related services
- Allows evolution in parallel to NGN and IMS functionalities



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Access Network Architecture: VSAT

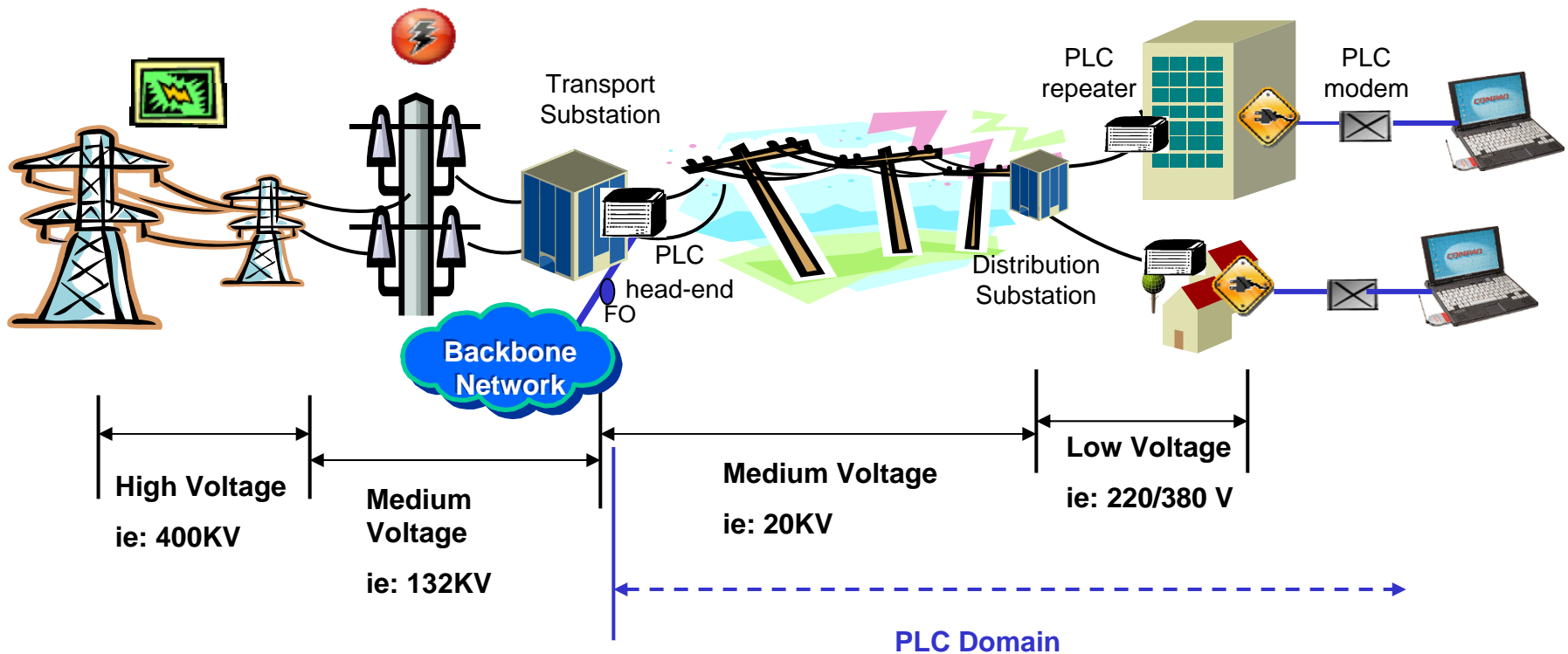


- Provides wide area coverage with a star like topology from a hub to the multiple remote stations
- Typical capacities up to 256 kbps per customer
- High start-up system costs but marginal costs with advantage at areas without infrastructure



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Access Network Architecture: PLC



- Capacity of the Power Line Communication (~ 45 to 135 Mbps with OFDM) shared among customers reached from same substation. Frequency ranges: 1,6 to 10 Mhz and 10 to 35 Mhz
- Solution quality highly dependent on historical installation electricity cables and topology



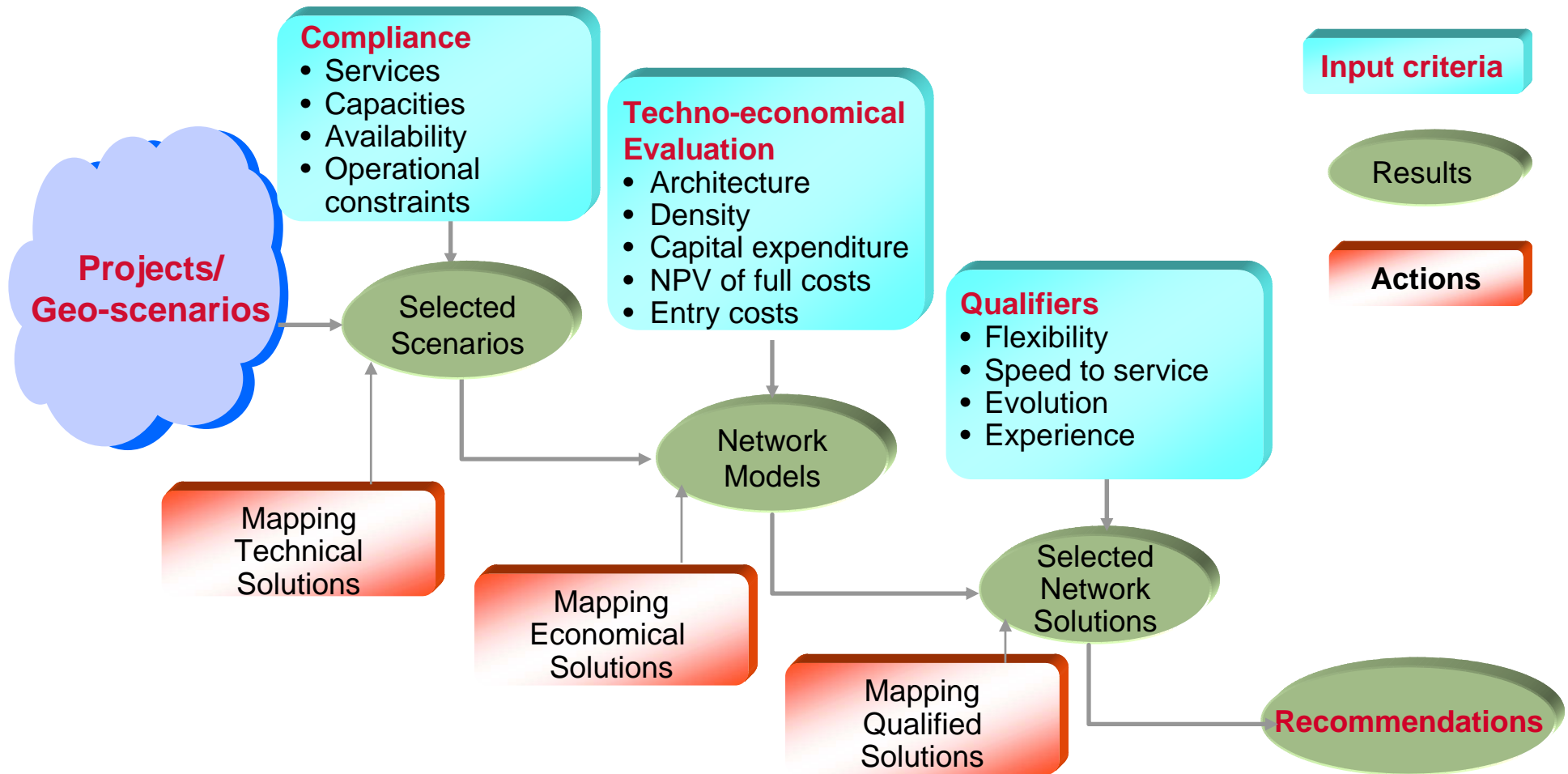
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Methodology to map best solutions per scenario



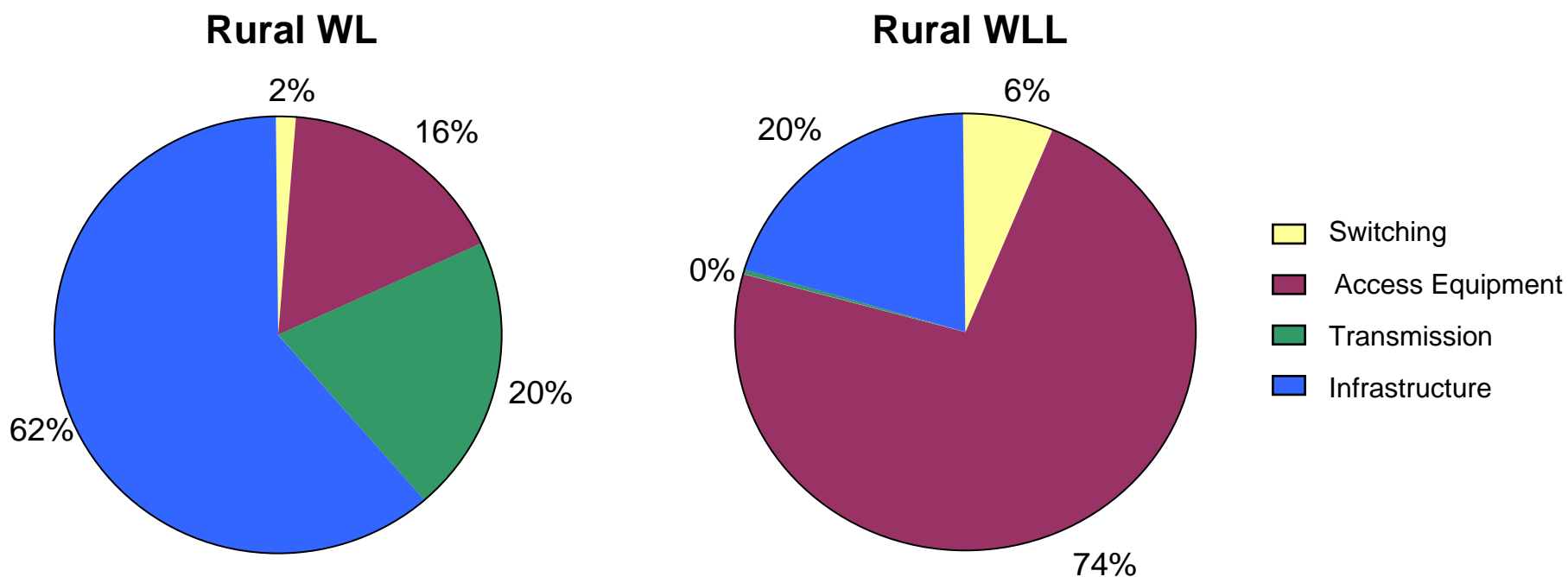
- Sequential planning activities to quantify solution behavior per geo-scenario type



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Example for Composition of prices: WL vs WLL cases

Solutions for Greenfield scenarios (excluding Backhauling)



Major differences appear in the cost distribution per network layer:

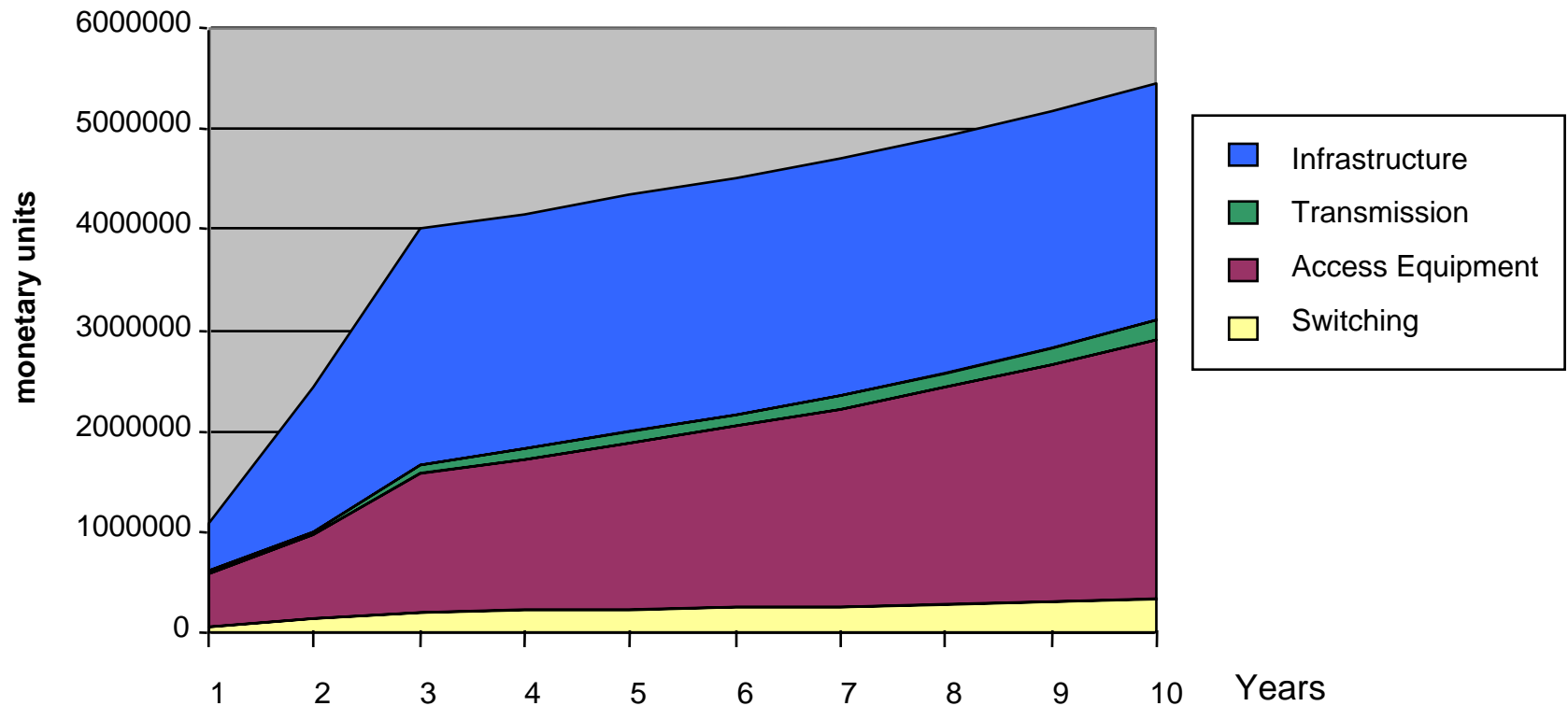
- WL more intensive in Infrastructure and **density dependent**
- WLL more intensive in Electronic equipment and **traffic demand dependent**



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Example for Cumulated Capex by layers: DLC case

Villages: DLC based solution (Greenfield)



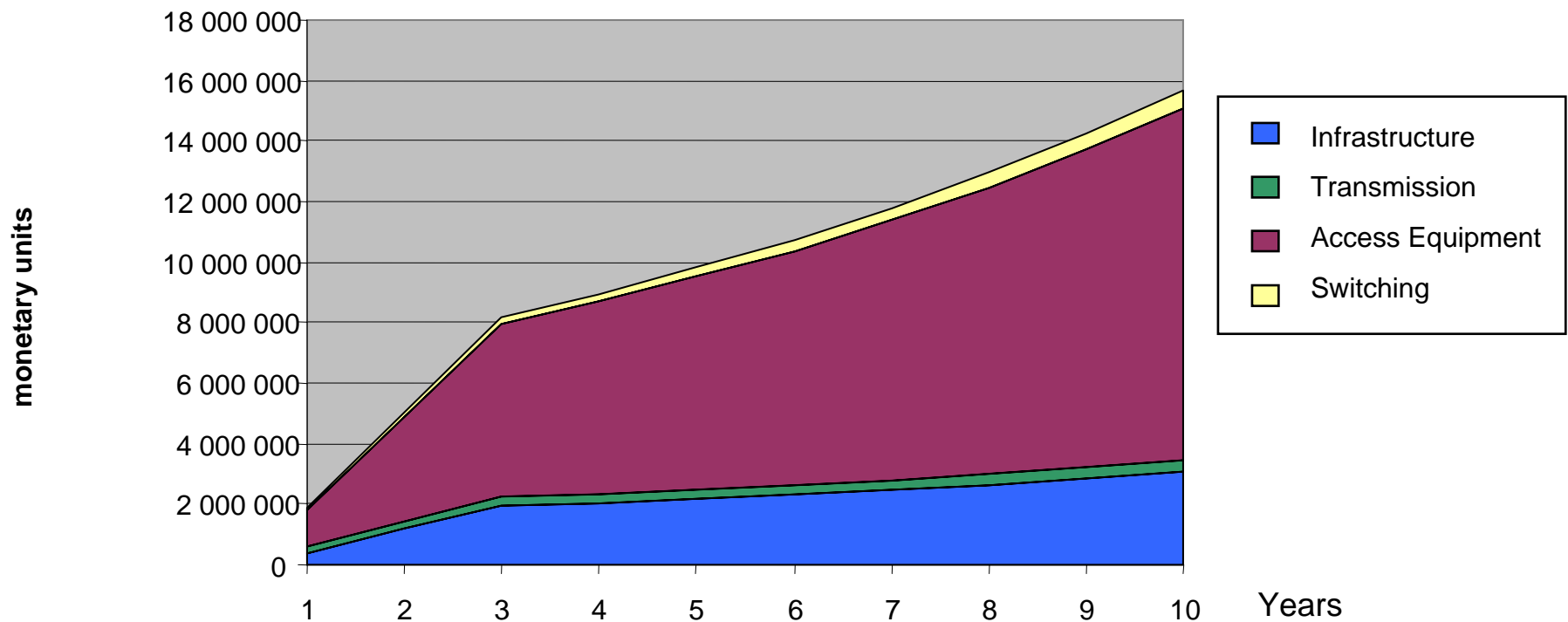
- High investment at launching phase with dominant contribution by Infrastructure and access equipment by geo-coverage and customer volume



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Example for Cumulated Capex by layers over time: WLL case

Villages: WLL based solution (Greenfield)

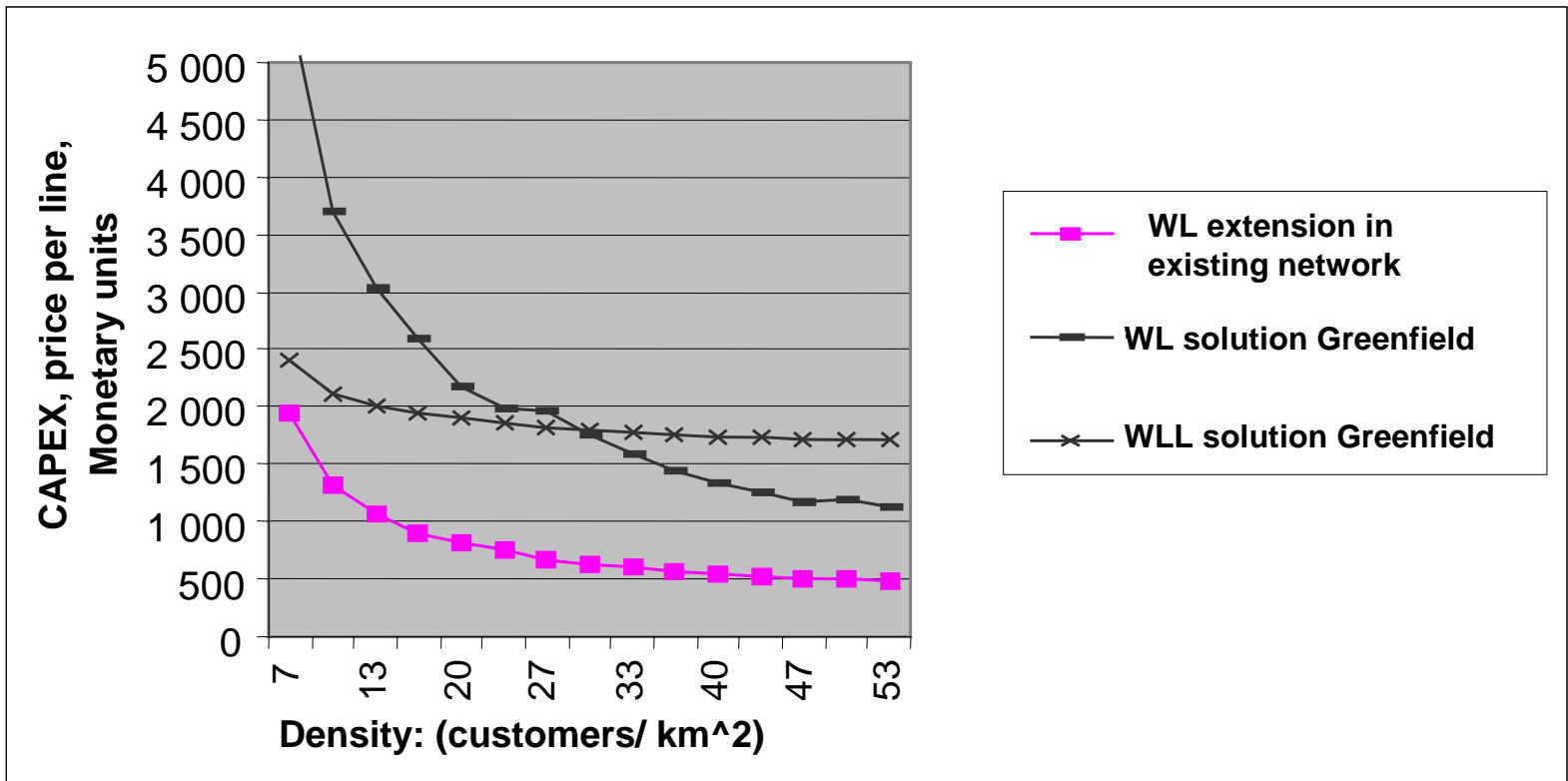


- High investment at launching and growing phases with dominant contribution by access equipment both for geo-coverage and traffic demand



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Cost sensitivity to customer density per type of solution

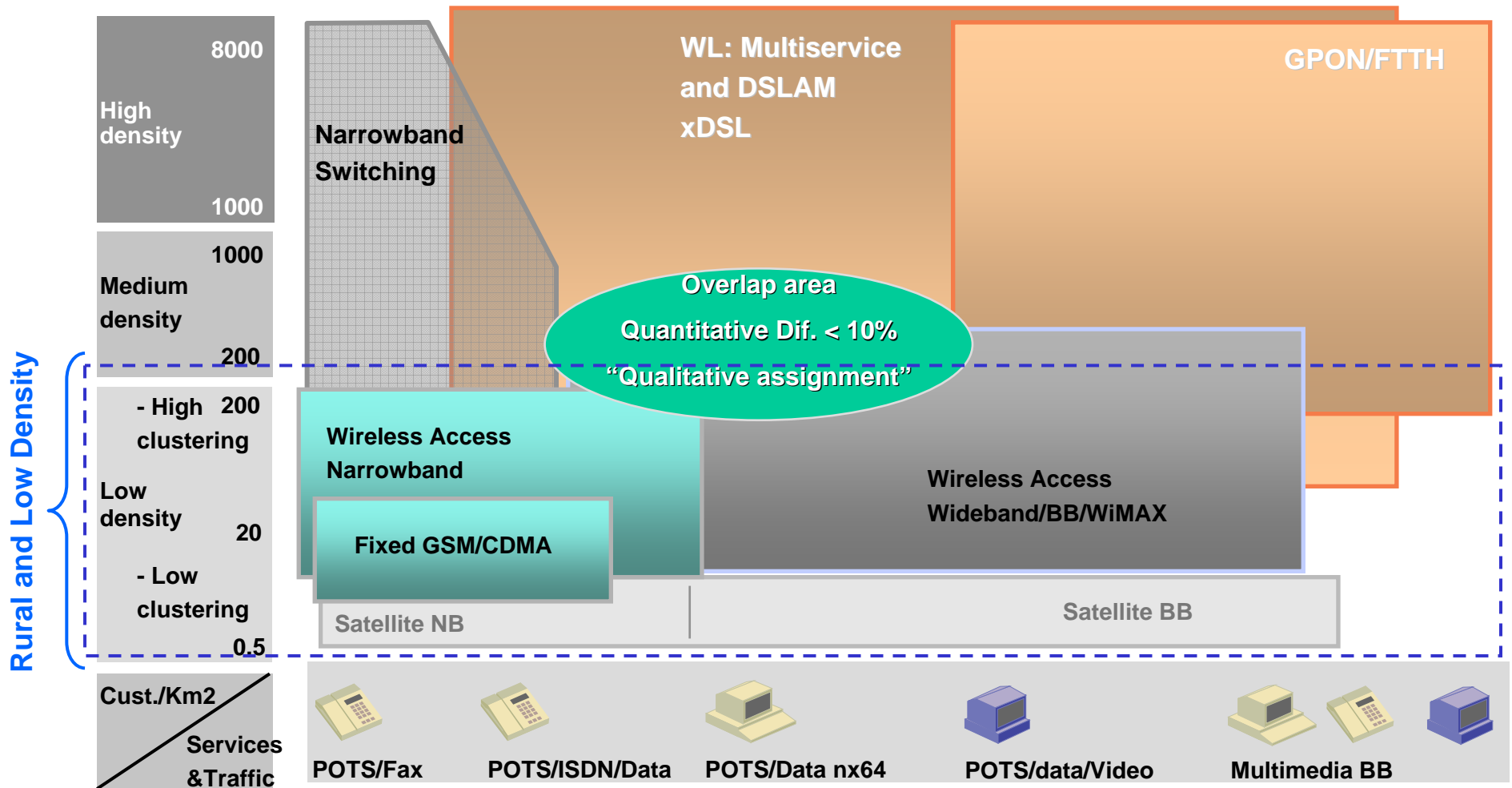


- Clear cross-point between WL and WLL solutions as a density function
- Important impact of existing network reusability



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Example of mapping recommendation





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Mapping Recommendations for Access

Large economic differences between solutions (ie: between 20% and 200%)

- Deployment of DSL and Multimedia Services when existing Outside Plant infrastructures and villages or resorts
- FO closer to customer (FTTP) when implementing new outside plant or renovating existing one in nucleus of villages
- New Wireless technologies: WiMAX for low density customer scenarios and rural areas.
- Satellite or combined Satellite + WiMax for dispersed areas
- Mobile solutions for most scenarios with lower bandwidth et LD areas



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Gap reduction recommendations for Rural and LD areas

- **Characterize country LD geo-scenarios** to allow best mapping of most economical solutions
 - **Develop a specific regulatory strategy** for LD areas to facilitate property management, right of way rules and leased media to decrease infrastructure costs
- **Develop public-private infrastructure** ownership at municipal level to reduce impact of civil investments
- **Use nation level purchasing power** and regional agreements to get benefits of economy of scale for best telecom solutions