

GSR 2018 – Consultation:

Contribution from OFFICE FEDERAL DE LA COMMUNICATION, Switzerland

Since liberalization of the market in 1998, Switzerland has enjoyed a dynamic telecom market conducive to promoting competition and the deployment of infrastructure. In recent years, significant investment has been made in the expansion of both fixed and mobile networks. According to Akamai's report "State of the Internet", Switzerland is one of the leading countries in the world in terms of internet connectivity. Switzerland reports a next generation access network (NGA) population coverage rate of 94% and a long-term evolution (LTE, 4G) mobile population coverage rate of almost 99%. The fixed broadband subscription rate in Switzerland is almost 46%, placing the country at the head of international comparison according to the OECD.

The Swiss Telecommunications Act of 1998 aimed to ensure that a range of cost-effective, high quality and nationally and internationally competitive telecommunications services are available to private individuals and the business community. *Inter alia*, it should promote effective competition in the provision of telecommunications services and ensure the provision of a reliable universal service at affordable prices, for all sections of the population and in all parts of the country. The fixed broadband market in Switzerland is today characterized by a strong incumbent, high DOCSIS 3.0 cable population coverage and considerable Fibre-to-the-Home (FTTH) investments by the incumbent and major local utility companies (see box at the end). The historic network operator is currently rolling out FTTH, FTTS (Fibre-to-the-Street) or FTTC (Fibre-to-the-Cabinet) in connection with vectoring or G.fast, ensuring that almost the entire population will soon have coverage with a modern fixed network technology. Some 200 cable operators cover approximately 85% of the population with DOCSIS 3.0 and several cable operators have announced plans to deploy DOCSIS 3.1 in the near future. The entire population can access the universal broadband service which is currently 3 Mbit/s. Some 94% of all dwellings and businesses can obtain fixed broadband services with at least 30 Mbit/s and 85% can access 100 Mbit/s or more. FTTH is currently deployed in more than 31% of households. However, the take-up of FTTH is currently still rather limited.

The LTE 4G coverage of all three mobile network operators in Switzerland is high, resulting in almost 100% coverage of the population. LTE advancements have been widely deployed and now offer bandwidths of up to 1 Gbit/s. Mobile network operators announced to begin with the introduction of the latest mobile technology, 5G, at the end of 2018.

In April 2016, the Swiss Federal Council adopted its "Digital Switzerland" strategy, whereby the Swiss government seeks to support the ongoing digitization which affects all areas of life, in order for Switzerland to exploit the resulting opportunities and address the associated challenges. The "Digital Switzerland" strategy provides the guidelines for government action and indicates where and how authorities, academia, the private sector, civil society and politics must work together in order to shape the transformation process for the benefit of everyone on Switzerland. In terms of infrastructure, the government has set the goal of ensuring that ultra-high-speed broadband will be market-driven and available in all Swiss municipalities by 2020. The expansion of mobile networks (5G), to be undertaken by the market players, and the frequency resources required for 5G, which will be awarded by the national regulator by end of this year (2018), will play an important role in this context.

Maintaining an up-to-date regulatory framework, which promotes competition and investment in NGA technologies, is now crucial in order to prepare for future challenges and to give Switzerland excellent foundations for developing a smart society. That is why in September 2017, the Swiss Federal Council adopted a revision of the Swiss Telecommunications Act. The last revision of the law occurred in 2007. The now suggested revision seeks to adapt the law to new technological developments and market evolution whilst improving transparency and consumer protection. The ultimate ambition, to adopt a market-driven approach, which fosters competition and thereby promotes investment and innovation, remains unchanged.

