

# PACIFIC ISLANDS CONNECTIVITY AND PERSPECTIVES

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## 1. Current Pacific Islands Internet consumer experience

Over 2.7 Millions Pacific islands Internet users (\*) experience **between 10 to 100 Kbps speeds at peak hours**



**Best average speed per user at peak hours :**

**5 Mbps**

American Samoa ASTCA (Hawaiki Submarine Cable)

**500 Kbps**

Palau Belau Submarine Cable

**200 Kbps**

Cook Islands (Satellite only) and Fiji (Southern Cross cable)

**100 kbps**

New Caledonia (Gondwana) and French Polynesia (Honotua)

*(\*) excludes Australia and New Zealand*

## 2. Facts & key findings

### Factors contributing to current low quality of service for Internet users in the Pacific

- **High prices** for Internet international capacity put pressure on Telecom operators / ISP forced to “**purchase less capacity than the real demand**”
- **Telcos transport and Access Network needs improvements** to support real Broadband

We are still far away from enjoying Mbps / Gbps speed experience despite :

- **massive investment** in Submarine Cables infrastructure
- **huge capacity availability**

### Pacific Islands submarine cables are under utilised

Examples Polynesian Region	Active capacity (Gbps)	Max. design capacity (Gbps)	Usage %
Honotua 2010 Tahiti - Hawaii	25	3200	<b>0.78</b>
Interchange 2014 Port Vila to Fiji	5	1280	<b>0.39</b>
TUI Samoa Cable 2018 Apia to Suva	16	8000	<b>0.2</b>

**Most Pacific Islands  
Submarine cables in  
service since 2008  
use today less than  
1% of design capacity**

*(Exception for **ASTCA American Samoa 20 / 200 Gbps** on **Hawaiki** used 10 % at RFS July 2018) - **Gondwana 20 / 640 Gbps** – **Tonga Cable 5 / 320 Gbps** – **Palau 6 / 400**)*

# 3. New developments

## Connectivity options availability / competition

- By 2023, All Pacific islands will be connected to – at least one submarine cable
- Submarine cable / Satellite competition brings **capacity pricing down** for Pacific Islands
- More solutions will be **available** with High capacity LEO, MEO, GEO satellites fleets Submarine cable / Satellite competition bringing **capacity pricing further down**

## Latest trends / findings :

- **International Connectivity Growth is served by satellite when capacity pricing on submarine cable is higher than satellite - Inflexion point at 100 US\$ per Mbps wholesale price per Mbps monthly**
- **Satellite competition & Volumes increase brings unit prices down :**
  - *Q4-19 : Vanuatu & PNG prices divided by 3*
  - *Q1-20 : Solomon islands cable company under 100 US\$ at launch*
- **June 20 : Cook islands and Niue have no choice than to challenge satellite pricing levels**

## 4. Ways forward

If future target for average speed per user at Peak Hours reach 1 Mbps across all pacific islands **total capacity demand for Pacific Islands be exceeding 3 Tbps !!!**

Total Pacific islands internet users (\*): around **2.7 Millions**

Current total capacity in use Cable / Satellite : **350 Gbps**

Current average Speed per user : **129.6 Kbps**

**Real potential of improved connectivity / usage through submarine cable infrastructure connecting most populated urban centers but as well for combined cable / Satellite to address rural / isolated communities.**

*(\*) in 2020 excludes Australia and New Zealand*

# 5. Benchmarking - Wholesale International Submarine Cable capacity pricing

