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## Swedes Top Euro FTTH Ranking

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Sweden has the highest penetration of fiber-to-the-home (FTTH) connections in Europe, with more than 8 percent of households hooked up to an optical access line at the end of June 2008, according to new figures from the [FTTH Council Europe](#).

Its neighbor, Norway, is not far behind, with a 7.2 percent FTTH penetration rate. Those are the only two European nations that have more than 5 percent of their homes hooked up with fiber.

In general, the [Nordic countries](#) dominate the European FTTH landscape. The continent's most northern states -- Iceland (3.9 percent), Denmark (3.1 percent), and Finland (1.7 percent), in addition to Sweden (8.3 percent) and Norway -- dominate the top end of the new chart.

Only eight countries in all of Europe boast FTTH penetration rates higher than 1 percent, with Slovenia (4.7 percent), the Netherlands (1.4 percent), and Italy (1.3 percent) joining the Scandinavian quintet. (See table below.)

**Table 1: European FTTH Penetration Rates**

Rank	Country	Number of households in thousands	FTTH penetration rate
1	Sweden	4,441	8.28
2	Norway	1,962	7.22
3	Slovenia	685	4.72
4	Iceland	107	3.90
5	Denmark	2,429	3.11
6	Finland	2,295	1.73
7	Netherlands	6,866	1.43
8	Italy	21,811	1.34
9	Estonia	582	0.99
10	Latvia	803	0.99
11	Lithuania	1,357	0.97
12	Slovakia	1,645	0.67
13	France	23,808	0.58
14	Czech Republic	4,216	0.36
15	Ireland	1,288	0.31

Source: FTTH Council Europe

This contrasts sharply with the Asia/Pacific region, where South Korea has a 37 percent FTTH penetration rate, Hong Kong boasts 27 percent, and Japan 24 percent. At the end of June, 27 million of the world's 32 million FTTH connections were to be found in Asia/Pacific.

Europe, meanwhile, had just 1.37 million fiber access connections in service, though Joeri Van Bogaert, president of the FTTH Council Europe, gives the number a positive spin by noting this is up by 52 percent compared with a year earlier.

In terms of actual numbers of FTTH connections, Sweden boasts the most, with nearly 368,000 FTTH homes, followed by Italy with 292,000, Norway with 142,000, and France with 138,000.



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No other European country had passed the 100,000 threshold according to the report, though the Netherlands, which has a number of fiber access initiatives ongoing, will have breached that milestone by now, as it had nearly 99,000 FTTH homes at the half-year mark. (See [PacketFront Wins Dutch Deal](#), [Reggefiber Uses Cisco for FTTH](#), and [Amsterdam Fires Up Muni Broadband](#).)

Van Bogaert is also confident that Europe's total number of FTTH connections will reach 1.9 million by the end of 2008, in line with the Council's previously stated forecasts.

But that doesn't mean he isn't frustrated by developments. France has a number of operators with stated plans to build extensive FTTH access networks, yet Van Bogaert notes that progress has been slow while the operators and the French regulator agree on a set way to approach fiber concentration points for multi-tenant buildings.

Van Bogaert says those negotiations are set to be concluded by the end of this year, and that the French operators -- [France Telecom SA](#) (NYSE: [FTE](#) - [message board](#)), Neuf (now part of [SFR](#)), [Iliad](#) (Euronext: [ILD](#) - [message board](#)), and cable operator [Numéricable](#) -- will then be able to proceed full speed with their respective plans. (See [Neuf Makes Acquisitions Count](#), [Iliad Tempers Its FTTH Target FT Fleshes Out FTTH](#), and [Numericable Picks Juniper](#).)

#### **Capital crunch?**

But will they, given the current economic situation and the limited access to capital? After all, any FTTH rollout is, by its nature, very capital intensive.

Naturally, as the president of a pro-FTTH lobbying group, Van Bogaert is confident the French operators will press on with their plans regardless of the macro-economic situation, as will carriers in other markets that have already initiated FTTH buildout strategies.

He believes, for example, that the city network rollouts underway in Germany (in cities such as Cologne) will continue as local players look to gain an advantage over national incumbent [Deutsche Telekom AG](#) (NYSE: [DT](#) - [message board](#)), which is taking its fiber only as far as the curb and then using VDSL2 to connect its customers.

Van Bogaert also says there's still an appetite among certain investors -- those who have experience of utility infrastructure projects that deliver long-term returns -- for FTTH programs. He cites European bank West LB, which has been active in backing city network rollouts in Germany, as an example.

But even the FTTH Council man admits that fiber access plans will be affected in markets where rollouts have not yet begun. "They will squeeze more out of their copper," he says.

And what does he think of BT's news that it will mostly rely on fiber-to-the-curb (FTTC) and xDSL to deliver its so-called "super-fast broadband"? (See [Europeans Advance FTTx Plans](#) and [BT Unveils \\$3B FTTx Plan](#).)

Van Bogaert is very diplomatic. "It's still too early to say whether I am disappointed or not. BT is still in its early stages. Such announcements are followed by a reality check, and then the test phases, which take about a year, and then the deployments. I hope that BT's FTTC investment is built in such a way that it can be re-utilized for fiber-to-the-home. Operators that are currently doing FTTN [fiber-to-the-node] or FTTC know that FTTH is the end game. By 2013, broadband usage, especially the need for fast uploading, will require FTTH."

So has the Council revised its forecast for FTTH uptake as a result of the global financial downturn? Van Bogaert says new studies are underway by industry analysts, and that the Council's new industry report and outlook will be presented at its annual conference in February 2009 in Copenhagen.

— Ray Le Maistre, International News Editor, [Light Reading](#)

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