

Press Release

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“INDONESIA TOWARD DIGITAL PARADISE”

## Net1 Indonesia Ready to Support Implementation of Broadband Internet in Rural Area

**Jakarta, 24 May 2018** – Net1 Indonesia is ready to support the government in accelerating the provision of internet connections in rural areas, especially in frontier, outermost and least (3T) developed regions of the country. Net1 Indonesia's mission to spread the internet access in the rural area is in line with the government nine agenda priorities or often referred to *Nawa Cita*, which mentions developing Indonesia's rural area within the framework of Republic of Indonesia.

One of the pillars of those points is realizing the availability of telecommunication infrastructure and network connectivity in the regions. Currently, the Government, through the Ministry of Communications and Informatics, is spurring the availability of internet network for rural areas. According to data from the ministry, currently 73% of villages/sub-lower districts already have internet connection based on 3G technology.

Meanwhile, the LTE 4G network only 55%. By 2019, the government is targeting to provide 3G-based internet for more than 83,000 villages. Another target for the upcoming year is covering total of 514 districts/cities by 4G LTE network. So far, only 64% of them have access to 4G LTE.

"The advantage of Net1 4G LTE network is running at 450 Mhz frequency, which is perfect for rural area geographic character, with large area but low density. The characteristic of low-frequency is not pursuing the access speed, but covering the larger area," said Larry Ridwan, CEO of Net1 Indonesia, in a discussion forum on Universal Service Obligation (USO), held by Indonesia LTE Community (ILC), at Balai Kartini Exhibition and Convention Center, Jakarta (24/05).

Net1 Indonesia can serve the markets or areas that geographically are difficult to reach and economically are very costly by other operators. Most of 450 Mhz 4G LTE operators in other countries also operate in special areas, such as suburban and rural areas or targeting a very segmented market, such as corporations (mining, plantation, fishery), Machine-to-Machine (M2M) and others.

Larry added that the biggest challenge in deploying internet networks in rural areas is the varying of geographical conditions, ranging from mountains to coastal areas, with scattered populations. This kind of conditions is requiring a large investment for operators. Meanwhile, observed from the business side, developing telecommunication infrastructure in rural area with less population is less profitable.

However, this condition will not break Net1 Indonesia's spirit to continuously supporting the government's program in rolling out the Internet network for rural areas. "Net1 4G LTE Network at 450MHz is able to reach 50-60 Km, even up to 100 Km, from a base transceiver station (BTS), so it is suitable for archipelago country like Indonesia which has 16,056 islands. In terms of infrastructure investment in developing the site, it is certainly more efficient," revealed Larry.

Therefore, Net1 Indonesia can reduce the investment of building 4G LTE network for rural areas more efficiently and effectively. Investment can be pushed much lower. So far, Net1 has deployed 4G LTE service in 19 Provinces spread across Indonesia. A total of 306 districts/cities have accessed Net1 4G LTE network, consisting of 25,279 villages. Overall, 126,299,415 populations have been reached by Net1 Indonesia.

Net1 Indonesia has also cooperated with a number of local governments in district and province level throughout Indonesia. The local governments cooperate with Net1 Indonesia to provide data broadband access for societies in sub urban and remote areas in their domain. Among others, Musi Banyuasin Regency, West Halmahera Regency, Talaud Islands Regency, Tual City, Siau Tagulandang Biaro (Situro) Islands Regency, Sangihe Islands Regency, Teluk Bintuni Regency and Kaimana Regency, have signed a Memorandum of Understanding (MoU) to working together building 4G based communications infrastructure with Net1 Indonesia.

The cooperation with a number of local governments that have been started since 2017 is a first step for Net1 Indonesia to be able to meet the needs of data access for up to 260 million Indonesian populations who lives in more than 14.000 islands.

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#### **About Net1 Indonesia**

Net1 Indonesia is a telecommunication service brand from PT Sampoerna Telekomunikasi Indonesia (STI). As the only telecommunication service that utilizes the 450MHz frequency with 4G LTE (Long Term Evolution) technology, Net1 Indonesia is very suitable to provide the much-needed coverage in an archipelagic nation like Indonesia.

Since December 2015, STI partnered with ice group (previously known as AINMT International Holdings BV), a Scandinavian network giant, to expand and improve STI's wireless network. In September 2016, STI is authorized to provide 4G LTE network in 450MHz frequency with national coverage area after passing the Operational Acceptance Test. As a result, STI is proudly committed to provide a good quality internet access to every corner of Indonesia with Net1 Indonesia.

The 450MHz BTS can reach more than 100 km, making it very suitable for a nation with geographically spread regions and population. Therefore Net1 Indonesia specifically chooses this technology, as it enables Net1 Indonesia to focus on providing 4G LTE service in rural and suburban areas. With this latest technology, Net1 Indonesia believes it will be able to provide 4G LTE-450MHz network access to 260 million Indonesian who lives in more than 14.000 islands.

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