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**Fiber
Broadband**
LATAM CHAPTER

FTTH Panorama for Latin America 2024

Restricted material for Fiber Broadband
Association Members.

Produced by:

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The Fiber Broadband Association provides advocacy, education and resources to companies, organizations and communities who want to deploy the best networks through fiber to the home, fiber to the business and fiber everywhere. Our member-led association collaborates with industry allies to propel fiber deployment forward for a better broadband future here and around the world.

Fiber Broadband Association members represent the entire broadband ecosystem: providers, suppliers, consultants, consumers, policymakers, device makers and application providers.

The LATAM Chapter is the representation of the Fiber Broadband Association in the Latin America region.

For more information, visit
www.fiberbroadband.org/about-latam/

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SmC+ is a leading firm in digital policy strategy, with a focus on Latin America.

We help global tech companies and international organizations surf the waves of Latam Policy Issues, adapting to the challenges and opportunities in each market.

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#SURFTHELATAMDIGITALPOLICYSCENE

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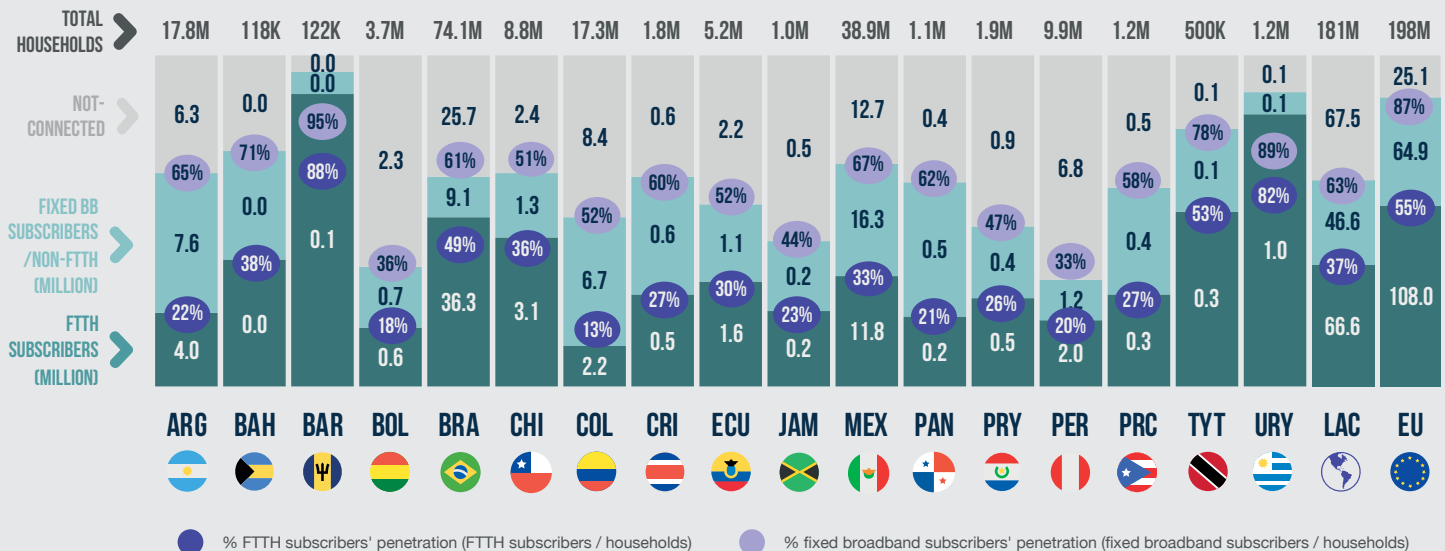
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FTTH PANORAMA FOR LATIN AMERICA 2024

FIXED BROADBAND CONNECTIVITY ABOUT TO REACH 2/3 OF HOUSEHOLDS IN LATIN AMERICA AND THE CARIBBEAN (LAC) WITH FIBER-TO-THE-HOME (FTTH) PUSHING INCREASED ADOPTION AND TECHNOLOGY UPDATES

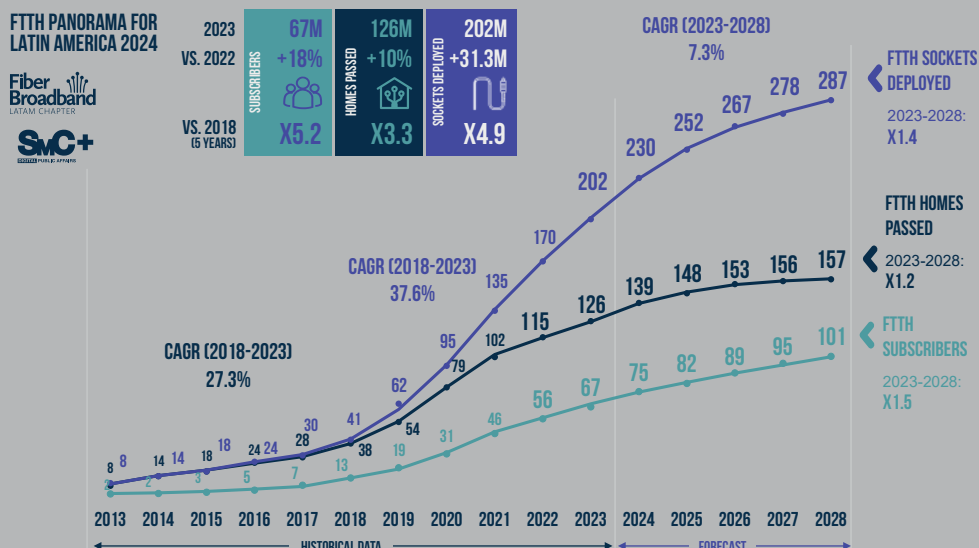
LAC achieved by 2023 67 million FTTH subscribers, representing a 37% of the region's households. The migration to FTTH has a 46.6 million homes immediate addressable market that might seek a technology update. It remains to be seen if FTTH will drive higher fixed broadband coverage above the current frontier of 63% of households. Comparatively, the LAC region is 18 percentage points below in FTTH penetration than the EU.



Source: SmC+ and NRA's information (up to Sep 2024)

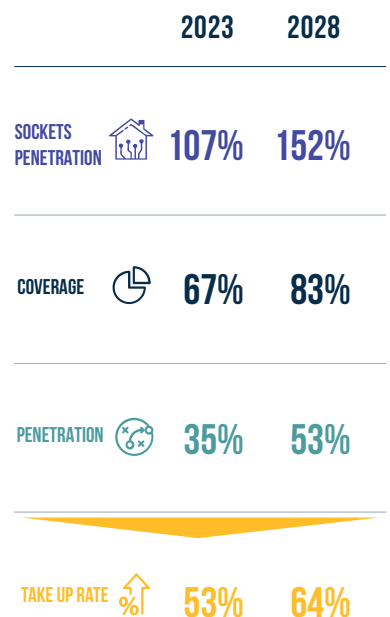
IN 2023 FTTH SUBSCRIPTIONS AND SOCKETS INCREASED BOTH BY 18% AND HOMES PASSED ROSE BY 10% AS DEPLOYMENTS FOCUSED ON ALREADY COVERED AREAS

FTTH continued its commercial growth drive achieving 67 million FTTH subscribers and 126 million homes passed through 202 million sockets. FTTH growth expected to continue apace, reaching by 2028 287 million sockets, 157 million homes passed and 101 million subscribers.



Source: SmC+ analysis

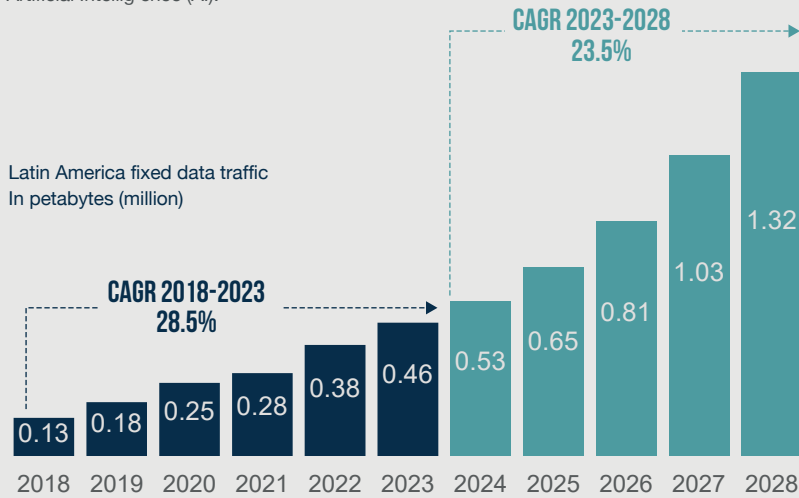
HOMES PASSED TO GO FROM 67% IN 2023 TO 83% IN 2028



Source: SmC+ analysis

FIXED DATA TRAFFIC IS PROJECTED TO TRIPLE OVER THE NEXT FIVE YEARS, INCREASING FROM 0.46 MILLION PETABYTES IN 2023 TO 1.32 BY 2028

According to ITU, fixed data traffic accounted for 84% of total traffic in 2023 in LAC. Most important growth drivers are video streaming (higher quality and live), increased digitalization, proliferation of data-intensive platforms, growth of internet of things, B2B cloud usage and Artificial Intelligence (AI).



DIGITAL LIFESTYLES AND STREAMING CULTURE ARE DRIVING TRAFFIC CONSUMPTION



DOWNSTREAM REPRESENTS 92.4% OF GLOBAL TRAFFIC

Global Downstream volume: fixed %

Content category	Vol
On demand streaming	54%
Live streaming	14%
File delivery	13%
Browsing	3%
Game play	3%
Video call	2%
Messaging	0.6%
Voice call	0.5%
Other	10%

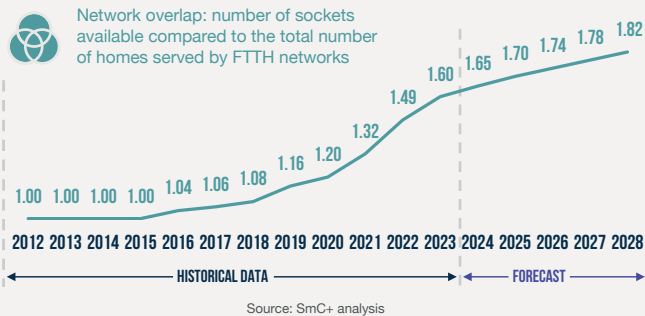


UPSTREAM REPRESENTS ONLY 7.6% GLOBALLY

Source: Sandvine. The global Internet phenomena report. March 2024.

NETWORK OVERLAP IS EXPECTED TO GROW FROM 1.6 TO 1.8 AS DEPLOYMENTS INTENSIFY IN ALREADY COVERED CITIES

Increasing network overlap in urban zones pushes players to increase competition, leverage QoS and review prices.



NEUTRAL NETWORKS ARE A VEHICLE FOR PROMOTING FTTH TECHNOLOGY TRANSITION PRIMARILY IN SUB-URBAN AREAS

Neutral host networks allow ISPs to adopt FTTH without deployment costs, enhancing coverage and next generation services.



COST
REDUCTION



TIME-TO-
MARKET

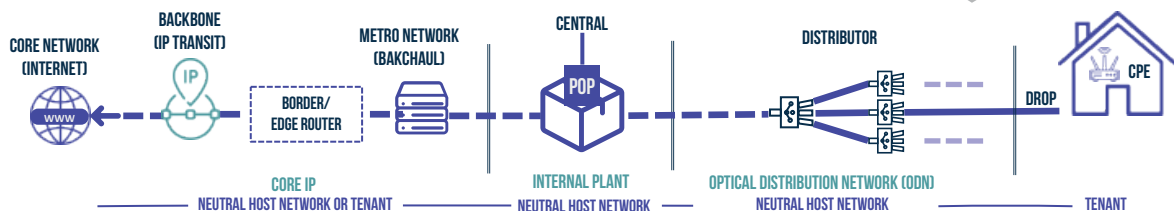


ENVIRONMENTAL
IMPACT REDUCTION

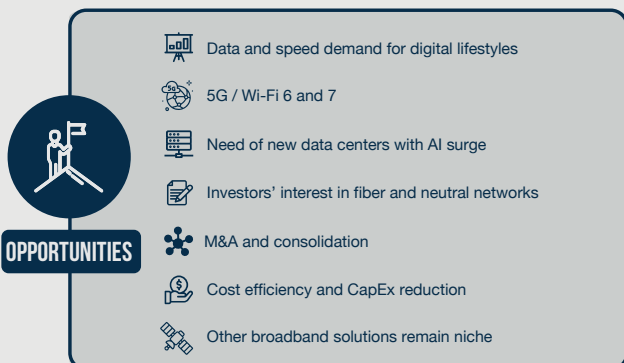


ACCESS TO
LOCAL VENDORS

Decision to migrate to a NHN depends on the ROI. Neutral networks can vary in architecture from passive to active infrastructure, mainly depending on tenants' needs.



FTTH DEPLOYMENT MOMENTUM IN LATAM EXPECTED TO CONTINUE OVER THE NEXT YEARS. KEY QUESTION GOING FORWARD IS IF DEPLOYMENT GROWTH WILL PLATEAU AND HOW MUCH COMPETITION WILL DRIVE NETWORK OVERLAP





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