


DECEMBER 2023

Fiber 
Broadband
LATAM CHAPTER

FTTH Panorama for Latin America 2023

Restricted material for fiber
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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.

Our unique service, Regulatory Assistance as a Service (RaaS), enables our clients to overcome their regulatory hurdles in Latin America, by providing deep knowledge on local dynamics to support strategic actions.

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Report produced for the Fiber Broadband Association Latam Chapter during 2023 by SmC+ Digital Public Affairs. The numbers shown were surveyed to individual players, taken by public reports and estimated by the authors.

Suggested citation: Cabello, S., Ros Rooney, D., Fernandez, M., Beltrán, S. (2023). FTTH Panorama for Latin America 2023. Commissioned by FBA Latam Chapter to SmC+.



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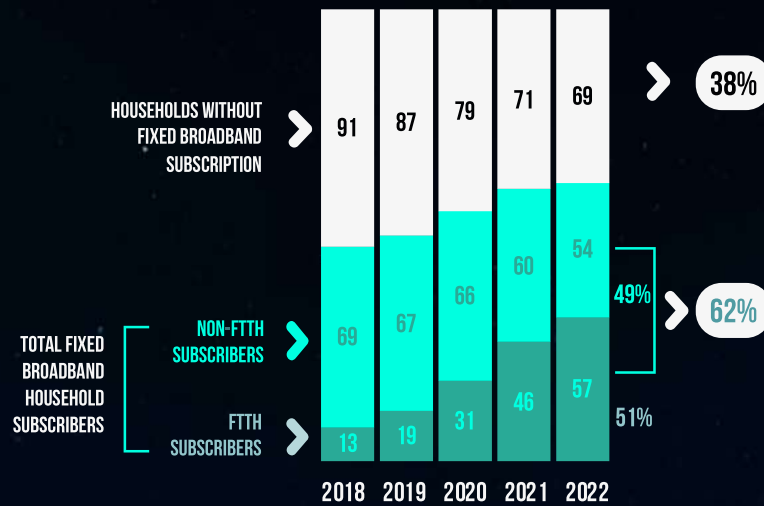
2023 HIGHLIGHTS

BY 2022, IN LATIN AMERICA 111 MILLION HOUSEHOLDS HAD A BROADBAND SUBSCRIPTION

Broadband connectivity gap: there are still 69 million households without any sort of broadband subscription in the region (38% of total households).



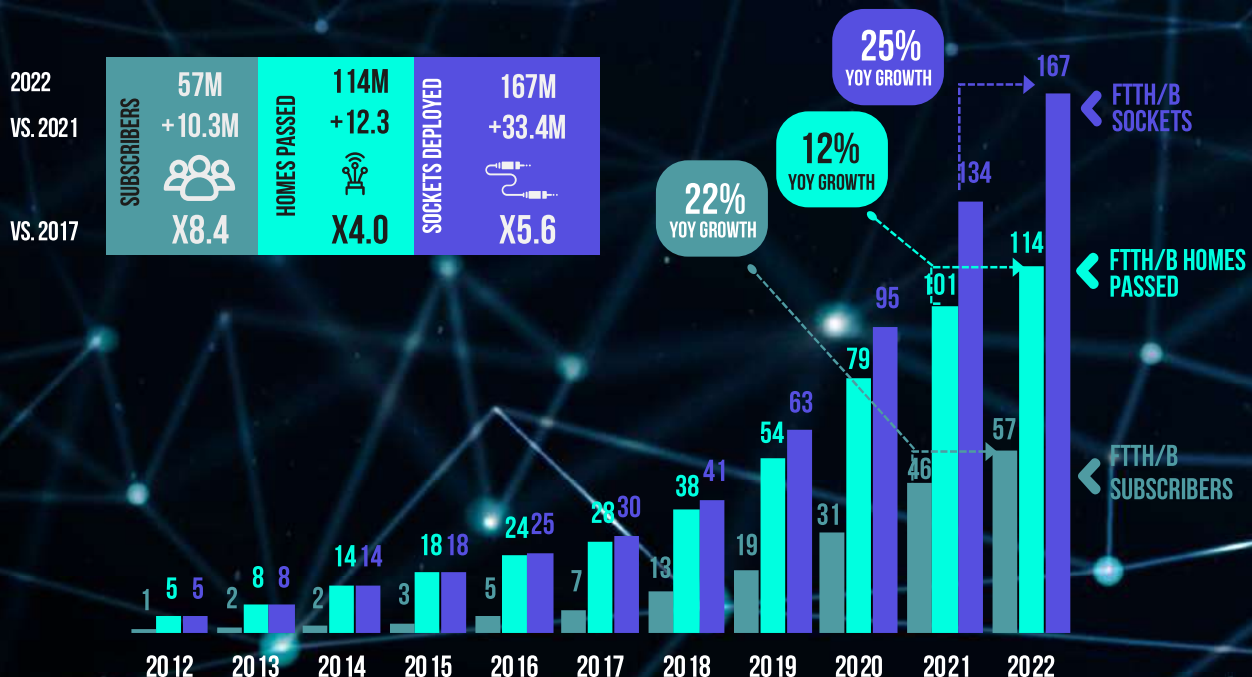
BROADBAND CONNECTIVITY IN LATIN AMERICA (MILLIONS OF HOUSEHOLD SUBSCRIBERS)



Source: SmC+ analysis

FIBER TO THE HOME (FTTH) HOME PASSED IN LATIN AMERICA REACHED 114 MILLION HOUSEHOLDS IN 2022, THROUGH 167 MILLION SOCKETS DEPLOYED

FTTH continued its commercial growth drive achieving 57 million FTTH subscribers. In 2023 Panorama we tracked the number of sockets as it became crucial for understanding the network coverage and overlap.

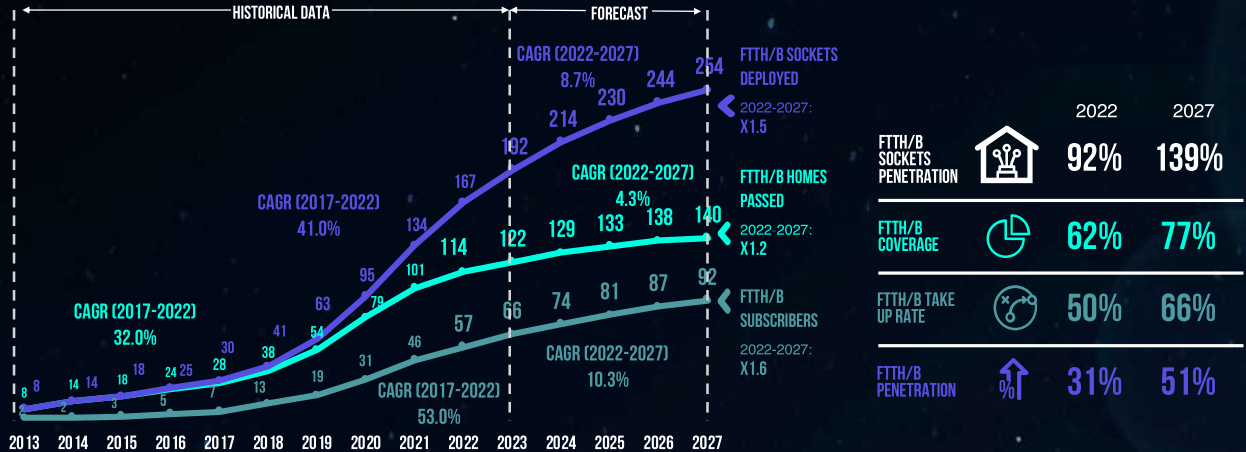


Source: SmC+ based on authorities' and operators' public information and on primary research.

Note: From 2013 to 2018, the information in previous studies was collected by Q3, the rest of the years by Q4.

FTTH GROWTH CONTINUES APACE, REACHING BY 2027 254 MILLION SOCKETS DEPLOYED, 140 MILLION HOMES PASSED AND 92 MILLION SUBSCRIBERS

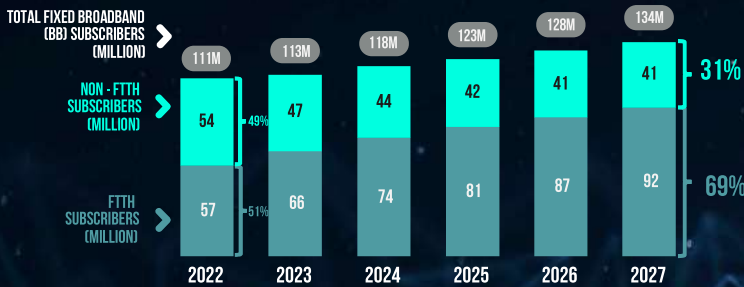
FTTH coverage will keep growing until reaching a plateau in the range of 80%. As deployments will anyway continue, this will result in a higher overlap of fiber networks in urban areas and an increase of service competition among players.



Source: SmC+ analysis

BROADBAND HOUSEHOLD SUBSCRIBERS WILL GO FROM 111 MILLION IN 2022 TO 134 MILLION IN 2027 WITH FTTH MIX INCREASING FROM 51% TO 69%

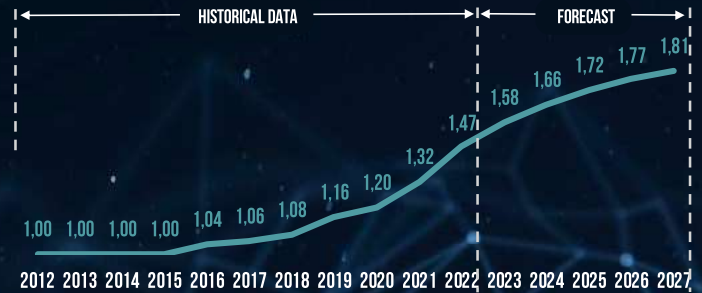
Despite the coverage stagnation, the overlap and take up rates increase will result in a significant growth in FTTH/B subscribers.



Source: SmC+ analysis

THE CONTINUITY OF FIBER DEPLOYMENTS WILL RESULT IN THE INCREASE OF FIBER NETWORKS OVERLAP, GOING FROM 1.5 SOCKETS PER HOUSEHOLD IN 2022 TO 1.8 IN 2027

Latin America witnessed a rise in fiber networks overlap, driven by major operators concentrating their deployments in urban, high-income zones. In some cities (such as in Sao Paulo, CDMX and Guadalajara) has reached 2.9 by 2022.



Source: SmC+ analysis

FIBER DEPLOYMENT MOMENTUM HAS BEEN SEEN IN THE LAST YEARS, BUT THERE ARE CHALLENGES AND BARRIERS THAT THE INDUSTRY SHOULD ADDRESS AND OVERCOME

The FTTH market shows growth opportunities and increasing competitive dynamics that will drive new service offers, partnerships and likely a sort of consolidation.



OPPORTUNITIES

- Data demand
- 5G / Wi-Fi 6/7
- Cost efficiency
- CAPEX reduction
- National plans
- Leapfrogging



CHALLENGES

- Environmental sustainability
- Public-private partnerships
- Supply bottlenecks
- Coverage to rural areas
- Vandalism



BARRIERS

- Lack of qualified staff
- 5G / 4G trade-off
- Economic certainty and ROI
- Maximizing legacy technologies