

## Why GAO Did This Study

Increasingly, broadband Internet service is seen as critical to a nation's physical infrastructure and economic growth. Universal access to, and increased use and adoption of, broadband service are policy goals stated in the National Broadband Plan, which the Federal Communications Commission (FCC) released in March 2010. Some recent studies indicate that despite achieving nearly 95 percent broadband deployment and globally competitive adoption rates, the United States has moved from the top to the middle of the international rankings. Other developed countries, which have made universal access and increased adoption priorities, rank higher than the United States in these areas, and their experiences may be of interest to U.S. policymakers. GAO was asked to address (1) the status of broadband deployment and adoption in developed countries, (2) actions selected countries have taken to increase deployment and adoption, and (3) how recommendations in the National Broadband Plan align with the selected countries' actions.

GAO analyzed relevant information for 30 developed countries that are members of the Organisation for Economic Cooperation and Development (OECD) and visited 7 of these countries selected for their broadband policies and economic or demographic characteristics. GAO also interviewed public- and private-sector contacts in these countries and FCC officials. FCC provided technical comments on this report.

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## TELECOMMUNICATIONS

### National Broadband Plan Reflects the Experiences of Leading Countries, but Implementation Will Be Challenging

## What GAO Found

Broadband infrastructure has been widely deployed in developed countries, but broadband adoption rates are more variable because of cost and other factors. In 27 of the 30 OECD countries, including the United States, broadband has been deployed to 90 percent or more of households, regardless of differences in demographic and geographic factors, while broadband adoption rates are affected by factors such as population, cost, and computer ownership. In the United States, which ranks 15th for both deployment and adoption, broadband has been deployed to 95 percent of households, with 26.4 subscribers per 100 inhabitants—above the OECD average of 23.3.

To increase broadband deployment adoption, the 7 countries GAO selected—Canada, France, Japan, the Netherlands, South Korea, Sweden, and the United Kingdom—have taken actions that stakeholders in these countries considered effective. GAO placed these actions in five categories—(1) instituting plans and policies (2) providing funds through public/private partnerships, (3) increasing competition, (4) expanding online services, and (5) providing digital literacy training, consumer subsidies, or both. All 7 countries have instituted some type of broadband plan. To help increase deployment in areas private enterprise views as unprofitable, national or regional governments in all 7 countries have used public/private partnerships. To help increase usage and thus expand adoption, all 7 have enacted policies to encourage competition and have increased the number of government services available online. Several countries have also offered training or subsidies, often targeting populations with low adoption rates.

The recommendations outlined in the National Broadband Plan reflect actions taken in GAO's 7 selected countries to increase broadband deployment and adoption. The plan contains over 200 recommendations for FCC, other government agencies, and Congress, which the plan's executive summary groups in four broad areas. These four areas are not identical to the five types of actions GAO identified in the selected countries, but both represent similar approaches to expanding broadband deployment and adoption. For example, the plan calls for adopting strategies and long-term goals, while the actions taken by the selected countries include instituting plans that contain strategies and goals. Similarly, the plan advocates policies to promote robust competition, just as the selected countries have taken actions to promote competition. While the United States plans to take actions similar to those of other leading countries to achieve the National Broadband Plan's goals of universal access and increased adoption, achieving these goals will be challenging. Actions will be required by governments at all levels and the private sector. Furthermore, implementing the plan's recommendations will require coordinating the work of multiple stakeholders and obtaining sufficient funding, among other actions. How effectively federal agencies will be able to address these challenges and implement the plan's recommendations, as well as what the private sector will do to further deployment, use and adoption, remains to be seen.