**ALLIANCE FOR
AFFORDABLE INTERNET**

A4AI

2013 Affordability Report
Stark Insights, New Solutions

Dr Bitange Ndemo
Honorary Chairperson
Alliance for Affordable Internet
www.a4ai.org

A4AI

Today's Agenda

- What is A4AI?
- What is the Affordability Report?
- Affordability: The True Picture
- Achieving Affordable Internet
- Conclusions

@a4a_internet   #affordableinternet

WHAT IS A4AI?

What is A4AI?

- An global coalition: 40+ members

- Laser focus on broadband affordability via policy and regulatory reform

- Secretariat: World Wide Web Foundation

- Global Sponsors:
  - Google   - Omidyar Network
  - UK DFID   - US AID

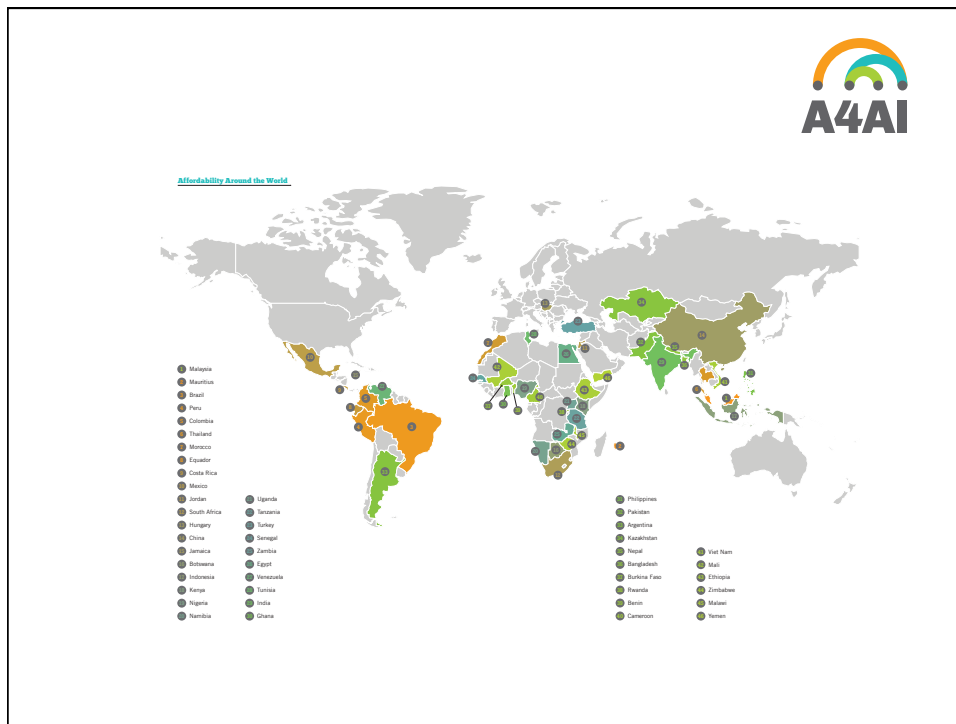 @a4a_internet   #affordableinternet

WHAT IS THE AFFORDABILITY REPORT?

AFFORDABILITY: THE TRUE PICTURE

The Summary

Top Five Emerging Countries	Top Five Developing Countries
Malaysia	Morocco
Mauritius	Indonesia
Brazil	Kenya
Peru	Nigeria
Colombia	Uganda

@a4a_internet   #affordableinternet

The True Picture

For the approximately two billion people living on less than $2/day in the 46 countries studied, the UN Broadband Commission target of entry-level broadband services priced at less than 5% of average monthly income remains far from attainable.

@a4a_internet   #affordableinternet

Why is Malaysia #1?

ACHIEVING AFFORDABLE INTERNET
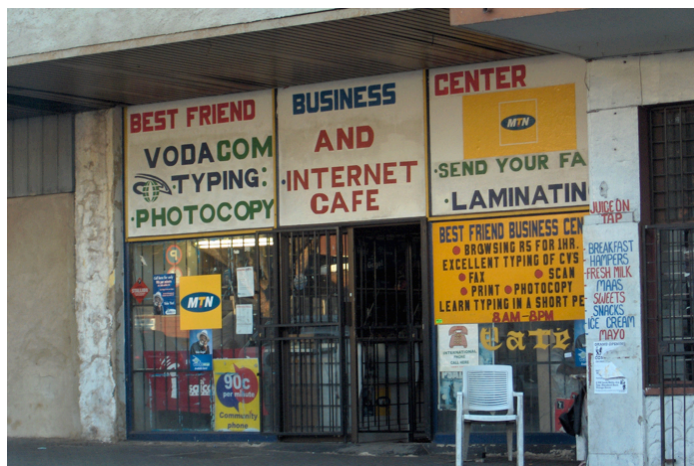
Competition Alone Is Not a Silver Bullet

Image: Edyson on Flickr

Competition Alone Is Not a Silver Bullet

- Competition alone, or the introduction of a particular number of players in a market, is not a sufficient condition to ensure affordable access

- Policy makers and regulators must establish a level playing field that incentivizes service providers to enter the market; innovate by enhancing the efficiency and cost-effectiveness of infrastructure investments; and deliver services to all, including in currently underserved geographies

- Countries that are succeeding are focusing on both supply and demand

@a4a_internet   #affordableinternet

PPPs Can Play a Key Role re Infrastructure

Image: Kojach on Flickr

PPPs Can Play a Key Role re Infrastructure

- Affordability Index: only five countries score higher on the communications infrastructure sub-index than on the access and affordability sub-index.

- So further infrastructure investment is needed.

- PPPs can play a key role here – particularly in connecting underserved areas, and in creating an open access fibre network.

  @a4a_internet   #affordableinternet

Underserved Populations Should Be a Focus

Image: Novartis AG on Flickr

Underserved Populations Should Be a Focus

- A large majority of people for whom broadband access is unaffordable live in large (lower) middle-income countries such as India, Brazil, and China, with high income inequality

- Universal Service Funds can play a key role here in connecting underserved populations

- The funds from these should be used to stimulate/subsidize infrastructure investment, BUT they should also be used to promote digital literacy and make the Internet more relevant and useful to those communities being connected.

@a4a_internet   #affordableinternet

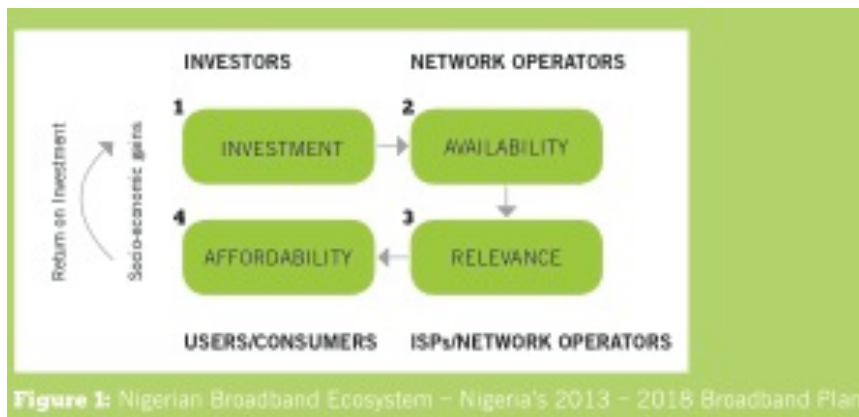**Leadership and Commitment is Essential**

Leadership and commitment is essential

- National leadership is a critical ingredient to maximize the positive impact of broadband on jobs, productivity, economic growth and innovation.

- Long term vision, commitment and coalition building

- Regional bodies have a key role to play too

@a4a_internet   #affordableinternet

Nigeria's National Broadband Plan 2013 sets clear targets and interventions.

Figure 1: Nigerian Broadband Ecosystem – Nigeria's 2013 – 2018 Broadband Plan

CONCLUSIONS

In summary...

A4AI

- Reality check: For people living on less than $2/day the UN Broadband Commission target remains far from attainable.

@a4a_internet   #affordableinternet

In summary...

A4AI

- Broadband markets that price Internet access out of reach for the majority of people are neither socially nor economically efficient.

@a4a_internet   #affordableinternet

In summary…

A4AI

- Policy and regulation is the key, and active participation of all stakeholders in hammering out a concrete plan of action is perhaps the single most important step to move from high prices and low uptake to low prices and high demand.

@a4a_internet   #affordableinternet

To find out more…

A4AI

Join us at an Open Session on Tuesday 10 December in Kramer LT1 at 9AM

@a4a_internet   #affordableinternet

Thank you!

Dr Bitange Ndemo
Honorary Chairperson
Alliance for Affordable Internet
www.a4ai.org

@a4a_internet   #affordableinternet