Mozambique
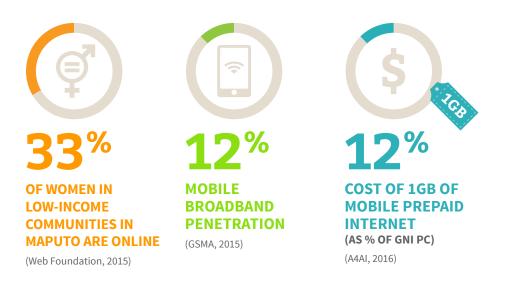
Affordability Report Highlights 2017

Mozambique has a long way to go to to ensure affordable internet access for its citizens. Though the government and regulator have introduced much needed reforms, further efforts to reduce the price of broadband for all — especially for the significant number of citizens living under the poverty line — are needed.

33%

OF WOMEN IN LOW-INCOME COMMUNITIES IN MAPUTO ARE ONLINE

(Web Foundation, 2015)

12%

MOBILE BROADBAND PENETRATION

(GSMA, 2015)

12%

COST OF 1GB OF MOBILE PREPAID INTERNET (AS % OF GNI PC)

(A4AI, 2016)

Mozambique's Performance on the 2017 Affordability Drivers Index

Mozambique ranks 45th (out of 58 countries surveyed) on the 2017 Affordability Drivers Index (ADI). This is a decrease from Mozambique's 43rd place ranking in the 2015-16 Affordability Drivers Index, indicating the slow pace of policy and regulatory progress.

ADI RANK	COUNTRY	ACCESS	INFRASTRUCTURE	ADI SCORE
45	Mozambique	47.47	31.58	40.16

1. Policy & Regulation for Competition

Score: 5.0

Policy scores for policy and regulation for competition are almost equal to the regional average.

Mozambique has previously relied on a service- and technology-based licensing regime. However, a new telecommunications law[1], published in June 2016, acknowledges the convergence of technologies and calls for a technology-neutral and simplified licensing regime, based on the regulation of scarce resources.

2. Broadband Policy

Score: 4.5

Mozambique scores lower than the regional average for broadband policy.

Mozambique's broadband strategy does not include targets or time-bound interventions for reducing broadband costs or increasing penetration, and has not been updated since it was introduced in 2006. The Ministry of Transport and Communications has publicly referred to a revised national strategy for broadband, but this document remains under development.

3. Public Access Policies + Use of Universal Service & Access Funds

Score: 5.5

Mozambique's score for universal access is higher than the regional average.

Since 2007, Mozambique has operated a universal service fund (Fundo do Serviço de Acesso Universal) — funded by operator contributions equal to 1% of the preceding year's gross revenue — to implement projects to expand internet access, and to promote digital skills and content development. These projects are intended to prioritise under-served areas, yet details on the publicly supported projects and/or their impacts are not publicly available. Device costs remain a significant barrier to access in Mozambique[2], which warrants consideration by the USAF to subsidise access to devices, among other options to support access and use. Mozambique's new telecommunications law updates provisions for universal service, which will allow for improved efforts to support community telecentres and other public access solutions.

MOZAMBIQUE AVERAGE V. AFRICA AVERAGE

■ Mozambique Average
■ Africa Average

4. Infrastructure Sharing

Score: 5.5

Mozambique scores higher than the regional average for its use of infrastructure sharing.

The 2016 telecommunications law stipulates the need for updated infrastructure sharing regulations to cover rights of way facilitation and incentives for sharing, among other measures. In collaboration with the A4AI-Mozambique Coalition, the INCM has developed and is finalising new proposed infrastructure sharing regulations, expected to be approved in 2017.

5. Spectrum Policy

Score: 4.5

Mozambique's spectrum policy ranks higher than the regional average.

Mozambique is delayed in implementing its digital migration plans, after which more frequencies will become available for mobile broadband use across the country. Despite this delay and the failed attempt with the Digital Dividend spectrum auction (i.e., 800MHz), the Mozambique market is comparatively speaking in a better situation. Unlike in other markets, there is no spectrum crisis taking place and if needed, the unsold Digital Dividend spectrum could be sold at a reasonable price in line with market expectations.

Recommendations for Improving Internet Affordability and Access in Mozambique

1. **Develop a new Broadband Strategy**, coupled with a clear universal access policy, to capture time-bound targets and initiatives that address, among other issues:

   – the urgent need for expanded access in rural areas and other under-served areas;

   – the development of targeted interventions to increase access for women and other marginalised populations;

   – the implementation of digital skills initiatives to support the development of a thriving local ICT sector; and

   – the need for innovative approaches to address the digital divide, such as programmes that may subsidise devices with access to the internet or expand public WiFi or community networks as options to connect the unconnected.

2. **Expand efforts to tackle demand-side access issues.** Encourage the development of local and locally relevant digital content, and improve digital literacy through trainings and incentives to develop technology and innovation hubs.

3. **Implement regulations and guidelines to encourage and incentivise infrastructure sharing and open access**, and to reduce bureaucratic bottlenecks (e.g., streamline permit process across multiple agencies, improve infrastructure quality standards, and establish a coordinating agency to implement a "dig once" approach to infrastructure investment).

1   Lei das Telecomunicacoes, http://www.incm.gov.mz/documents/10157/343078/Lei%20das%20Telecomunicacoes.pdf
2   USAID and mStar (2015), "Mozambique Mobile Access & Usage Study"