# BANGLADESH DIGITAL CONNECTIVITY BRIEF
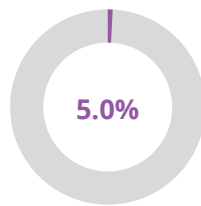
A4AI

Country overview

Bangladesh's population is highly unconnected, with only about 15% of the population connected to mobile broadband and about 5% connected to fixed broadband. The gender gap in internet use is very high, at 125%. The country faces many challenges, including in rural areas, where lack of affordable access and digital skills prevent many from getting online and benefiting from digital opportunities. Given the challenges, the government is currently drafting a new broadband plan and policy with the support of the Alliance for Affordable Internet (A4AI).
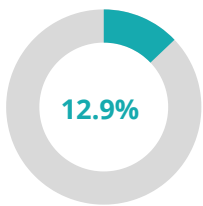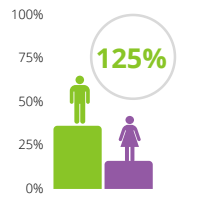
12.9%
ONLINE POPULATION
Source: ITU, 2019
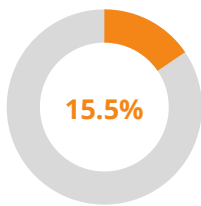
15.5%
MOBILE BROADBAND PENETRATION
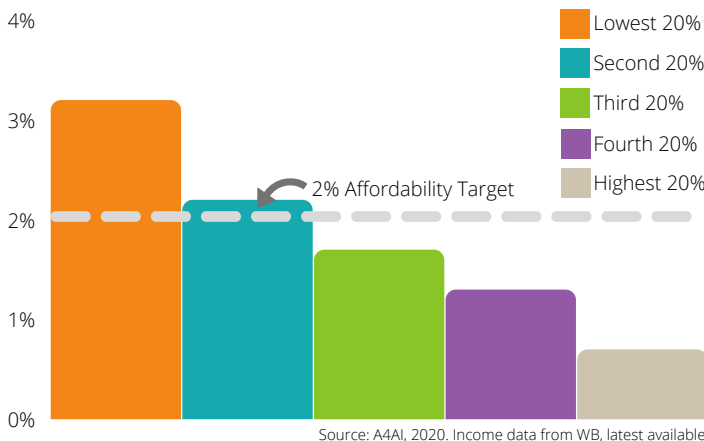Source: A4AI from GSMA, 2020

5.0%
FIXED BROADBAND PENETRATION
Source: A4AI from ITU, 2019

125%
INTERNET USE GENDER GAP
Source: A4AI from EIU, 2020

Affordability Quintiles

- Lowest 20%
- Second 20%
- Third 20%
- Fourth 20%
- Highest 20%

2% Affordability Target

Source: A4AI, 2020. Income data from WB, latest available

While the average affordability of mobile broadband in Bangladesh meets the target set by the UN Broadband Commission, such reality masks inequalities that exist within the country. Indeed, 1GB of data costs over 2% of the monthly gross national income per capita for the population in the two lowest income quintiles, representing 40% of the population.

Dimensions of Meaningful Connectivity

Getting the Right Speed	Having and Appropriate Device	Connecting with Enough Data	Using the Internet Regularly
27.53%	41.67%	N/A	N/A

Source: GSMA, 2020

Meaningful connectivity to the internet implies having access to an appropriate device, enough data and speeds, and using the internet every day. Only 27.53% of people in Bangladesh have access to 4G compatible speeds, and only 41.67% have access to smartphones, which are considered to be appropriate devices.

ICT Affordability
AS A % OF GNI P.C.

MOBILE

1GB = 1.39%

2GB = 2.12%

5GB = 2.20%
Source: A4AI, 2020

FIXED

5GB = 2.60%
Source: A4AI & ITU, 2020
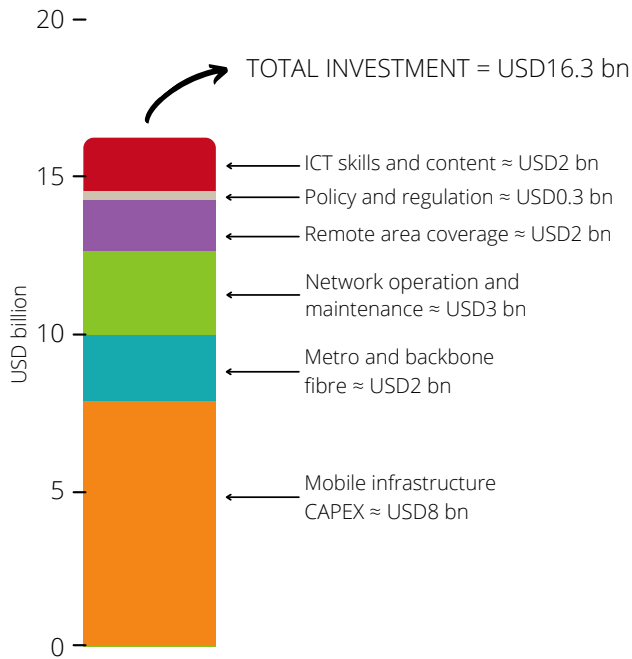
DEVICE

SMARTPHONE 23%
Source: A4AI, 2020

Bangladesh meets the affordability target established by the United Nations Broadband Commission, as 1GB corresponds to 1.39% of the monthly average income in the country. Both fixed and mobile 5GB are just above the 2% threshold, at 2.60% and 2.20% respectively. Smartphone affordability is at 23%. The country ranks 45th (out of 72 countries surveyed) on A4AI's Affordability Drivers Index (ADI).
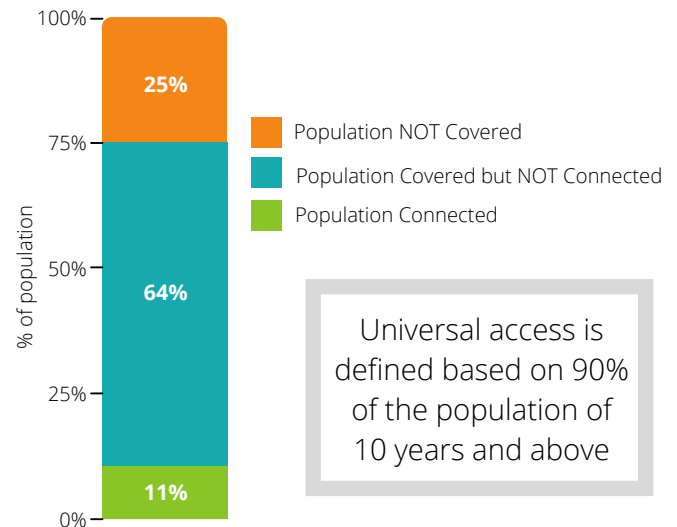
THE ADI AFFORDABILITY DRIVERS INDEX
Is a tool developed by A4AI to assess how well a country's policy, regulatory, and overall supply-side environment is positioned to lower industry costs and ultimately create more affordable broadband. It scores countries across two main policy groups: Infrastructure and Access

Investments needed by 2030

20 —

TOTAL INVESTMENT = USD16.3 bn

USD billion

15

- ICT skills and content ≈ USD2 bn
- Policy and regulation ≈ USD0.3 bn
- Remote area coverage ≈ USD2 bn
- Network operation and maintenance ≈ USD3 bn

10

- Metro and backbone fibre ≈ USD2 bn

5

- Mobile infrastructure CAPEX ≈ USD8 bn

0

Source: A4AI from ITU, GSMA, A4AI, operator and regulator, 2019

100% —

25%

75% —

% of population

■ Population NOT Covered

■ Population Covered but NOT Connected

■ Population Connected

50% —

64%

Universal access is defined based on 90% of the population of 10 years and above

25% —

11%

0% —

Source: A4AI from GSMA, Xalam and UN population data, 2019

As shown in the figures above, three thirds of the population in Bangladesh is in areas with internet coverage, although only a much smaller percentage of the population is in fact connected. Analysis conducted by A4AI to estimate the investments needed to connect the population of Bangladesh to the internet by 2030 shows that almost half of the total investments relate to mobile infrastructure capital expenditure (CapEx), which implies that infrastructure deployment is still one of the most pressing issues in Bangladesh. Nonetheless, costs are also associated with fiber deployment, network operation and maintenance, remote area coverage, policy and regulatory costs, as well as costs associated with building necessary ICT skills and relevant content.

Policy scores

■ 2020 ■ 2018

Regulatory Environment

Broadband Strategy

Universal & Public Access

Infrastructure Sharing

Spectrum Management

Gender

0   2.5   5   7.5   10
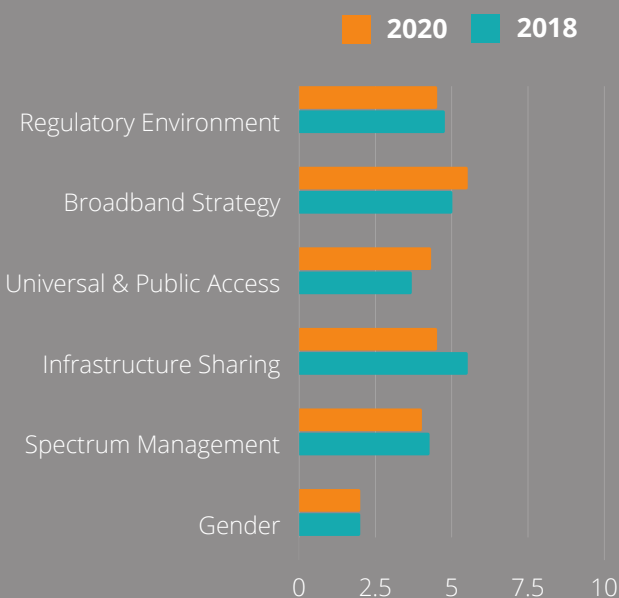
2020 Affordability Drivers Index (ADI)

ADI Score = 50.19

Access Score = 48.48

Infrastructure Score = 46.91

Source: A4AI, 2020

Policy Highlights

Broadband Strategy
The government of Bangladesh is officially undertaking efforts to update its national broadband strategy.

E-government services
Availability of e-government services in local languages has increased according to EIU's Inclusive Internet Index.

Universal access
The universal service fund is being used to subsidize access to underprivileged and under connected communities in rural and remote areas, although the reach of such initiative is not yet clear.

Infrastructure Sharing
While efforts have been made towards facilitating infrastructure sharing, some regulatory decisions have not succeeded, and the regulatory framework is not yet effective enough.

Spectrum management
There is evidence of bureaucratic delays. For example, there is no framework yet for unlicensed spectrum use.

Gender
Only 16 % of women use mobile internet in the country against 33% of men according to the GSMA's 2020 Mobile Gender Gap Report.