

# **Enabling Affordability, Ensuring Inclusive Development**

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# Today's Agenda

- Who is A4AI and what do we do?
- Affordability is critical for inclusive development
- Affordability around the world
- Building bridges for development



**WHO IS A4AI AND WHAT DO  
WE DO?**

# A global multi-stakeholder coalition



*The Web Foundation hosts the Secretariat*

*Mission:*

*Meet UN Broadband Commission Broadband Target of entry-level broadband services priced at less than 5% of average monthly income.*

Thereby:

- Enabling the next billions of users to come online (with a particular focus on low-income countries)
- Raising Internet penetration rates to least 40% in **all** countries

# With a clear focus on policy and regulation



- The best technologies can't drive progress if they are hamstrung by regulation and policy.
- By creating the conditions for open, competitive and innovative broadband markets, regulatory and policy reform can leverage very large increases in internet access.



# Supported by members across public, private and civil society sectors



## Global sponsors



## Private sector



# Strength in diversity

## Public Sector / Academia



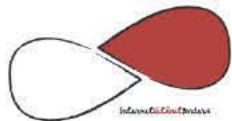
COMMONWEALTH  
TELECOMMUNICATIONS  
ORGANISATION



DIREITO RIO  
• CTS



## Civil Society / Foundations



# Focus on local partners



## Local partners





# **All aligned around policy and regulatory best practices**



- These diverse organizations have all endorsed nine best practices
- Practices aim to ensure open, competitive markets, plus policies and regulations in place to lower the cost structure for the industry
- Grounded on principles of Internet freedom and the fundamental rights of expression, assembly, and association online

# **Advocacy focused on action and implementation**

- Country engagement
  - Nigeria first country to sign MOU
  - Ghana followed shortly thereafter
  - Mozambique came on board in April
  - A4AI Ghana and Nigeria Multi-stakeholder Coalitions fully formed and actively working to address selected priority areas
- Robust research to build the evidence base
  - First affordability report released December 2013
  - Case studies published (Ghana, Nigeria)
  - Thematic briefings being developed

# Support from the leadership is key



- A commitment from the top for engagement on policy change
- Policy change informed and supported by the multi-stakeholder coalition members





**AFFORDABILITY IS CRITICAL  
FOR INCLUSIVE DEVELOPMENT**



# Internet Access = Social and Economic Development



- Broadband markets that price Internet access out of reach for the majority of people are neither socially nor economically efficient.
- By restricting access to affluent segments of the population, they hold back progress in areas such as health and education, and sacrifice tangible GDP growth that would result from higher connectivity levels.

Affordable access also promotes active citizenship: public participation in democratic processes, increased awareness of the rights of the citizen, access to government information and services

# Increased access to educational tools, information and materials



Kids  
working  
together on  
a computer  
in Haiti.

Source:  
A4AI  
member  
Invaneo



# **Gender equality in broadband access (BB Comm target): access to information, public participation**

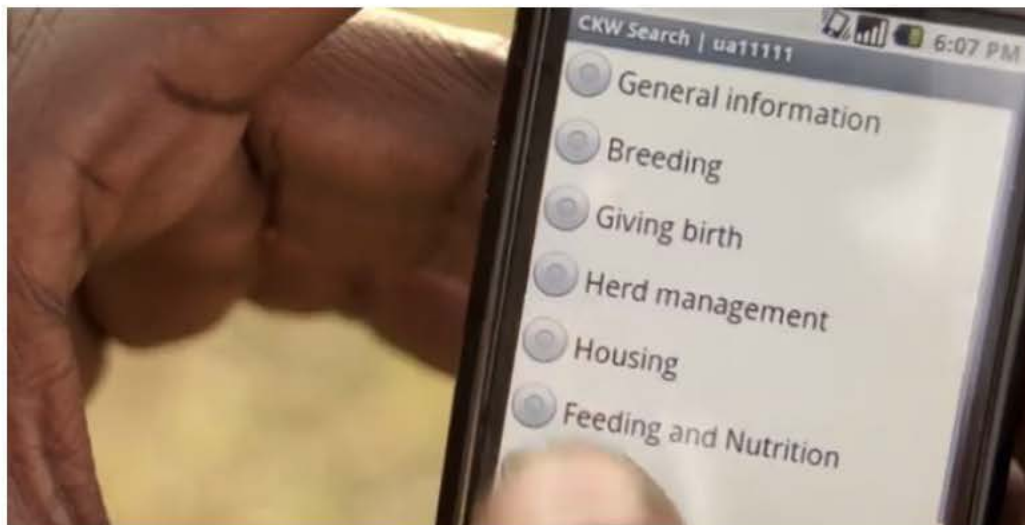


A4AI member World Pulse: <http://worldpulse.com/campaigns/www>

# Ready access to agricultural prices and markets, facilitating better crop management



Photos by A4AI's  
member The  
Grameen  
Foundation





# Support and opportunities for local and national ICT Entrepreneurship



Photo by A4AI's member Intel

# Affordable public access via libraries, community centers



Pucallpa Village Library, Peru. Photo by A4AI's member IREX/Beyond Access





# **AFFORDABILITY AROUND THE WORLD**

# A bleak picture for developing countries

Broadband Prices as % of GNI per capita		
	Developed	Developing
<b>Fixed Broadband</b>	1.7%	30.1%
<b>Mobile Broadband</b>	1.4%	11 - 25%*
* dependent on plan		
Source: ITU Facts and Figures 2013		

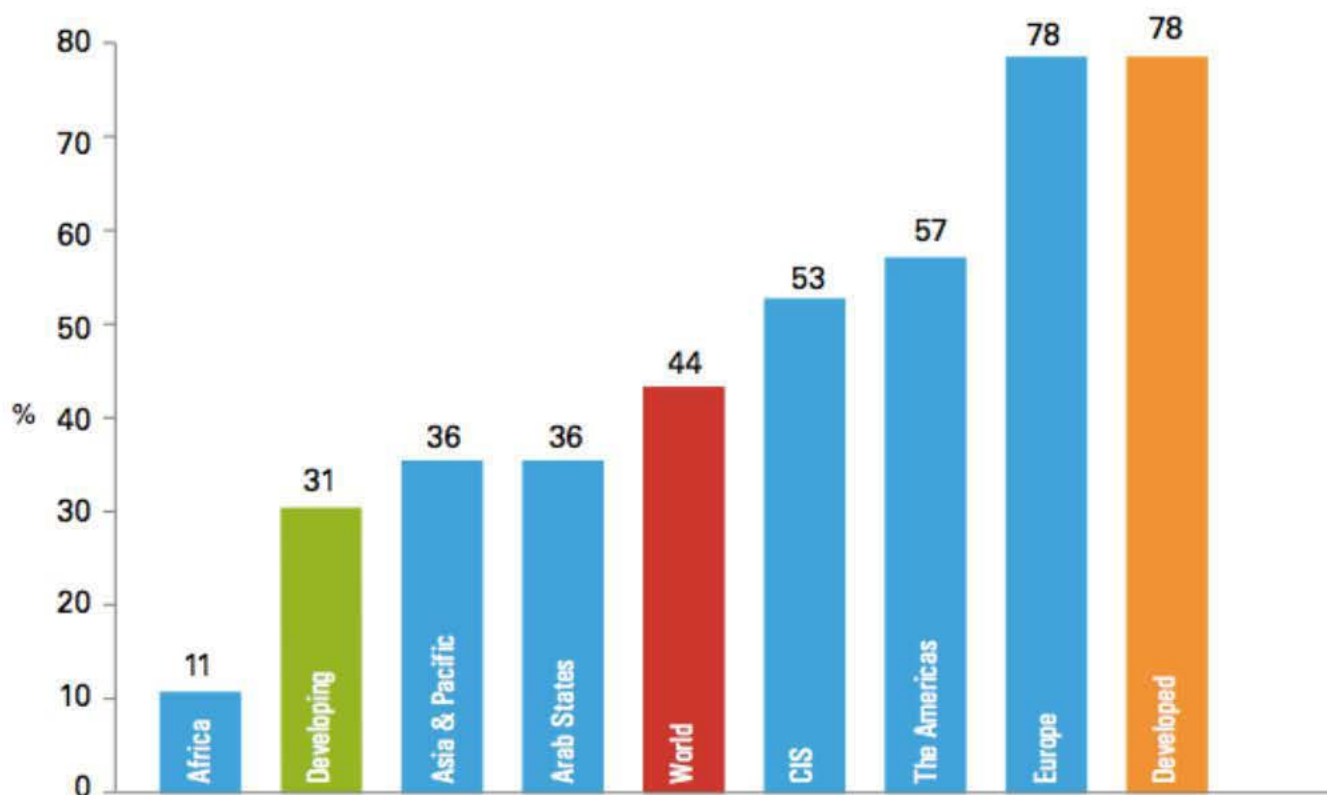
- In Africa, mobile broadband prices still represents 36-58% of GNI per capita.
- Broadband Commission reported that over 90% of people in the world's 49 least developed countries are still not connected



# Progress made is positive but not enough



Percentage of Households with internet access, by region, by 2014



Note: \* Estimate

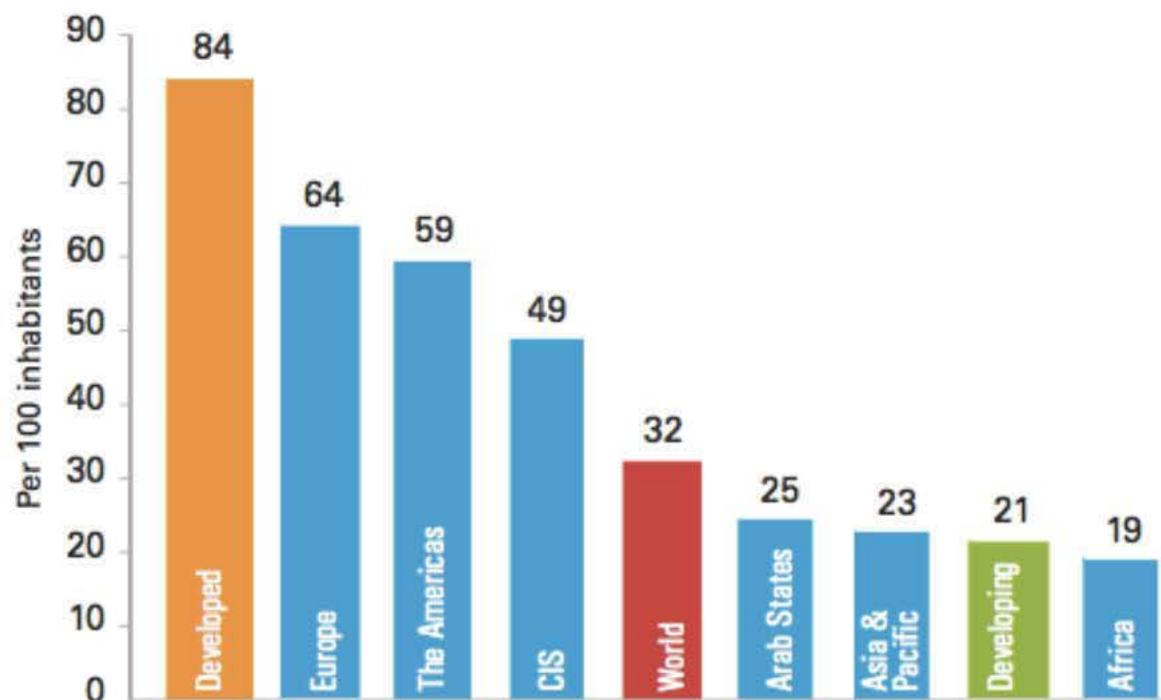
Source: ITU World Telecommunication/ICT Indicators database

Source: The World 2014 ICT Facts and Figures

# Progress made is positive but not enough



Active mobile broadband subscriptions, by region, by 2014



Note: \* Estimate

Source: ITU World Telecommunication/ICT Indicators database

Source: The World 2014 ICT Facts and Figures

**The A4AI Affordability Report  
provides a closer look at the true  
picture**



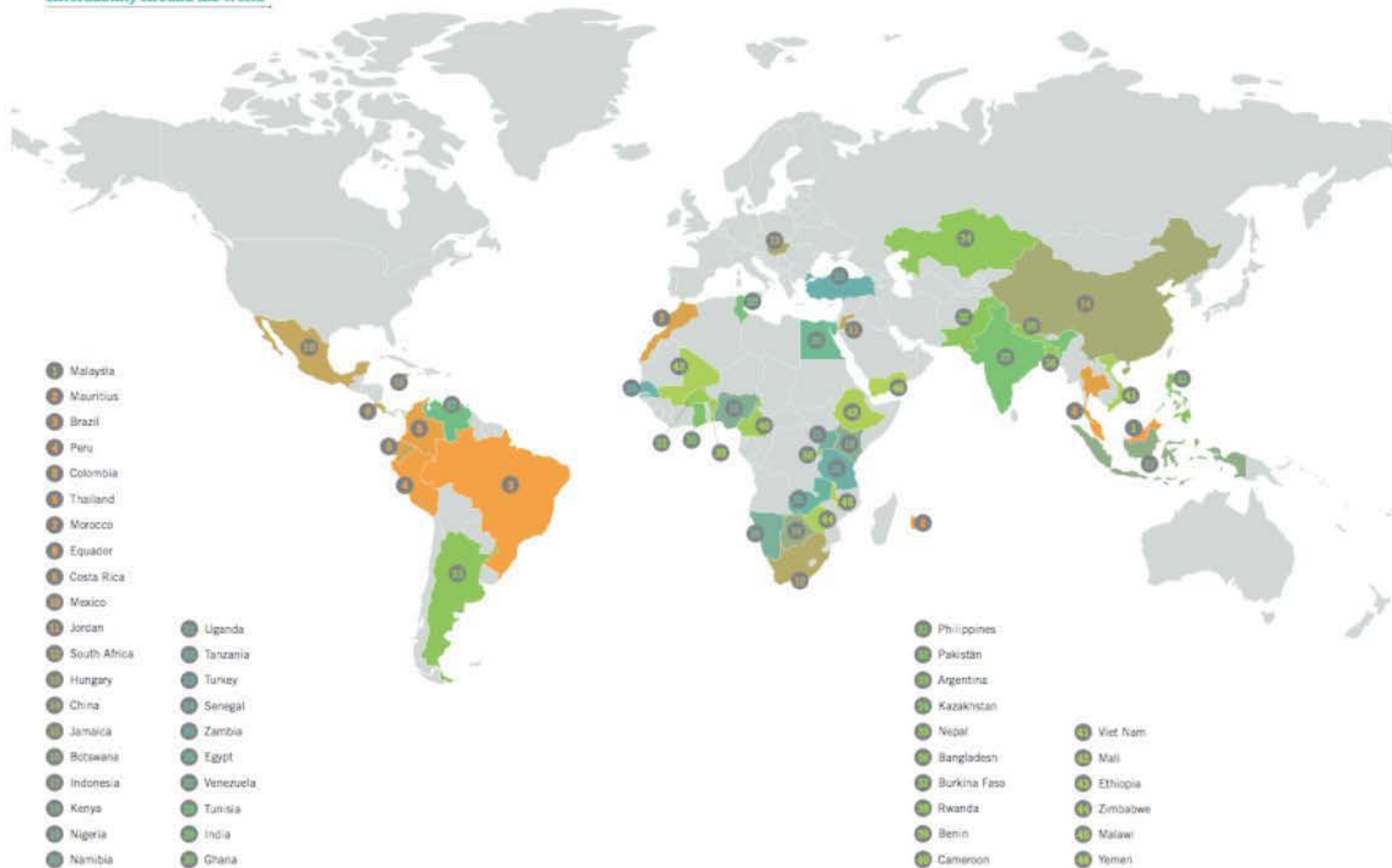
***For the approximately two billion people living on less than \$2/day in the 46 countries studied, the UN Broadband Commission target of entry-level broadband services priced at less than 5% of average monthly income remains far from attainable.***

***(A4AI Affordability Report 2013)***

# The Affordability Index



Affordability Around the World





# Cost of broadband is prohibitive when living in poverty

Selected Country Examples	% of population with < \$2/day (monthly income \$61)	Total- population < \$2/day (monthly income \$61)	cost of fixed bb/income level \$2/day	cost of mobile prepaid handset based bb/income level \$2/day
China	27.21	359,575,234.51	38.0	25.4
Colombia	15.82	7,016,538.13	30.7	48.9
Nigeria	84.49	124,159,302.92	63.9	21.3
Peru	12.7	3,577,091.91	29.5	23.8
Philippines	41.53	36,817,437.65	37.5	18.9
Zambia	86.64	10,444,784.70	134.9	35.4

If one considers the **gender gap in incomes** across all the countries studied, the affordability picture would be even bleaker. In several countries in Africa, **women earn on average 30 - 50 percent less than men**, limiting women's purchasing power and therefore their ability to benefit from broadband. The same is true in Asia and Latin America.

# The Affordability Index: an innovative way to rank affordability



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

# Ensuring affordability for inclusive development



**Public, private and civil society stakeholders have a role to play**

- **Competition Is Not A Silver Bullet.** Well-rounded policies and regulations that stimulate both supply of and demand for broadband are a must.
- **Overcoming the Infrastructure Barrier Remains a Priority to Ensure Affordable Universal Access.** This can be done by facilitating resource sharing across network operators and other infrastructure providers as well as by creating public-private partnerships (PPPs) to subsidize infrastructure projects.
- **Reducing Prices and Closing the Access Gap for Under-Served Populations is Critical for Development.** Universal Access/Service Funds are critical to support broadband deployment as well as public access to information and content online.
- **National leadership is a critical ingredient to maximize the positive impact of broadband on jobs, productivity, economic growth and innovation.** Many countries have developed broadband policies, but many of these are far from being comprehensive enough to address the barriers to improving affordability.





# **BUILDING BRIDGES FOR DEVELOPMENT**

# Affordable Internet Access is a Bridge to Development...



*Blue Nile River, Ethiopia. Image: Kenneth Franz via Wikimedia*

**...but all too often bridges are controlled**



*Image: Sonata via Wikimedia*



# **Build robust, affordable and equitable bridges**



- **Access to information is the key ingredient in the journey from poverty to power! No one should be denied that.**

**"It is critical to expand access and connectivity in order to address the post-2015 agenda."**

**Secretary-General's Special Adviser on Post-2015 Development Planning,  
Amina J. Mohammed of Nigeria, at the opening of the 17th CSTD meeting**

- **The recommendations from this Commission's report on ICT for inclusive social and economic development should be fully supported**

# Build robust, affordable and equitable bridges



- **This commission has the responsibility to ensure that affordable universal access to ICT/internet is realized and fully integrated within the post 2015 agenda**
- Because the current Working Document has no Focus Area on the ICT sector, it is paramount that ICT are clearly recognized as a key platform and engine for development
- “Focus area 8, Economic growth, employment and infrastructure: Promote sustainable, inclusive and sustained economic growth and decent jobs for all” should include concrete targets:
  - getting the cost of basic broadband below 2% of average income by 2020
  - achieving universal internet access (e.g., 90% penetration) in every country by 2030.
- Access to information must be expanded to go beyond “access to information on public finances”, to the *right* to (and means to access) all kinds of information relevant to the development agenda

# Join A4AI in our journey to affordable universal access to the internet



- Active participation of all stakeholders in defining a concrete plan of action is the single most important step to move from high prices and low uptake **to low prices and high demand.**
- Join the Alliance and support our global advocacy work
- Advocate for affordable internet!





# Thank you!

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