Advancing affordability and Meaningful Access to connect the last 50%

ADB-ITU – 23 September 2020
Advances in Closing the Connectivity Gap in Asia and the Pacific
Better understanding, analysis and solutions

a4ai.org
@a4a_internet

What is A4AI?

We are the

world's broadest technology sector alliance

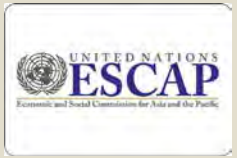
working to

drive down the price of broadband

by

transforming policy and regulatory frameworks.

Public-private-civil society collaboration in action with over 100 member organisations



All have endorsed one set of **good practices**

- grounded on the principles of internet freedom and the fundamental rights of expression, assembly, and association online -

for making affordable broadband internet a reality.

How do we work in member countries?

In each member country, we form a

national multi-stakeholder coalition

↗ civil society

↑ public sector

↖ private sector

to

IDENTIFY KEY BARRIERS TO AFFORDABLE ACCESS

&

DEVISE TAILORED SOLUTIONS TO DRIVE PRICES DOWN

How is A4AI working to tackle the challenges?

A4AI's research supports policy advocacy at the global and regional levels - A look at Asia

How affordable is access in Asia?

16 out of 25

countries we track have affordable internet:

Bangladesh
Cambodia
China
Georgia
India
Indonesia
Kazakhstan
Malaysia
Myanmar
Pakistan
Philippines
Sri Lanka
Thailand
Turkey
Uzbekistan
Viet Nam

In Asia...

ONLINE POPULATION

(ITU, 2019)

MOBILE INTERNET SUBSCRIBERS

(A4AI/GSMA, 2019)

INTERNET USE GENDER GAP

(A4AI/ITU, 2019)

Source: A4AI Affordability Report 2019, Asia Regional Snapshot, https://a4ai.org/affordability-report/

Asia's 2019 ADI Rankings: Still a long road ahead...

The **Affordability Drivers Index (ADI)** scores and ranks all 61 countries based on an in-depth analysis of communications infrastructure and access and affordability indicators.

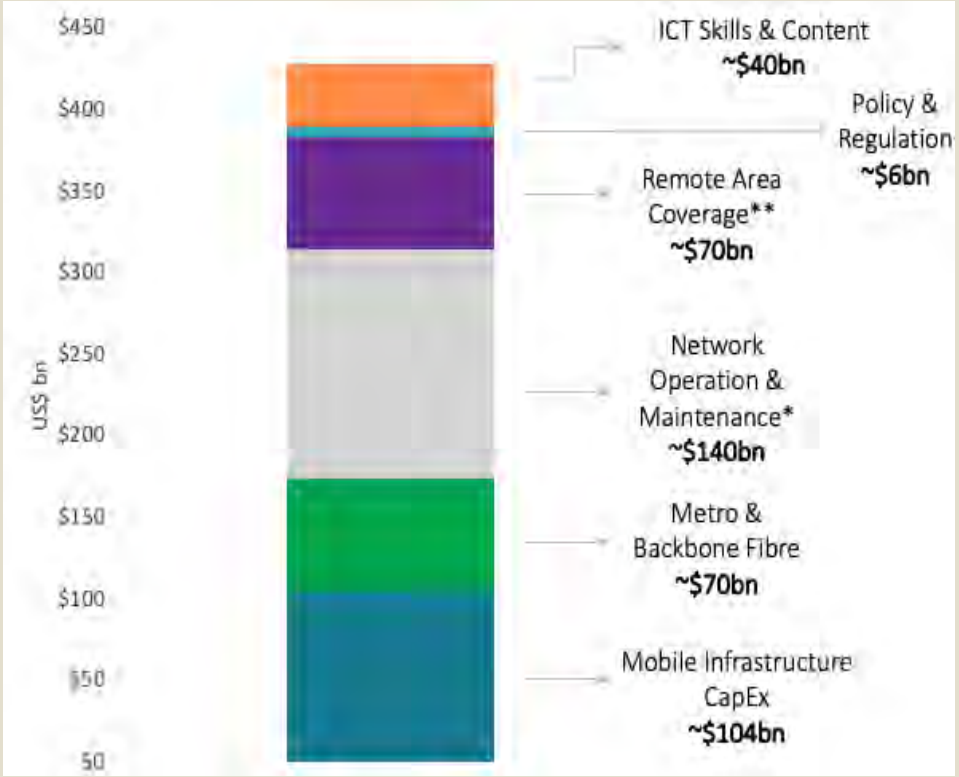
ADI RANK (ASIA)	GLOBAL ADI RANK		COUNTRY	ACCESS SCORE	INFRASTRUCTURE SCORE	ADI SCORE (OUT OF 100)
1	1	●	Malaysia	98.2	65.6	85.3
2	6	●	Turkey	79.2	60.3	72.7
3	8	▲ 1	Thailand	79.4	55.6	70.3
4	9	▼ 1	India	72.7	61.5	69.9
5	14	▲ 1	Pakistan	68.1	55.6	64.4
6	16	●	Indonesia	74.4	47.0	63.2
7	18	▲ 3	Jordan	61.5	57.8	62.1
8	24	▲ 1	Vietnam	59.6	54.2	59.3
9	25	▼ 1	Sri Lanka	64.9	46.5	58.0
10	26	▲ 5	Philippines	64.7	46.5	57.9
11	35	▲ 5	China	50.3	50.0	52.3
12	38	●	Cambodia	55.2	43.8	51.6
13	39	●	Nepal	50.3	47.4	50.9
14	41	●	Bangladesh	47.4	45.3	48.3
15	43	▼ 13	Myanmar	43.6	46.0	46.7
16	48	▲ 3	Kazakhstan	54.5	30.5	44.3
17	61	●	Yemen	0.0	0.0	0.0

● = No Change | ▲ 1 = Up from previous year | ▼ 1 = Down from previous year

Source: A4AI Affordability Report 2019, Asia Regional Snapshot, https://a4ai.org/affordability-report/

A4AI's analysis shows global investments needed to achieve universal access by 2030

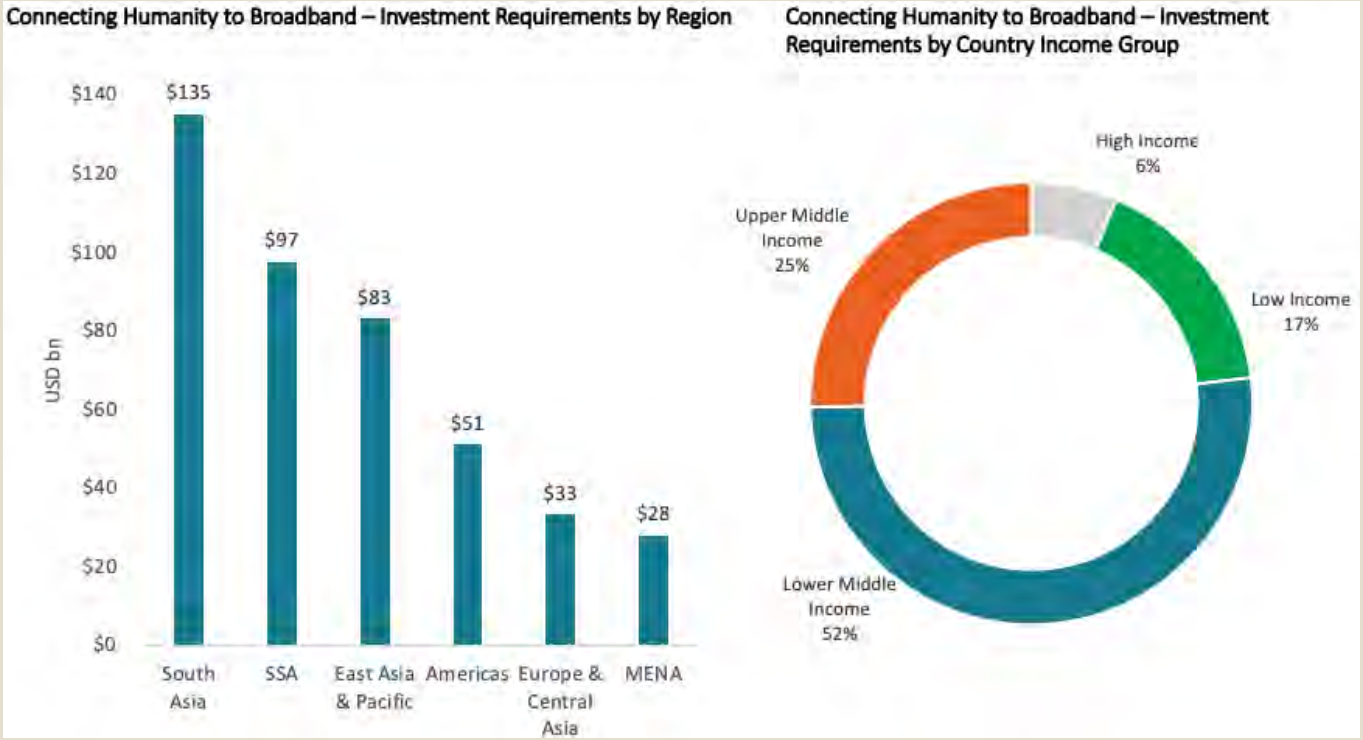
~$428 bn is needed to achieve universal access to broadband connectivity across the world



- **Around $428bn would be needed to achieve universal access to broadband connectivity globally** by 2030 – or $40bn a year on average;
- **Connecting the humanity to broadband is predominantly an infrastructure investment challenge.**
- ~90% of required investments are directly tied to the need to roll out and maintain broadband networks to support the additional connected user base and related traffic;

Source: ITU, Connecting Humanity, 2020.

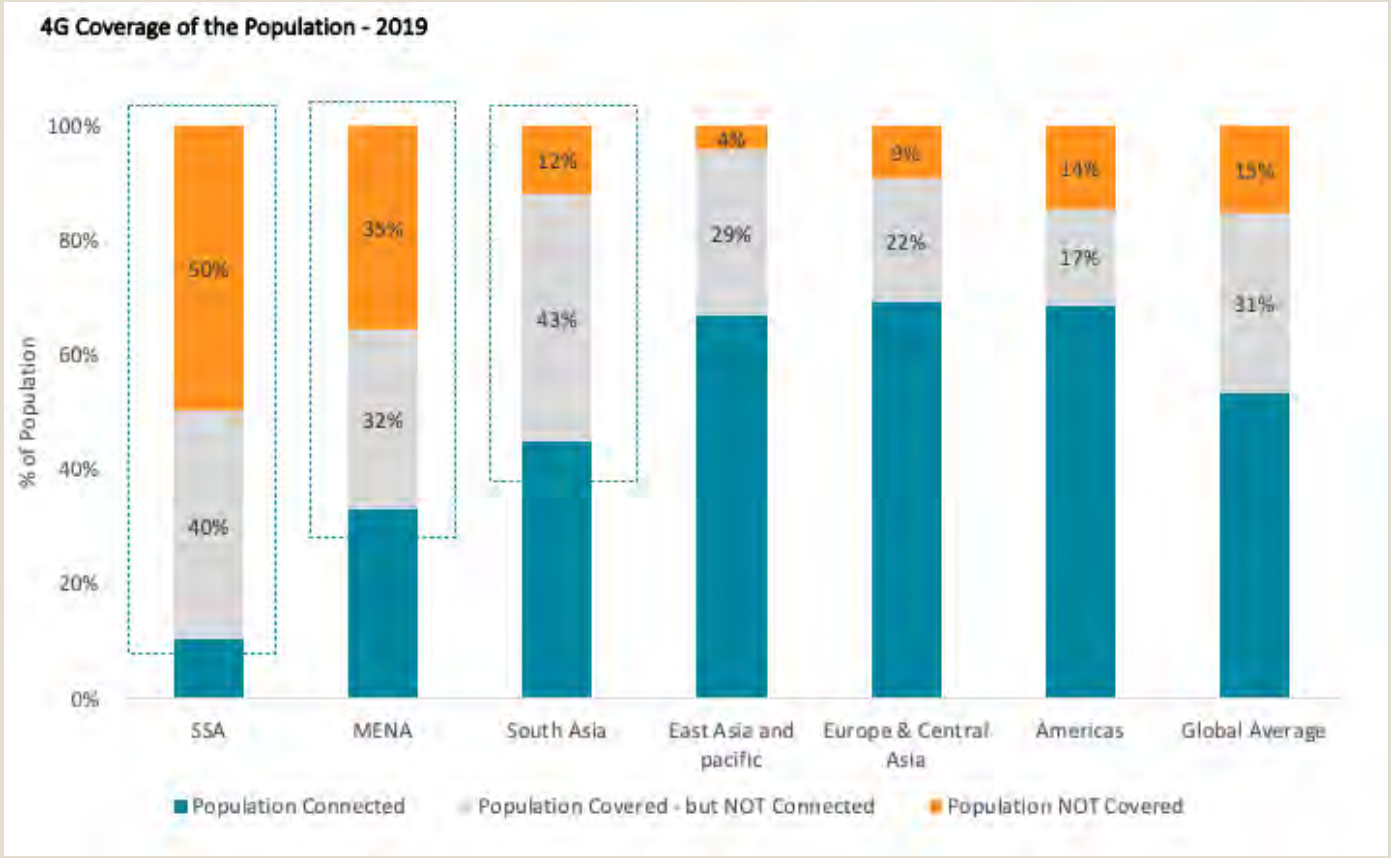
Investments needed by regions and income groups



- At a broad level, the distribution of investment requirements is a function of the overall size of the unconnected population.
- **South Asia, Sub-Saharan Africa and East Asia & Pacific account for around half of the unconnected** population and 55% of required investments.
- Likewise, nearly half of the investment required will need to be allocated to low and lower middle-income economies.

Source: ITU, Connecting Humanity, 2020.

Infrastructure alone in not sufficient!



- **~85% of the global population** is already covered by global broadband networks
- **~70% of the global unconnected are within a 4G coverage area**
- **Beyond infrastructure:** complementary initiatives are needed to connect people already covered by broadband networks. These include programs to increase and support device affordability, affordability of data and services, digital skills programs and content, with a special focus on closing the digital gender gap

Source: ITU, Connecting Humanity, 2020.

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Without meaningful connectivity, the true value of the internet will remain out of reach.

We need to look beyond basic access and make sure everyone can unlock the full power of the internet.

Device affordability is a huge barrier to internet access for billions of people

- In Asia Pacific, the cheapest smartphone represents 16.2% of average monthly income.
- With India included, the Asia Pacific figure jumps to 87.4% owing to the country's role as an outlier with a very large population and high costs.
- e.g. the cheapest smartphone on offer in Fiji was for $65 (USD), roughly 13.3% of average monthly income and the cheapest smartphone on offer in Bangladesh was $33.5 (USD), roughly 23.00% of average monthly income

AFFORDABILITY TABLE (ASIA–PACIFIC)

COUNTRY	PRICE (USD)	AFFORD-ABILITY
China	$55.37	7.02%
Thailand	$55.70	10.11%
Turkey	$94.39	10.91%
Sri Lanka	$37.47	11.07%
Fiji	$65.06	13.32%
Papua New Guinea	$28.15	13.35%
Kazakhstan	$89.96	13.79%
Solomon Islands	$35.41	21.25%
Viet Nam	$45.15	22.58%
Bangladesh	$33.54	23.00%
Georgia	$81.36	23.64%
Jordan	$112.83	32.16%
Philippines	$117.40	36.78%
Cambodia	$59.99	52.17%
Pakistan	$69.23	52.58%
Mongolia	$174.88	58.62%
Timor-Leste	$99.00	65.27%
Kyrgyzstan	$86.30	84.89%
Tajikistan	$88.17	104.76%
India	$346.13	205.62%

Stay tuned for the 2020 Affordability Report!

Thank you!

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