**ALLIANCE FOR
AFFORDABLE INTERNET**

A4AI

2013 Affordability Report
Stark Insights, New Solutions

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Today's Agenda

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

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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

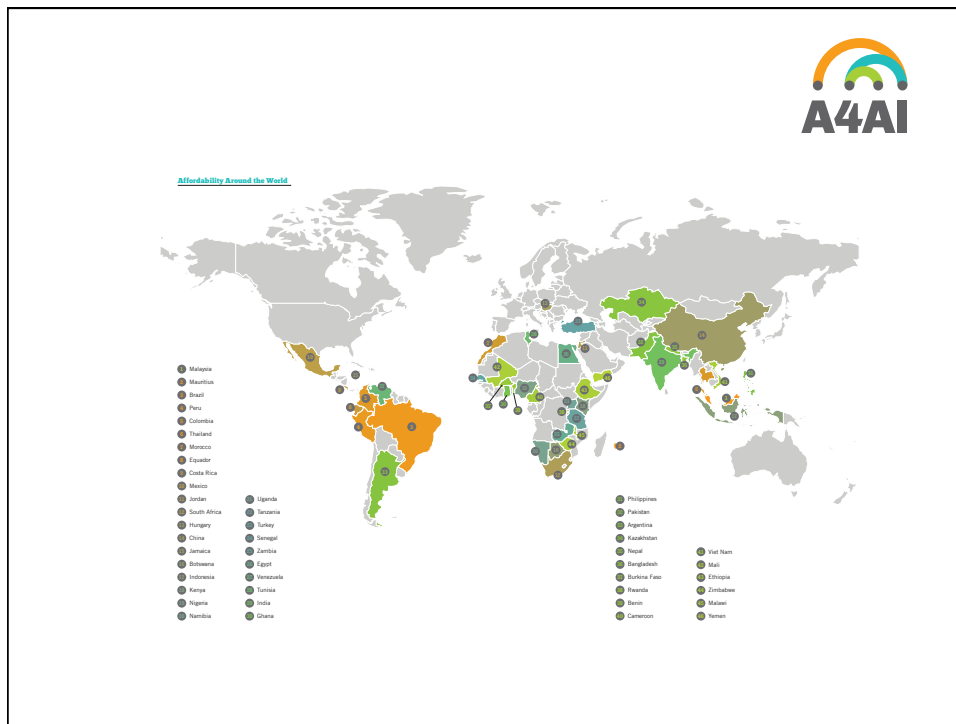   @a4a_internet   #affordableinternet

WHAT IS THE AFFORDABILITY REPORT?

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AFFORDABILITY: THE TRUE PICTURE

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The Summary

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

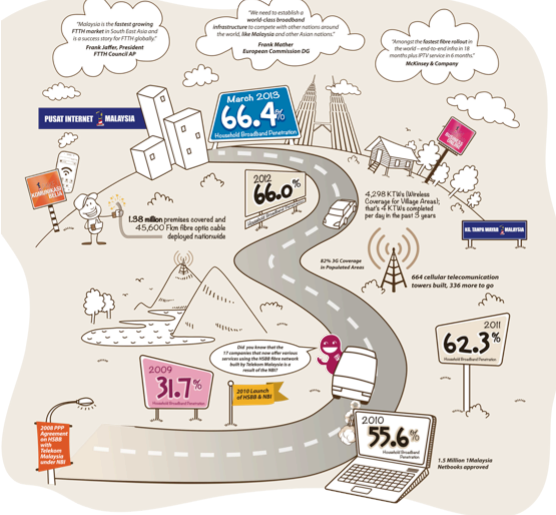@a4a_internet   #affordableinternet

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.

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Why is Malaysia #1?

ACHIEVING AFFORDABLE INTERNET

Competition Alone Is Not a Silver Bullet
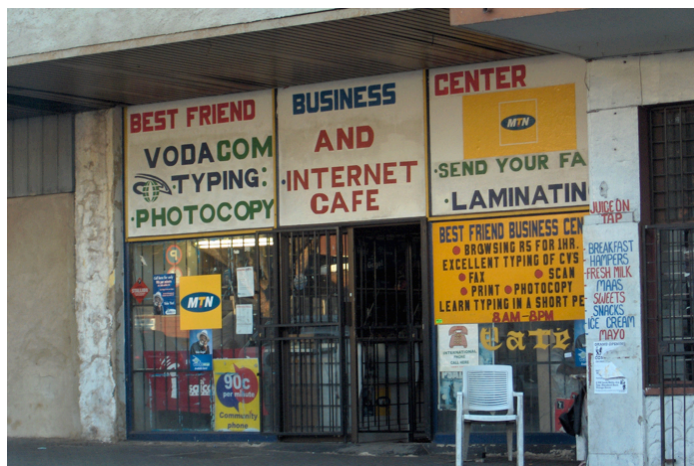
Image: Edyson on Flickr

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

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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.

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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.

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Leadership and Commitment is Essential

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Regulatel

CRASA — COMMUNICATIONS REGULATORS' ASSOCIATION OF SOUTHERN AFRICA

ECTEL — EASTERN CARIBBEAN TELECOMMUNICATIONS AUTHORITY

APT — ASIA-PACIFIC TELECOMMUNITY

Leadership and commitment is essential

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- 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

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

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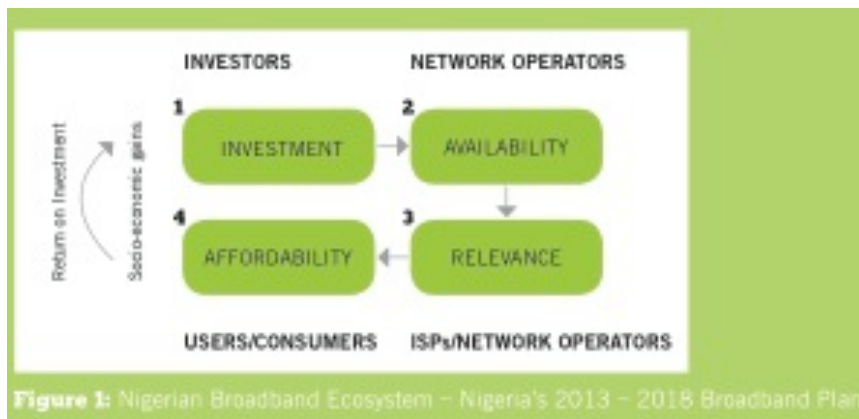
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CONCLUSIONS

In summary...

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

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In summary...

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

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In summary…

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- 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.

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To find out more…

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

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Thank you!

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