A global coalition working to make broadband affordable for all
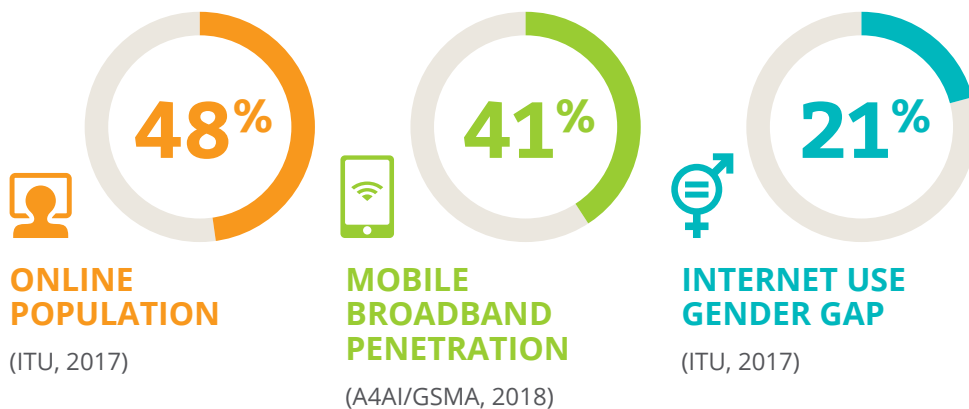
A4AI ALLIANCE FOR AFFORDABLE INTERNET

Asia

Regional Snapshot

2018 Affordability Report

The Affordability Report is an annual report published by the **Alliance for Affordable Internet**. It examines the policy and regulatory frameworks that have allowed some countries to make broadband internet access more affordable and universal, and seeks to understand what others can do to catch up quickly. The 2018 Affordability Report explores the policy progress made across 61 low- and middle-income countries globally and 17 countries in Asia.

In Asia...

48%

ONLINE POPULATION

(ITU, 2017)

41%

MOBILE BROADBAND PENETRATION

(A4AI/GSMA, 2018)

21%

INTERNET USE GENDER GAP

(ITU, 2017)

Asia 2018 ADI Rankings

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	95.6	60.1	82.4
2	●	6	Turkey	75.3	55.7	69.3
3	▲ 1	8	India	71.5	56.6	67.8
4	▼ 1	9	Thailand	77.5	50.4	67.7
5	●	15	Pakistan	65.7	52.4	62.6
6	●	16	Indonesia	73.4	43.9	62.1
7	▲ 1	21	Jordan	61.8	47.3	57.7
8	▼ 1	24	Sri Lanka	62.3	43.2	55.9
9	●	25	Vietnam	58.7	46.0	55.4
10	●	30	Myanmar	48.5	52.5	53.5
11	▲ 1	31	Philippines	55.2	43.0	52.0
12	▲ 4	38	Cambodia	52.8	39.7	49.0
13	●	39	Nepal	47.1	43.4	47.9
14	▼ 3	40	China	47.2	42.2	47.3
15	▼ 1	41	Bangladesh	46.8	41.8	47.0
16	▼ 1	51	Kazakhstan	49.8	22.2	38.1
17	●	61	Yemen	0.0	0.0	0.0

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

What is affordable internet?

"1 for 2"

1GB of mobile prepaid data for 2% or less of average monthly income

How affordable is access in Asia?

13 out of **17** countries surveyed have "affordable" internet:

Cambodia
China
India
Indonesia
Kazakhstan
Malaysia
Myanmar

Pakistan
Philippines
Sri Lanka
Thailand
Turkey
Vietnam

1GB

1GB of data costs an average citizen just over

2%

of their monthly income

Progressing Towards Affordability

1 Regulatory Environment

Regulatory independence, consultative and evidence-based decision-making, simplified licensing regimes

Asian countries score lower than the global average

✔ Regional leaders in this area such as India, Malaysia, and Pakistan hold strong reputations for active and appropriate regulation informed by regular public consultations, although with varying degrees of success on inclusiveness. These countries also benefit from some of the most competitive mobile broadband markets in the region.

✘ Some regulators, such as in Sri Lanka and Thailand, have limited political autonomy over regulatory decisions that limit cooperative trust between public and private sector actors. Again in Thailand and also Indonesia, both have dated licensing frameworks which impede market development and innovation, slowing the drivers for greater broadband affordability.

2 Broadband Strategy

Lays out clear, time-bound targets and interventions for reducing costs and increasing access

Asian countries score higher than the global average

✔ A number of countries, such as India and Malaysia, lead the region in modeling a regular and iterative process for National Broadband Plans with public and consultative drafts for inclusive strategy-setting that accounts for the public good as well as market stability.

✘ In countries like Bangladesh, there remains a need for a clear broadband strategy for improving affordable access. In other countries where affordability is already well below 2%, a more targeted strategy is required to address the lack of broadband adoption. For example, in Sri Lanka, a targeted approach can focus on increasing relevant skills and content.

3 Universal & Public Access

Support for and use of public access programmes and Universal Service and Access Funds (USAFs) to expand access, support local content development, and increase digital skills

Asian countries score lower than the global average

✔ Positive developments come from across the region with USAFs regaining political momentum (Thailand), investing at multiple layers in the network from end user to backbone (Malaysia), and pivoting towards an investment strategy around the entire digital ecosystem, inclusive of digital skills and local content (Indonesia).

✘ Some countries lack a USAF entirely (e.g., Kazakhstan) or fall short of utilising the available funds within them (e.g., Bangladesh). Low cost public access initiatives specifically targeting marginalised groups, rural, migrant communities as well as women, less likely to come online, need to be encouraged.
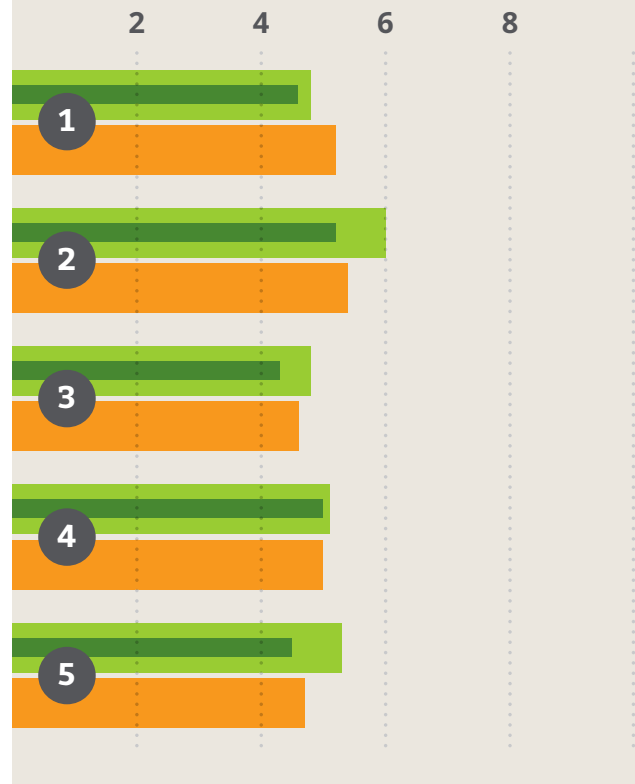
4 Infrastructure Sharing

Government actively encourages and facilitates resource sharing across operators

Asian countries score around the same as the global average

✔ Regional leaders in infrastructure sharing such as India and Turkey see returns on early innovations that provide stable encouragement for inter-operator cooperation and an independent tower sharing market.

✘ Some countries (e.g., Cambodia, Kazakhstan, and Myanmar) are inconsistent in sharing practice while others (e.g., Philippines) have notoriously slow and cumbersome formal procedures. Adopting a streamlined application policy to reduce bureaucratic delays could speed up deployment of infrastructure.

5 Spectrum Management

Detailed plan outlining the timely release of sufficient spectrum to meet projected increases in demand

Asian countries score higher than the global average

✔ Malaysia and Indonesia lead the region from Southeast Asia with the adoption of detailed spectrum management plans in 2017 and increasing use of transparent auctions to allocate spectrum. In addition, some countries that are planning ahead (e.g., Vietnam) have recently offered operators 5G trial licenses.

✘ Two areas in which countries struggle on spectrum management include the lack of publicly-available, long-term information on spectrum planning (e.g., in Bangladesh and Kazakhstan) and an absence of transparent, competitive allocation processes (e.g., Kazakhstan and Nepal).

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