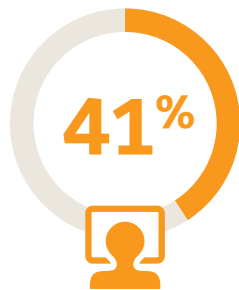




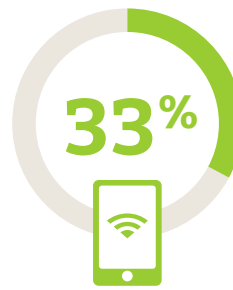
Guatemala

Affordability Report Highlights 2018

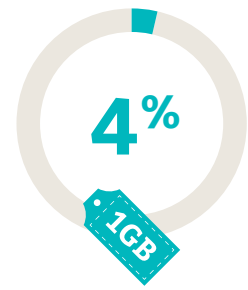
Guatemala has a long way to go to ensure affordable internet access for its citizens. Though the government and regulator have introduced much needed reforms, further efforts to reduce the price of broadband for all – especially for the significant number of citizens living under the poverty line – are needed.



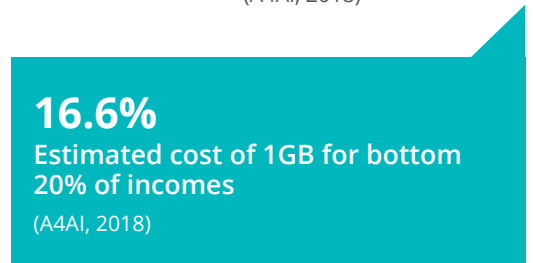
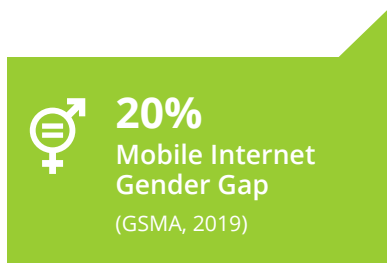
ONLINE POPULATION
(ITU, 2017)



MOBILE BROADBAND PENETRATION
(A4AI/GSMA, 2018)



COST OF 1GB OF MOBILE PREPAID INTERNET
(AS % OF GNI/CAPITA)
(A4AI, 2018)



Latin America and the Caribbean

A global coalition working to make broadband affordable for all

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Guatemala's Performance on the 2018 Affordability Drivers Index

Guatemala ranks 47th (out of 61 countries surveyed) on the 2018 Affordability Drivers Index (ADI). This is eight places higher compared to what Guatemala earned in the revised 2017 Affordability Drivers Index, suggesting improvements in the policy and regulatory environment over that time.

ADI RANK	COUNTRY	ACCESS	INFRASTRUCTURE	ADI SCORE (OUT OF 100)
47	Guatemala	43.21	33.68	40.72

1 Regulatory Environment

Score: 5 / 10

Guatemala has a simple and flexible licensing regime. However, broadcasting licenses are treated differently and are not regulated by the Superintendency of Telecommunications (SIT). The government decisions regarding ICT regulations are publicly published and public consultation is encouraged as part of the regulatory process. However, the enforcement power of the regulator is limited. The SIT showed inherent weaknesses in being able to enforce licensing regulations in the case of Guatel, where the responsibility of spectrum auctions were disputed between the two. In addition, SIT has been weak in imposing sanctions to operators.

2 Broadband Strategy

Score: 3.5 / 10

The Digital Agenda to improve ICT adoption and expanding access exists. However, it is lacking in details as to render it difficult to monitor and implement. Broadband access for rural areas is meant to be financed using the resources obtained from the 4G frequency auctions. This has not taken place due to a legal battle from one of the operators as well as the broadband projects being halted. The government has a USAF, but it holds insufficient funds to be part of a broadband investment strategy.

3 Universal & Public Access

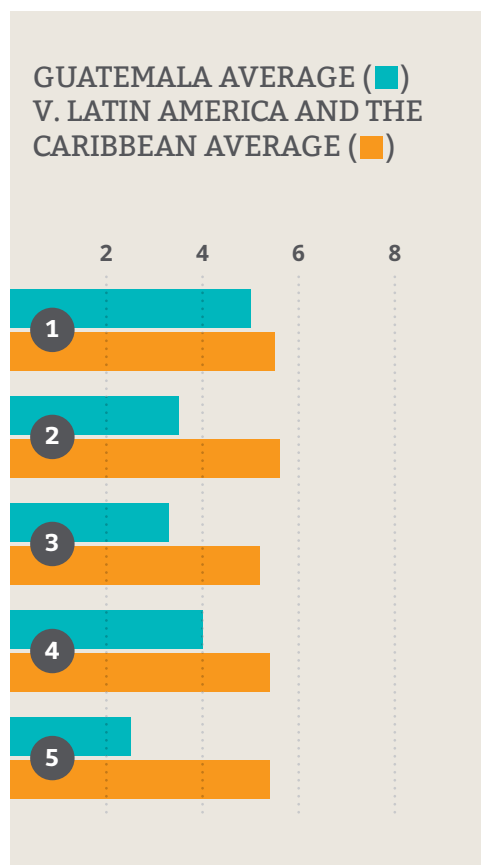
Score: 3.33 / 10

FONDETEL is Guatemala's USAF equivalent. There is evidence that resources were used to improve connectivity in rural areas however, the program is telephony-oriented and has no funds since liberalisation. The Digital Agenda includes improved low-cost shared access as a specific objective. However, the plan currently lacks resources and detailed planning.

4 Infrastructure Sharing

Score: 4 / 10

The government has no incentives or programs to encourage resource sharing between operators. National policies and procedures to facilitate rights of way and tower zoning are not clear. In addition, there is no harmonization of rights of way rules with local governments.



5 Spectrum Management

Score: 2.5 / 10

Article 61 of the Telecom Law mandates auction of frequency bands for wireless spectrum. However, the SIT has been unable to implement the auction for spectrum needed for 4G services in the AWS and 700 MHz bands, with the former held up by legal battles. For the latter, broadcasters claim they are the ones who are authorized by law to sell the rights to use the bands. The SIT has been unable so far to proceed with the spectrum auction.

Recommendations for Improving Internet Affordability & Access in Guatemala

- 1. Implement sound digital policies to increase affordable broadband access for all,** including the national Digital Agenda approved in February 2017. Government needs to set up or identify a coordinating entity to ensure that implementation is effective and supported with adequate resources, and establish a multi-stakeholder committee to monitor progress towards its digital development goals.
- 2. Review and update current digital agendas and policies to ensure that they are informed by social inclusion and national socio-economic development goals.** These must be aligned with concrete time bound targets, targeted projects and interventions, backed by resources, and most importantly address the needs of vulnerable populations for whom digital exclusion is indeed a threat.
- 3. Adopt a National Broadband Plan with concrete and time bound connectivity targets, with cost estimates for infrastructure deployment by province.** This Plan should provide a country vision and identify priority actions to stimulate both supply and demand. It should seek to propose innovative financing modalities and co-investment models in infrastructures, promote the sharing of infrastructures, the availability of spectrum, and promote digital skills, services and content. The A4AI-GT coalition has developed a roadmap to prepare this broadband plan.
- 4. Update the country's legislative and regulatory framework to address the rapid evolution of the ICT sector.** The recent consolidation of the market could undermine healthy competition, affordability and innovation in services. The new regulatory framework should take into account convergence as well as expand the mandate and capacity for effective regulation.