

Broadband still unaffordable for millions

A report from Alliance for Affordable Internet (A4AI) highlights the unaffordable cost of broadband for the two billion people who live on less than US\$2/day.



For those living on less than US\$2/day, entry-level broadband costs an average of 40% of monthly income and in many countries this figure exceeds 80% or 100%. As a result, billions cannot afford to get online, entrenching the digital divide and constraining economic and social progress.

This is the key finding of the Alliance for Affordable Internet's (A4AI - a4ai.org) first Affordability Report - a major study into the drivers of internet affordability in 46 developing and emerging countries. A4AI is a global coalition of more than 40 members, whose global sponsors are Google, Omidyar Network, the UK Department for International Development and US AID. The Report also includes an 'Affordability Index', which ranks nations across communications infrastructure and access and affordability indicators fundamental to achieving affordable internet. Malaysia, Mauritius and Brazil top the Index, with Morocco ranked as the leading developing country. Zimbabwe, Malawi and Yemen prop up the foot of the table.

The report highlights that:

- 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. For this group, the cost of entry-level broadband exceeded on average 40% of monthly income. In Zambia, for example, there are over 10 million people who live in extreme poverty, who would have to spend at least 35% of their income to afford mobile broadband services or 135% of their income to access fixed broadband.
- Broadband markets that price internet access out of reach for the majority of people are neither socially nor economically efficient. Well-rounded policies that consider broadband access as a tool for socio-economic development and increase both supply of and demand for broadband must be put in place. Competition alone will not ensure affordable access to broadband services in emerging and developing countries.

Commenting on the report, Dr Bitange Ndemo, honorary chairperson of A4AI and the immediate former Permanent Secretary of Kenya's Ministry of Information and Communications, said: "The Affordability Report must serve as a spur to action for policymakers, businesses and civil society organisations around the globe. In just two years, the UN Broadband Commission target is for everyone, everywhere to be able access broadband internet at a cost of less than 5% of their monthly income. Our data shows that there is long way to go before this goal is reached, particularly for the world's poorest people."

Sonia Jorge, executive director of A4AI added: "Within our findings, there are beacons of hope. Countries such as Malaysia, Brazil or Morocco, which top our Affordability Index, show how rapid progress can be

made when innovative technologies are twinned with an enabling, forward-looking policy and regulatory environment which stimulates supply as well as demand. A4AI is committed to working hand-in-hand with countries to help drive down the cost of broadband."

The report calls on all stakeholders to engage and collaborate by focusing on three key areas:

- Expand broadband infrastructure through the implementation of innovative open access and PPP projects
- Reduce costs through effective and efficient use of Universal Service Funds
- Support the development of National Broadband Plans

Top 5 Emerging Countries	Top 5 Developing Countries
Malaysia	Morocco
Mauritius	Indonesia
Brazil	Kenya
Peru	Nigeria
Colombia	Uganda

A4AI's Affordability Report is being unveiled to policymakers and influencers at this week's ICTD conference in Cape Town, South Africa. For more, view the [final report](#).

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