Wise broadband policies can create a win–win situation in

developing countries, says Analysys Mason

Spectrum not the only issue affecting the implementation of effective

broadband policy, says latest report.

Press comment by Daniel Jones, lead analyst of the Global Growth Markets research programme at Analysys Mason

In the last few years, the subject of the global digital divide has received a lot of attention from the telecoms industry. Much of this interest has focused on the role that mobile networks are playing to narrow the divide, as mobile penetration rates in developing markets have been growing strongly, while those in mature markets have saturated. However, at the same time, there has been mass-market adoption of broadband in an increasing number of countries in the developed world, while take-up of broadband in many countries in Africa, Asia and Latin America has been negligible, causing the broadband access gap to widen considerably.

The need to address the widening gap between those with easy access to ICT and those without is recognised beyond the telecoms industry. The UN has included in its Millennium Development Goals (a series of targets for 2015 agreed at the Millennium Summit of world leaders), which include the eradication of extreme hunger and poverty, achievement of universal primary education and combating HIV/AIDS and malaria, the target: "In cooperation with the private sector, make available benefits of new technologies, especially information and communications technologies."[1] Broadband has been singled out for particular attention in this context; a UN press release on its recent progress report highlighted the finding that developing countries "…have unprecedented access to new information and communication technologies, with over 77 per cent of the population able to receive a mobile cellular telephone signal… But the digital divide between developed and developing countries continues to widen for technologies that drive modern information sharing (such as broadband internet connection)."

A key question for the telecoms industry and for policy makers, therefore, is how to promote greater availability and higher take-up of broadband services in developing countries. This is not an easy question to answer, and no single set of solutions fits every country's situation, but, as a first step, it is necessary to identify the obstacles to universal broadband provision. On the demand side, the barriers to take-up of broadband in developing countries are: the fact that broadband services and computing equipment, such as PCs, are not affordable, unreliable electricity supplies and the paucity of local content. On the supply side, some of the limiting factors are: the shortage of and high price of international bandwidth, lack of incentives for operators to invest in rural roll-outs, limitations on access to spectrum and the lack of a supportive, reliable regulatory environment.

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Editor's note

Graph available upon request: *Comparison of the cost of providing WiMAX network coverage outdoor and indoors using 2.5GHz or 3.5GHz spectrum [Source: Analysys Mason, 2009]*

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