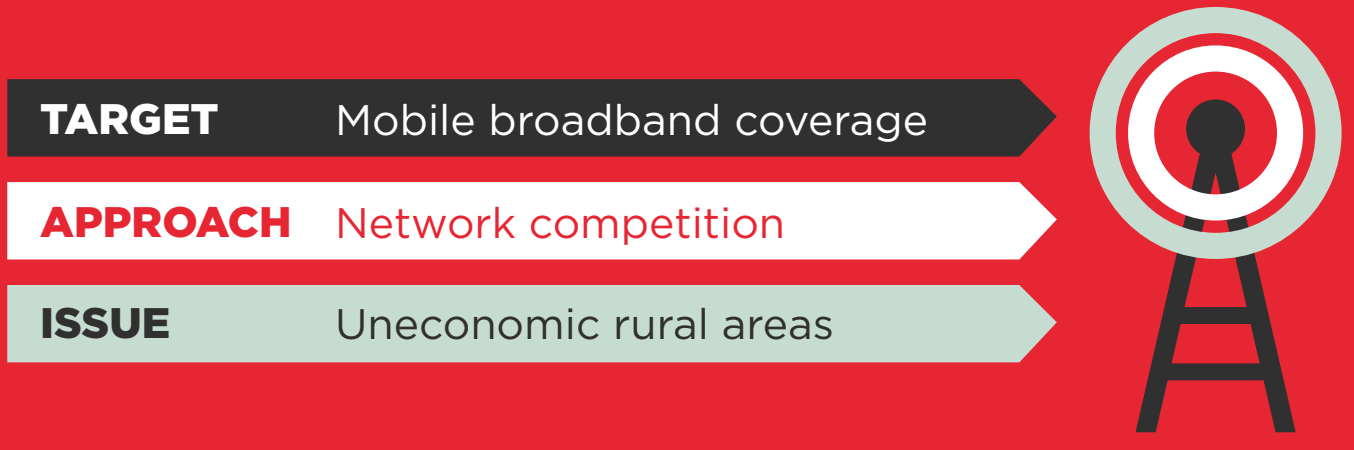




Benefits of network competition and complementary policies to promote mobile broadband coverage



Network competition remains the most effective force in driving mobile broadband coverage.



Broadband access is widely recognised as a key driver of economic growth. As a result, governments worldwide are increasingly focused on expanding national broadband coverage.

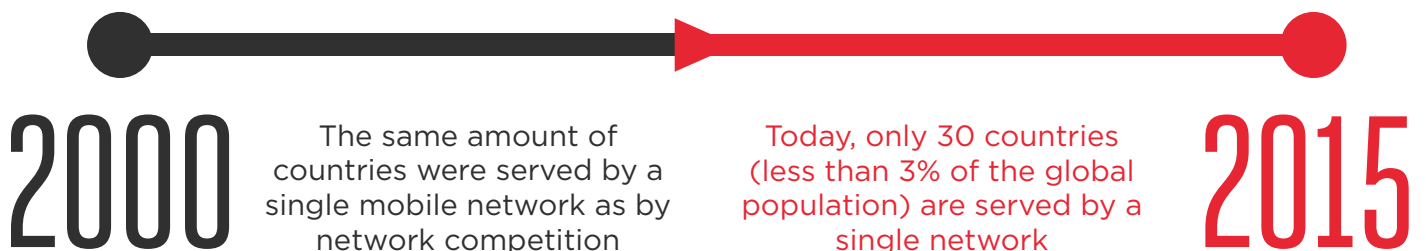


In rural areas, mobile technology plays a vital role in providing broadband coverage, and in many cases is the only viable option.



The right government policies can incentivise operators to invest in otherwise uneconomic areas.

Evidence from more than 200 countries over 15 years shows that network competition has driven mobile coverage for 1G, 2G and 3G further and faster than single networks:



OUTCOMES OF NETWORK COMPETITION:



In developing countries, the number of unique mobile users has increased almost 20 times

**0.13 billion to
2.5 BILLION**



The majority of the world's population now live in countries
WITH AT LEAST

90%
MOBILE COVERAGE



Prices have fallen by

80%
in developing countries



MOBILE OPERATORS HAVE
INVESTED OVER

US\$1.7 TRILLION
in mobile networks since 2002

Governments can preserve network competition and promote the acceleration of national broadband coverage through the right policy framework.

Releasing new, low frequency spectrum in combination with coverage obligations

- Provides greater mobile coverage at a lower cost
- Ensures the cost of rural coverage is considered in spectrum licensing and pricing
- Track record of successful roll-out in numerous markets

Promoting voluntary infrastructure sharing in rural areas

- Allows for more efficient and cost-effective infrastructure roll-out
- Track record of successful roll-out in numerous markets
- Removes administrative and regulatory barriers (e.g. simplifying cell tower procedures)

Using public finances to incentivise network infrastructure roll-out in rural areas

- Targeted fiscal incentives (e.g. reducing import tariffs on equipment) can increase economic viability
- Achieving network expansion through awarding direct subsidies via public tender
- Government co-funding of the backhaul network
- Publically funded wholesale networks should be targeted at uneconomic rural areas only

KEY FINDINGS

The optimal choice of supply-side measures may be country specific. The measures are complementary and a combination may deliver the best coverage.