ACCESS TO UNDERSERVICED/RURAL AREAS AND LICENSING

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The Essential Broadband

- Just as for urban centres, **rural communities also require high-speed broadband Internet connections**

- If broadband is an enabler of sustainable development and economic prosperity, then **having all communities connected no matter how remote should be the goal of every government today.**

- Without broadband infrastructure and services, rural **communities risk exclusion from participation in the global digital economy.**

Broadband Connection as Basic human right

- "From now on a reasonably priced broadband connection will be everyone's basic right in Finland,"

said Suvi Linden, Minister of Communications, Finland, June 2010

- This must also be the intension of the Government of South Africa that no one should be excluded no matter where located

Access to Rural & Underserviced Areas

RURAL AREA is defined as an isolated and poorly served area, where various factors interact to make establishment or provision of services difficult.

Such factors include:

- *Very low population density*

- *Low literacy levels*

- *Lack of access to electricity even for charging phones and other facilities;*

- *High operational and maintenance costs, significantly exceeding possible revenues;*

- *Limited income levels, reducing demand for services*

Access to Rural & Underserviced Areas

- Rural areas and such underserviced areas therefore require special and unique solutions including subsidizing equipment roll out by operators and in some cases terminal equipments

- I am limiting my intervention today to an area that I feel may not have been well covered in the policy document . The area of catalyzing Adoption and usage of broadband especially in rural and underserved areas

- Because availability of a broadband network in an area does not imply that everyone within the coverage area will sign up!

Addressing adoption & Usage of broadband

People will sign on for Broadband internet when:

- it is available

- they understand and appreciate its benefits

- it is affordable

- relevant content is available to meet their needs and tastes

Access Implementation Challenge

- Many countries with high bb coverage today especially to rural and underserviced areas got there by <u>encouraging and providing incentives for widespread broadband deployments</u>.

- <u>Governments (at national and provincial levels) need to raise bb to the top of their development agenda </u>to achieve the "bb everywhere status"

- National, State or Local governments need to be sensitized to appreciate the socio economic benefits of bb

- This will lead to better appreciation of the roles played by all the parties in the value chain

Affordability

Even when good quality broadband services are available potential users need to feel and believe that the services are affordable to sign on. Factors that could affect price levels include:

- competition
- Spectrum availability
- Incentives for Operators
- Subsidies

Affordability

- We must strive to promote effective competition, as competition is the most effective means of achieving innovation and lower prices

- Another important way for promoting broadband, particularly in rural areas, is in maximizing the potential of spectrum-based wireless services.

- This involves looking at all types of approaches – technical, economic or regulatory – to get well priced spectrum to the operators ready to serve consumers at the most remote and rural levels possible.

Relevant Contents

- Providing access to affordable broadband is only one aspect of the story. There is also need for content that is relevant and attractive and useful to the adopters. This has a good coverage in the draft policy

- Africa currently lags behind other regions in content generation except for few exceptions like the Nollywood, etc

- there is a need for significant improvement in the skills through structured training for those who are to create the audio, video, games and mobile apps.

Selling the Benefits of bb

- After access and affordability, potential adopters of bb must be able to relate to the economic, social, and political advantages of adopting broadband service. Indeed many people have not heard of bb let alone use it.

- one survey in the United States of America found that nearly half of non-internet users in America saw no need for it. That is a problem that infrastructure alone cannot solve.

Selling the Benefits of bb

Therefore to achieve desired universal digital inclusion, there is need for:

- Large scale awareness creation

- Government hosting services on-line

- Intensifying basic education, etc

- Digital literacy initiatives

User education via a dedicated program of digital literacy is required for driving demand, and universal inclusion

Licensing and Policy Interventions

- To bridge this "rural-rural divide", care should be taken that process does not result in some having access to state-of-the-art broadband and others having substandard connections.

- It is possible to extend 3G/4G network coverage to underserved rural areas by special subsidy regimes and MVNO type rural service providers

- Licenses can be tendered for to identify the operators ready to serve consumers in remote and rural areas.

Conclusion

- <u>Adopters are increasingly empowered to use broadband in newer, more creative ways. Broadband networks let people do jobs from anywhere; study from anywhere; socially interact from anywhere; buy and sell anything from anywhere in the world.</u>

- So we can only harness the full potential of the power of bb by having high quality, connections anywhere across the nation including rural areas

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THANK YOU