Internet and Broadband Affordability in Nigeria
A4AI Coalition Meeting

24th November 2015
Victoria Crown Plaza, Lagos

Dr. Ernest Ndukwe
National Coordinator
Alliance for Affordable Internet Nigeria Coalition
Agenda

• What is A4AI?
• The A4AI Coalition
• Internet and Broadband Usage in Nigeria
• Affordability In Nigeria
WHAT IS A4AI?
What is A4AI?

We are the world’s broadest technology sector alliance working to drive down the price of broadband to the UN target of less than 5% of average monthly income by improving policy and regulatory frameworks.
A global multi-stakeholder coalition

Global sponsors

Google

UKaid from the British people

USAID

Private sector

Alcatel-Lucent

Cambium Networks

Cisco

Datawind

Digicel

Ericsson

Facebook

GILAT Satcom

Global communications

GSMA

Intel

Internet Solutions

MainOne

Microsoft

Phase3 Telecom

Yahoo!
Strength in diversity
Public Sector / Academia

Civil Society / Foundations
Focus on local partners
A clear focus on policy and regulation...
A4AI NIGERIA COALITION
<table>
<thead>
<tr>
<th>Country</th>
<th>Key Policy and Regulatory Issues</th>
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</thead>
<tbody>
<tr>
<td>Nigeria</td>
<td>• Spectrum</td>
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<tr>
<td></td>
<td>• Consumer Rights and Pricing Transparency</td>
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<td></td>
<td>• Infrastructure Sharing and Open Access</td>
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<tr>
<td></td>
<td>• Data and Research as Needed**</td>
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BROADBAND USAGE IN NIGERIA
The Development of Mobile and Internet In Nigeria

Nigeria Mobile and Internet Usage in Nigeria
2000-2014

Source: ITU
Subscriptions: The Reality in Nigeria

Mobile Subscriptions and Broadband Subscriptions 2005-2015

- Green bars: Mobile-cellular telephone subscriptions per 100 inhabitants
- Purple bars: % of Nigerians with a Mobile Subscription
- Blue bars: % Subscriptions that are 3G/4G
- Red bars: % Nigerians with Mobile Broadband Subscription

Source: World Bank, NCC, GSMA ITU, United States Statistic Bureau
Pent Up Demand for Broadband in Nigeria

Internet Usage Vs Mobile Broadband Subscriptions Nigeria 2005 -2014

Source: ITU and GSMA
AFFORDABILITY IN NIGERIA
Affordability is Essential

Economics of the Broadband Ecosystem Broadband Plan 2013-2018
Cost of Services a Key Barrier

Almost 70% of Nigerian respondents found the internet too expensive.

Source: RIAICT Survey data 2011-2012
Reasone for not using the Internet (multiple response)
What is the true cost to connect?

Mobile broadband in developing countries costs:

- on average 25% of monthly income
- & can range from 5.5% to 114.5%

Global average

- UN target
- Mobile broadband
- Fixed-line broadband

Cost as % of monthly income

0 20 40 60
<table>
<thead>
<tr>
<th>Country</th>
<th>Rank/150</th>
<th>Mobile 550MB Pre Paid % GNI PC</th>
<th>Rank/142</th>
<th>Mobile Prepaid 1GB % of GNI PC</th>
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Only one ECOWAS country meets UN affordability target, 5% of average income.

Examining the state of Internet affordability across 51 countries
Focus on Infrastructure and Access

• Affordability Index provides a measure of the impact that Infrastructure and Access have on affordable access outcomes

  – **Infrastructure sub-index measures** the current extent of infrastructure deployment/operations, alongside the policy/regulatory frameworks in place to incentivise and enable cost-effective investment in future infrastructure expansion

  – **Access sub-index measures** current broadband adoption rates and the policy/regulatory frameworks in place to encourage growth and ensure provision of affordable and equitable access.
### Affordability Report Rankings 2014

<table>
<thead>
<tr>
<th>Rank/51</th>
<th>Country</th>
<th>Sub-index: Communication Infrastructure</th>
<th>Sub-index: Access and affordability</th>
<th>Affordability Index: Overall Composite Score</th>
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Nigeria the only ECOWAS country is the top 20 Countries of the A4AI Affordability Index
The Affordability Index: an innovative measure of the drivers of affordability

**Affordability Index**

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**Top Five Emerging Countries**

1. Costa Rica
   Latin America & Caribbean
   Score: 63

2. Colombia
   Latin America & Caribbean
   Score: 63

3. Turkey
   Europe & Central Asia
   Score: 62

4. Malaysia
   East Asia & Pacific
   Score: 62

5. Peru
   Latin America & Caribbean
   Score: 60

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**Top Five Developing Countries**

10. Rwanda
    Africa
    Score: 52

11. Nigeria
    Africa
    Score: 51

12. Morocco
    Africa
    Score: 51

15. Uganda
    Africa
    Score: 48

19. Kenya
    Africa
    Score: 44
Thank you!

Dr. Ernest Ndukwe
A4AI-Nigeria National Coordinator

a4ai.org