

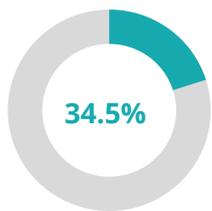


INDIA DIGITAL CONNECTIVITY BRIEF

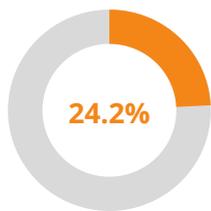


Country overview

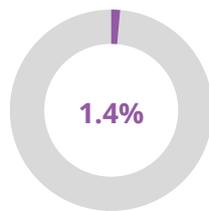
About 34% of India's population was online in 2019. By the end of 2020, the penetration of mobile internet is 24.2%, but fixed broadband penetration had only reached 1.4%. The gender gap in internet use is high, at 155%.



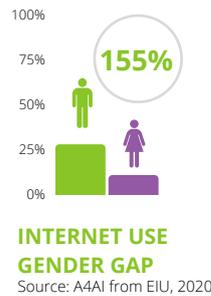
ONLINE POPULATION
Source: ITU, 2019



MOBILE BROADBAND PENETRATION
Source: A4AI from GSMA, 2020

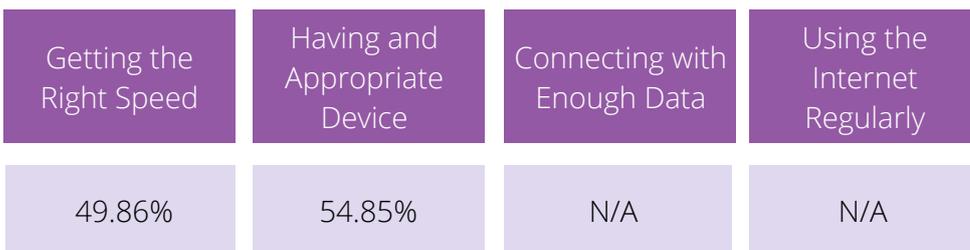


FIXED BROADBAND PENETRATION
Source: A4AI from ITU, 2019



INTERNET USE GENDER GAP
Source: A4AI from EIU, 2020

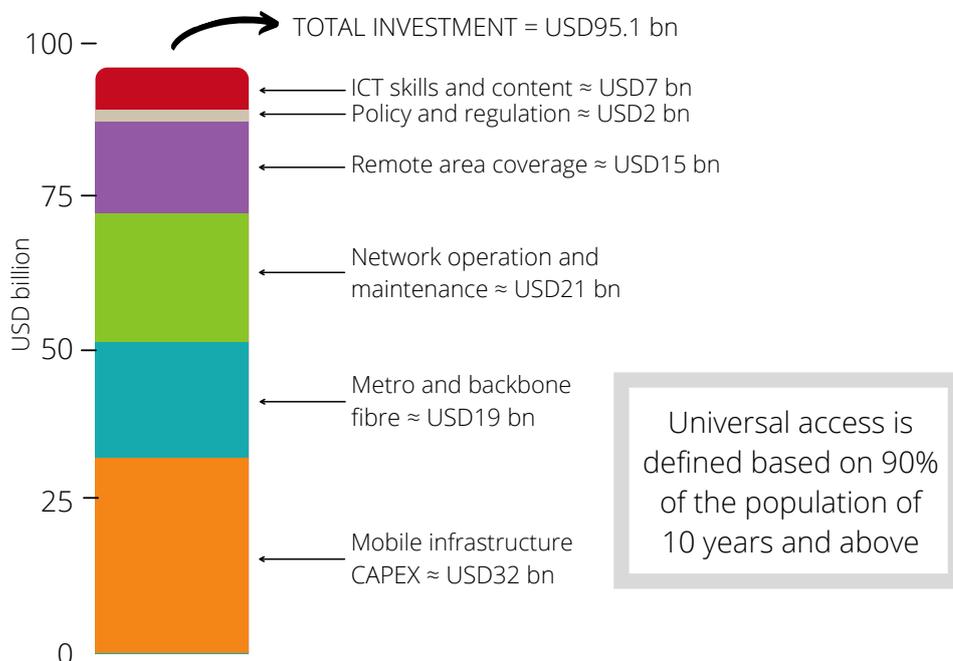
Dimensions of Meaningful Connectivity



Source: GSMA, 2020

Meaningful connectivity to the internet implies having access to an appropriate device, enough data and speeds, and using the internet every day. Only half of the population in India (49.86%) has access to 4G compatible speeds, and 54.85% has access to smartphones, which are considered to be appropriate devices.

Investments needed by 2030



Universal access is defined based on 90% of the population of 10 years and above

Source: A4AI from GSMA, Xalam and UN population data, 2019

ICT Affordability

AS A % OF GNI P.C.

MOBILE

1GB = 1.05%

2GB = 1.05%

5GB = 1.62%

Source: A4AI, 2020

FIXED

5GB = 3.20%

Source: A4AI & ITU, 2020

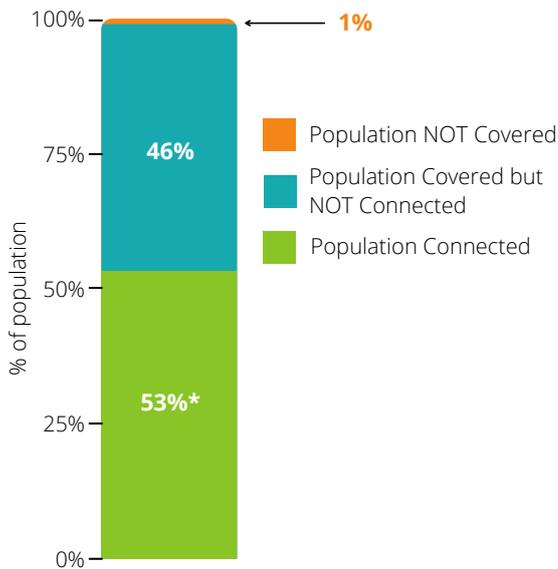
DEVICE

SMARTPHONE 206%

Source: A4AI, 2020

India meets the affordability target established by the United Nations Broadband Commission, as 1GB corresponds to 1.05% of the monthly average income in the country. Indeed, even 5GB is within the target, at 1.62%. Fixed 5GB is above the 2% threshold, at 3.20%. Smartphone affordability is a concern, as the price of the cheapest smartphone from leading operator Jio was 206% of average monthly income. The country ranks relatively high on internet affordability, placing among the top ten countries (out of 72 countries surveyed) in A4AI's Affordability Drivers Index, and 20th in the affordability sub-index of the Inclusive Internet Index 2020.

Investments needed by 2030



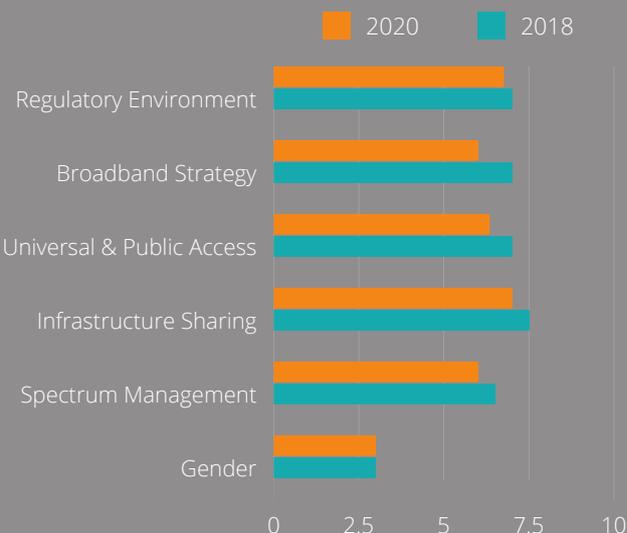
Source: A4AI from GSMA, Xalam and UN population data, 2019

As shown in the figures, most of India's population is covered by a mobile network, however, 46% are not connected. Connecting the whole population of the country will demand almost USD 100 billion by 2030, placing India as the country with the largest investment requirement to achieve the 2030 universal access target. In addition, analysis shows that investments related to mobile infrastructure, network operation and maintenance, fiber deployments, and remote area coverage are all equally significant. These investments must be coupled with those to support expansion of digital skills, relevant content to meet the needs of the population. Despite good progress (see ADI scores), there is a need to continue to update and revise policy and regulatory frameworks in such a way that investments are incentivized to connect the entire country.

THE ADI AFFORDABILITY DRIVERS INDEX

The ADI is a tool developed by A4AI to assess how well a country's policy, regulatory, and overall supply-side environment is positioned to lower industry costs and ultimately create more affordable broadband. ADI scores countries across two main policy groups: Infrastructure and Access

Policy Scores



2020 Affordability Drivers Index (ADI)

ADI Score = 69.77

Access Score = 71.38

Infrastructure Score = 61.21

Source: A4AI, 2020

Policy Highlights



Infrastructure sharing

India's enabling regulatory approach to passive and active infrastructure sharing reduces costs for operators and enables rapid deployment of mobile service.



Broadband Strategy

The National Broadband Mission (2019-2022) is a comprehensive plan, with specific and time-bound targets, including those related to broadband speeds and benefits to specific population groups.



Regulatory environment

Telecom Regulatory Authority of India (TRAI) has done several public consultations over the past years, which are transparent and open to all stakeholders.



Universal and public access

Despite the fact that data is affordable in India, device affordability is a problem, as the cheapest smartphone models cost more than twice the average monthly income. Taxation issues have a particular impact on higher-end smartphones, whereas market structure and competition issues impact the whole market.



Regulatory environment

Institutional capacity of telecom and internet related authorities is high in India. Nonetheless, there are aspects to be strengthened, such as undertaking and making regulatory impact analysis public, and avoiding delays in regulatory processes. Further, some decisions by TRAI have been withdrawn after facing criticism (e.g. price floor regulations), which implies that regulatory certainty is a concern.



Gender

The access and use gender gap in India is very high, and literacy and affordability are raised as the two main barriers for women's access and engagement with online opportunities. While official policies mention that addressing gender disparities is needed, concrete targets are lacking.