TELECOMMUNICATIONS DEVELOPMENT AND THE SUSTAINABLE DEVELOPMENT GOALS
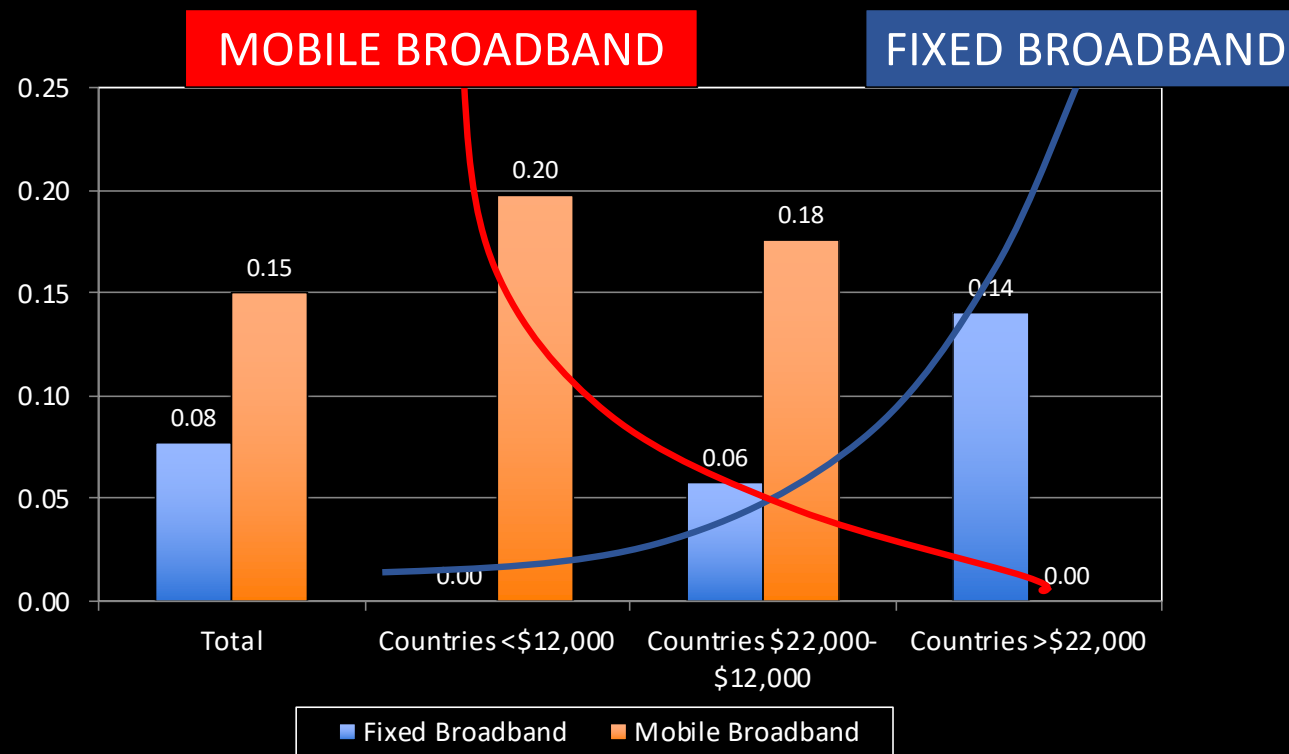
Dr. Raúl L. Katz

Telecom Advisory Services LLC

UN SDG Investment Fair
New York, April 16, 2019

WORLDWIDE: ECONOMIC IMPACT OF BROADBAND (values as impact on GDP of 1% increase in broadband penetration)

MOBILE BROADBAND   FIXED BROADBAND

	Total	Countries <$12,000	Countries $22,000-$12,000	Countries >$22,000
Fixed Broadband	0.08	0.00	0.06	0.14
Mobile Broadband	0.15	0.20	0.18	0.00

■ Fixed Broadband ■ Mobile Broadband

Source: Katz and Callorda (2018). The economic contribution of broadband and digital transformation: Econometric modelling. Geneva: ITU

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INTERNET POPULATION (in percentages)
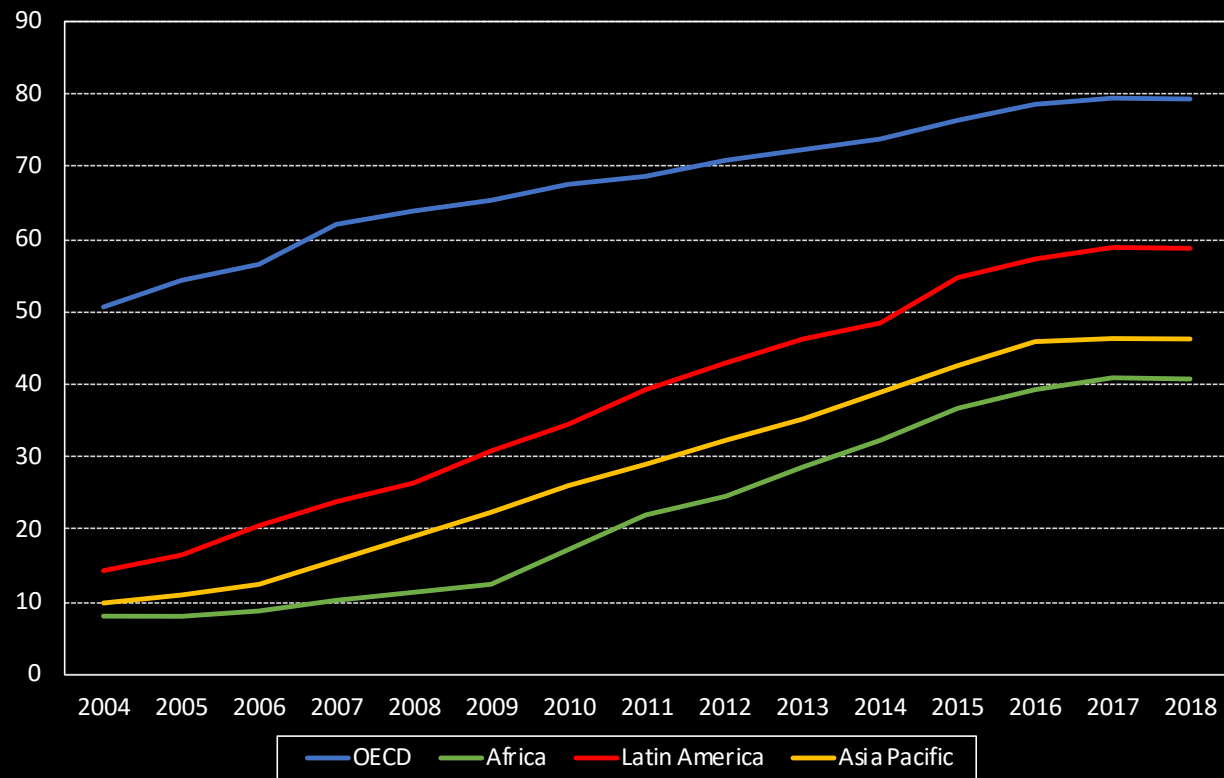
MEXICO: SUPPLY AND DEMAND GAP OF MOBILE BROADBAND

Population (128 million)

Population not covered by mobile broadband (5%-15%)

Supply gap

Population covered by mobile broadband networks

- 3G: 95%
- 4G: 85%

Population not purchasing service (20%-30%)

Demand gap

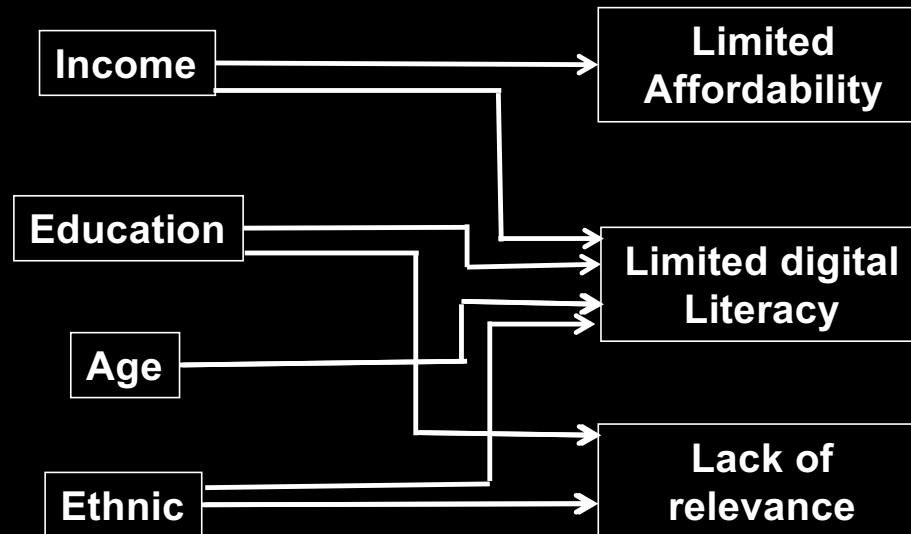Population purchasing mobile broadband service (65%)

Digital divide

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FACTORS EXPLAINING THE DIGITAL DEMAND GAP

MEXICO: SUPPLY AND DEMAND GAP OF MOBILE BROADBAND

	Population not covered by mobile broadband (5%-15%)	Supply gap	
Population (128 million)	Population covered by mobile broadband networks • 3G: 95% • 4G: 85%	Population not purchasing service (20%-30%)	Demand gap
		Population purchasing mobile broadband service (65%)	

- Defining the right competition policy
- Competitive incentives so each operator increases investment in its own network (reaching optimal point in inverted "U")
- Universal service funds

- Policies aimed at developing local content and applications
- Digital literacy programs
- Policies aimed at improving affordability

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