BRIDGING THE DIGITAL DIVIDE

By Mats Granryd, Director General, GSMA

With 5.2 billion unique mobile subscribers worldwide, and more than 7 billion people[187] covered by a mobile network, mobile is increasingly being used to access life-enhancing services that contribute to the achievement of the UN Sustainable Development Goals (SDGs).

Globally, SDG 9 (Industry, Innovation and Infrastructure) remains the goal most impacted by the mobile industry. Since 2015, an additional 900 million people have been covered by a 3G network (currently 90 percent coverage) and an additional 2.2 billion have been covered by a 4G network (now 80 percent coverage). Mobile infrastructure is critical to spur inclusive and sustainable development, and greater innovation. The mobile industry's most improved score is against SDG 4 (Quality Education), which is also its second most impacted goal: 1.4 billion mobile subscribers used their phone to improve their education or that of their children in 2019 – an increase of 140 million users since 2017.

Mobile has had an enormous impact on financial inclusion, which cuts across multiple SDGs. Mobile money has helped reduce the financial exclusion gap in low- and middle-income countries (LMICs), with over 1 billion registered accounts at the end of 2019.[188] More women are using financial services, low-income households are accessing essential utility services and smallholder farmers are getting paid more quickly and conveniently. Millions of migrants and their families are experiencing the life-changing benefits of faster, safer and cheaper international remittances and humanitarian cash assistance is being delivered more thoughtfully to those in crisis situations.

Given the global reach of mobile, so much more can be done to leverage its power and further support the delivery of the SDGs. Crucial to this will be helping people realise the full benefits of using mobile and the mobile internet to access health information, public services and digital payments, both in developed and developing countries. The full potential of mobile technologies and access to digital services cannot be realised without the active participation of governments and regulatory authorities, working with the private sector to enable vibrant, competitive markets and to help shape the digital environment that citizens want.

The GSMA does much research in this area, in order to connect the mobile ecosystem and overcome the challenges that countries face in bridging the digital divide, which now consists of a coverage gap of 600 million people who live in areas that are not covered by mobile broadband, and a usage gap of more than 3.4 billion people living in areas covered by mobile broadband but who are not using mobile internet services. If current trends continue, more than 40 percent of the population in LMICs will still be offline in 2025. Some challenges are overarching, such as the main barriers to mobile usage for men and women[189] in LMICs – affordability, literacy, digital skills, and safety and security. These barriers are often exacerbated for women, who face lack of family approval in many markets. Our Connected Women programme works to accelerate digital and financial inclusion for women, and most recently published a Practical Guide[190] for reaching women, for mobile operators, the public sector and NGOs.

We know that the digital divide can look very different across LMICs and global sub-regions. For example:

- In **Uganda**[191], mobile network coverage is weakest in rural areas. Mobile operators, such as MTN Uganda, are working with key ecosystem players, like iSAT Africa, to test and evaluate new mobile internet connectivity solutions for unconnected rural communities, and the GSMA has worked with policymakers and UNCDF Uganda to incorporate mobile technology into the key objectives and focus areas of the Third National Development Plan (NDPIII).

- In **Bangladesh**[192], 3G coverage has expanded from around 50 percent of the population, in 2014, to 95 percent. Yet 70 percent of those covered by mobile broadband networks do not use mobile internet services.

[187] GSMA, *The Mobile Economy 2020*, https://www.gsma.com/mobileeconomy/

[188] GSMA, *State of the Industry Report on Mobile Money 2021*, https://www.gsma.com/sotir

[189] GSMA, *The Mobile Gender Gap Report 2020*, https://www.gsma.com/r/gender-gap

[190] GSMA, *Reaching 50 Million Women with Mobile: A Practical Guide*, https://www.gsma.com/mobilefordevelopment/reaching-women-with-mobile

[191] GSMA, *Supporting the Growth of the Tech Start-Up Ecosystem in Uganda: A Policy Outlook*, https://www.gsma.com/mobilefordevelopment/resources/supporting-the-growth-of-the-tech-start-up-ecosystem-in-uganda-a-policy-outlook

[192] GSMA, *Bangladesh: Driving mobile-enabled digital transformation*, https://www.gsma.com/mobilefordevelopment/resources/bangladesh-driving-mobile-enabled-digital-transformation

- During the COVID-19 pandemic[193], access to affordable digital content and services has been fundamental. Understanding the importance of data, mobile operators have made access to and use of the mobile internet more affordable, through temporary measures including discounts on tariffs and cost subsidies.

- In **Pakistan**[194], through its National Dialogues programme, the GSMA has worked with the Ministry of Information Technology and Telecommunication to advance digital and economic inclusion through mobile.

- Across Uganda, tech hubs and innovators are benefiting from greater collaboration with mobile operators, accelerating the development of new content and services. MTN Uganda provides access to its Mobile Money Access Programming Interface (API), enabling entrepreneurs to develop financial and transactional applications that enhance financial inclusion by offering tailored payment options. The GSMA has worked with UNCDF and Start-Up Uganda to promote a healthy innovation ecosystem.

- Digital platforms are used in **Pakistan** to increase engagement, improve service delivery to citizens, and deliver good governance, alongside the government's digital policy to transform the country into a knowledge-based economy. In 2014, UNICEF, in partnership with Telenor Pakistan and the provincial governments of Sindh and Punjab provinces, commissioned a pilot to test how mobile technology augments the traditional, paper-based birth registration process.

- **Ghana**[195] is facilitating the provision of digital identity, critical for the population to access services such as health care, education, employment, financial services and voting. Tigo Ghana has worked with partners to digitize the registration process and make it more efficient and cost effective.

- **Bangladesh** is improving productivity for farmers with mobile platforms that provide up-to-date agricultural information on market prices, production techniques and weather forecasts. Grameenphone and Robi provide mAgri services with seasonal agricultural content for crops and livestock.

- **And across the Pacific Islands**[196], where, at the end of 2018, mobile internet penetration was the lowest of any region in the world, the mobile ecosystem is working to overcome issues around infrastructure and spectrum assignment and affordability.

Addressing the digital divide across LMICs requires collaboration between players from across the mobile ecosystem, as well as a supportive regulatory and policy environment that encourages investment and innovation. A number of bodies, including the World Bank and the GSMA, are highlighting the importance of collaboration and harmonization in both telecoms and broader ICT regulation, and catalysing essential work within the Mobile for Development portfolio and Public Policy programme.

Whilst we should celebrate the strong progress that the mobile industry has made in contributing to the SDGs over the past five years, there is no denying the fact that as a society we are currently not on track to achieve the 2030 targets.[197] Mobile technology remains at the very centre of how we address our most significant global challenges, such as COVID-19, which has led to the increased vulnerability of those who suffer the digital divide.

In emerging markets, where mobile is the primary access technology but the mobile adoption rate is lower than in developed markets, we are seeing that the poorest and most vulnerable people are disproportionately affected by this pandemic. Mobile operators have continued to innovate in addressing the digital divide, providing data for access to vital information, including health and education, regardless of geography.

Right now, we must commit to do more and to do it faster. We need to extend mobile connectivity to those that remain offline, whether due to lack of access or the more critical lack of usage. In this ever-changing and uncertain world, revived and collaborative partnerships across different industries and the public and private sectors have never been more necessary to our future.

[193] GSMA, *Keeping Bangladesh connected: The role of the mobile industry during the COVID-19 pandemic*, https://www.gsma.com/mobilefordevelopment/wp-content/uploads/2020/12/Keeping-Bangladesh-connected-The-role-of-the-mobile-industry-during-the-COVID-19-pandemic.pdf

[194] GSMA, *The power of mobile to accelerate digital transformation in Pakistan*, https://www.gsma.com/mobilefordevelopment/resources/the-power-of-mobile-to-accelerate-digital-transformation-in-pakistan

[195] GSMA, *Country overview: Ghana*, https://www.gsma.com/mobilefordevelopment/wp-content/uploads/2020/05/Ghana-Country-Overview.pdf

[196] GSMA, *The Mobile Economy Pacific Islands 2019*, https://www.gsma.com/mobileeconomy/pacific-islands

[197] GSMA, *2020 Mobile Industry Impact Report*, https://www.gsma.com/betterfuture/2020sdgimpactreport