

# Open Sesame: Arab Mobile Markets

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*The views expressed are those of the author and  
may not necessarily reflect the opinions of the ITU or its Members*

## Topics

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- The mobile revolution
- Some Arab States behind
- Emerging Arab mobile stars
- Issues to consider



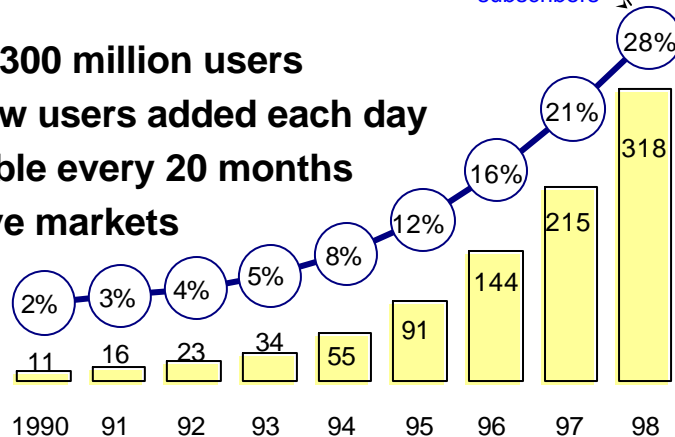


## A Mobile Revolution

**Worldwide mobile cellular subscribers (millions)**

Mobile as % of total telephone subscribers

- More than 300 million users
- 250'000 new users added each day
- Users double every 20 months
- Competitive markets



Source: ITU World Telecommunication Indicators Database.

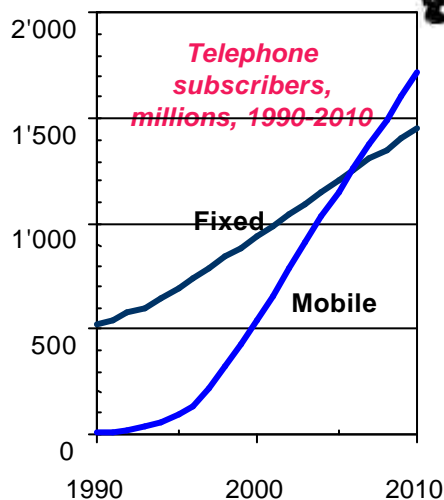
## A mobile future

*“Mobile will substitute for fixed telephony as the primary form for personal communications”*

—Vodafone

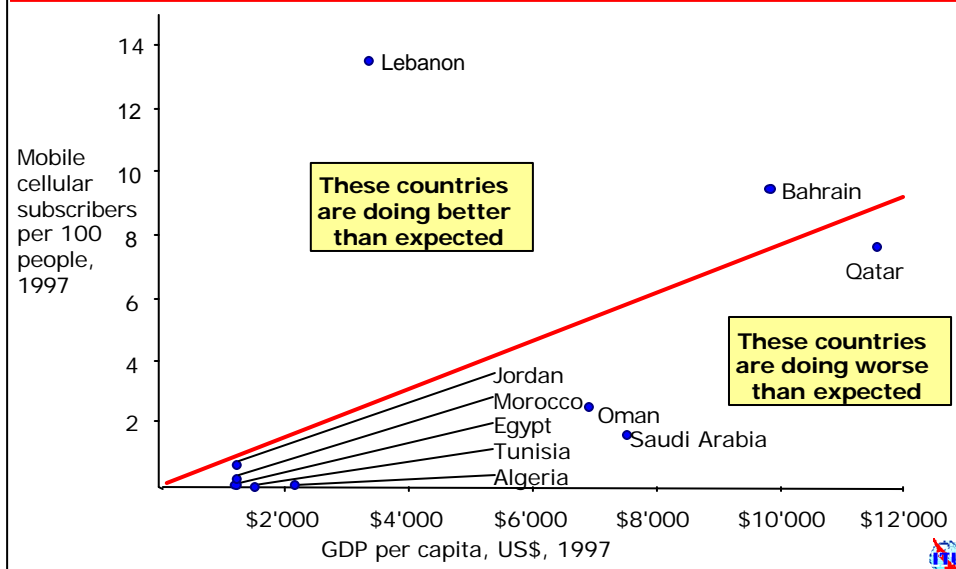


- Mobile has overtaken fixed-lines in Cambodia & Finland
- Mobile subscribers to overtake fixed-line worldwide before 2010
- Mobile revenue to overtake fixed-line after 2004



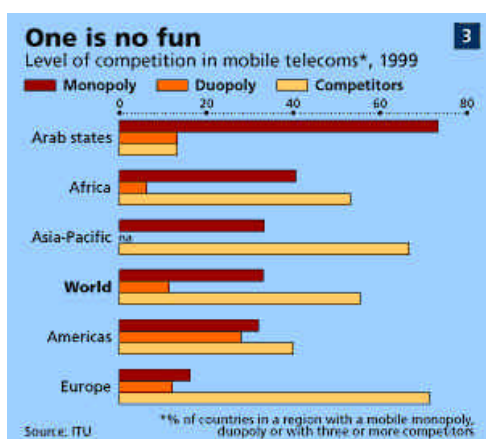
Source: 1990-1998 data from ITU World Telecommunication Indicators Database. 1999-2010 ITU projections.

## Under performing



## One is no fun

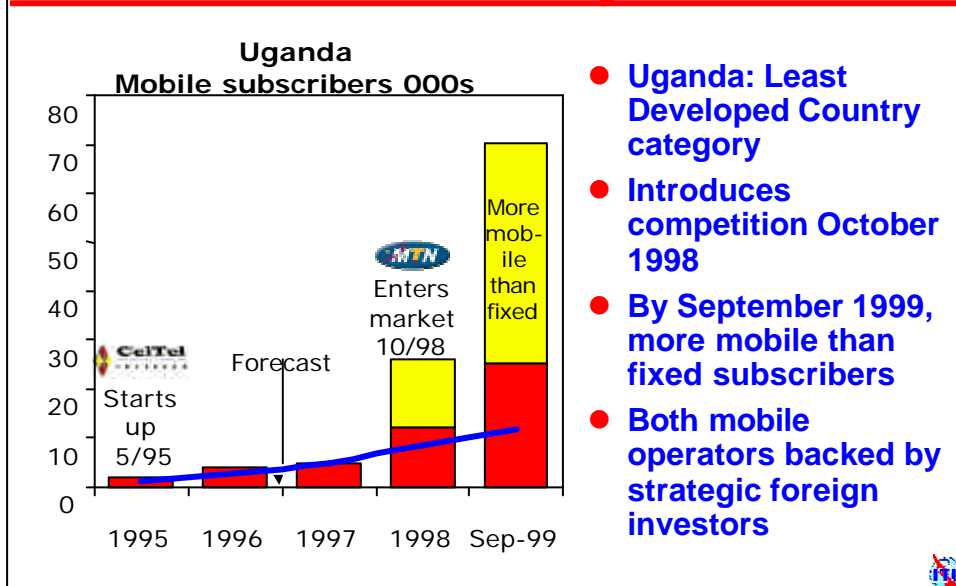
- Arab States have least competitive cellular markets



## Limited supply



## Sub-Saharan Mobile Success Story



## Lebanon: The Arab mobile pioneer

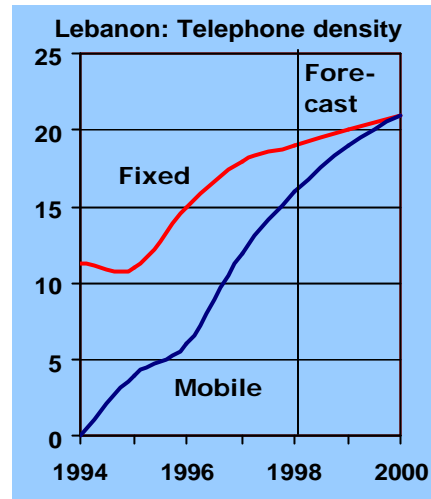
- First Arab country to introduce mobile competition
- 2 Build-Operate-Transfer (BOTs) start May '95:



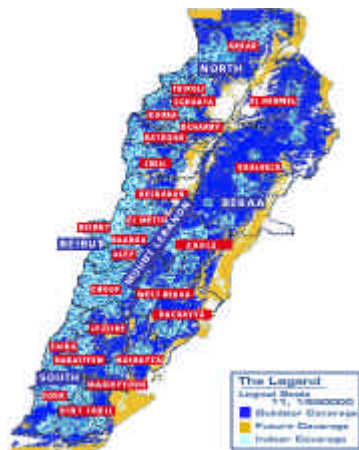
**Libancell**  
Sonera (Finland) 14%



**Cellis**  
France Telecom 67%



## Lebanon: Universal coverage, high substitution

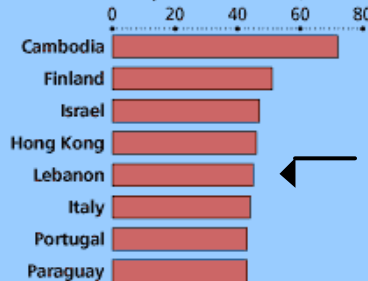


### Where mobiles matter

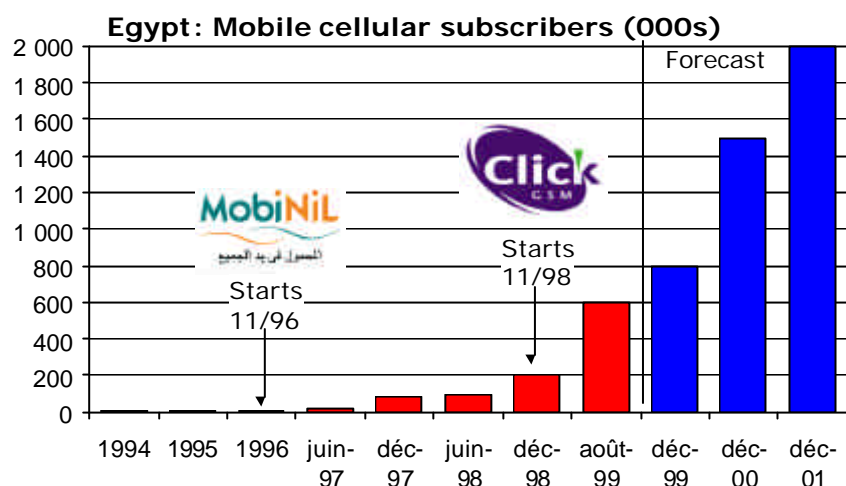
Top countries by:

#### market share

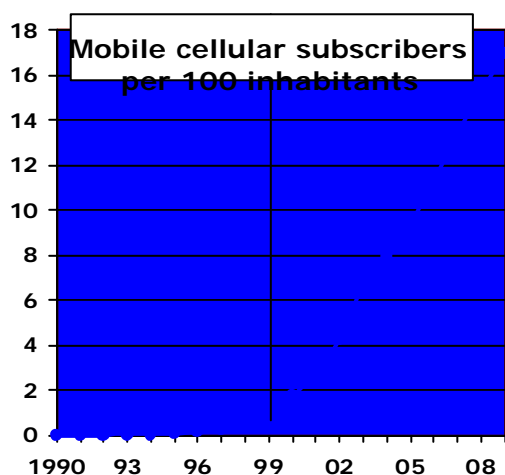
as % of total telephone subscribers, 1998



## Egypt opens up



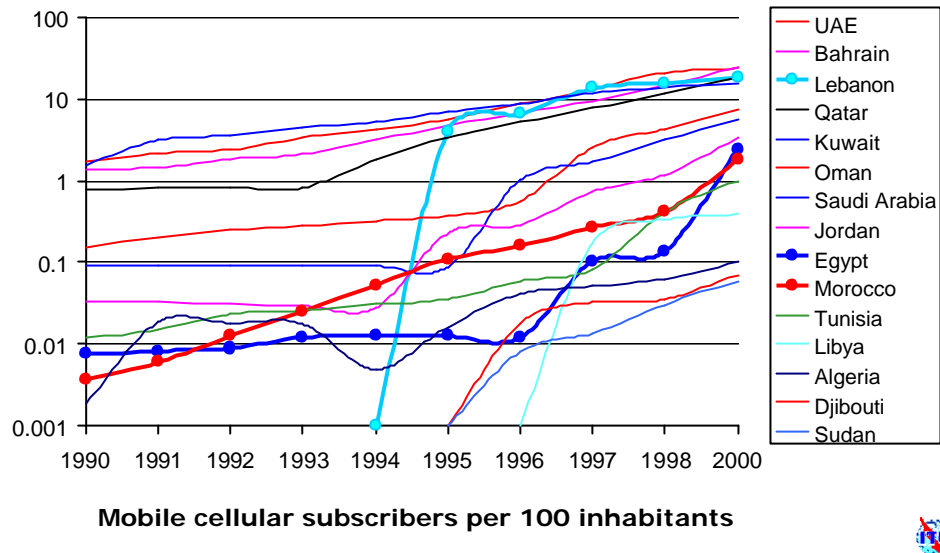
## Morocco sets a record



Source: Telefonica (Spain)

- Awards 2nd license in July 1999
- Price of license fee per population highest ever for developing country
- New operator expects to capture half of market by 2003

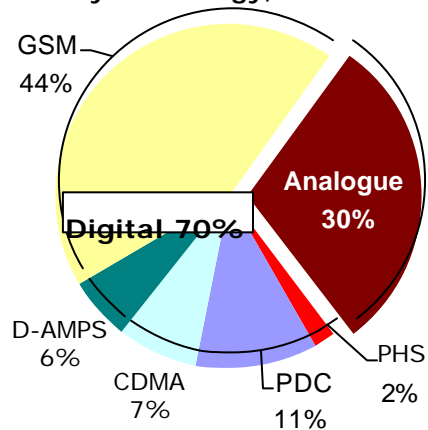
## Arab Mobile Stages



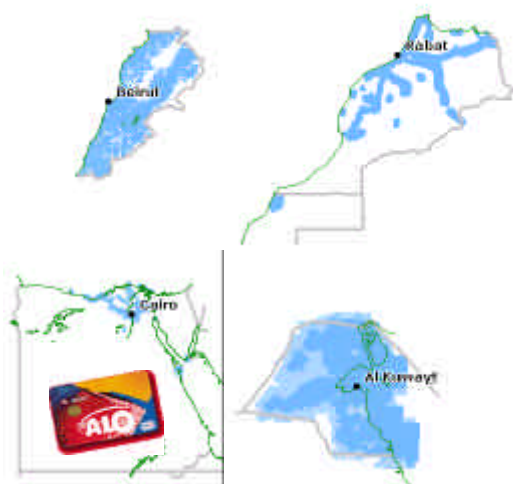
## Technology

- **Almost all Arab States use GSM:**
  - ⇒ 14 networks
  - ⇒ 3.1 million subscribers (June '99)
- **3rd generation mobile (IMT-2000):**
  - ⇒ Global roaming
  - ⇒ Multimedia
  - ⇒ Multimode
  - ⇒ Japan (2001), European Union by 1/1/2002

Worldwide cellular subscribers by technology, 1998



## Coverage

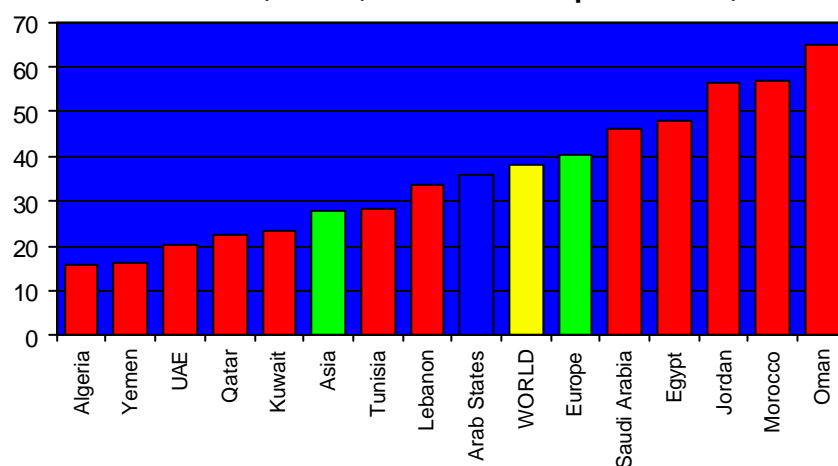


- Mobile cellular coverage is an important indicator of Universal Access
- ~ 100% population coverage + pre-paid card = Universal Access



## Tariffs

Mobile Tariffs, 1999, 100 minutes per month, US\$





## For more information...



### WORLD TELECOMMUNICATION DEVELOPMENT REPORT 1999

- Publication launch:  
10 October 1999  
(TELECOM '99)
- Available on paper and  
online (PDF format)
- Website:

[http://www.itu.int/ti/publications/  
wtdr\\_99/wtdr99.htm](http://www.itu.int/ti/publications/wtdr_99/wtdr99.htm)

The  
Economist

Also see: "The world in your pocket".  
Telecommunication Survey. October 9 1999.  
[www.economist.com](http://www.economist.com)

