



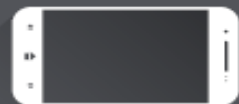
The Mobile Economy

Regional Development Forum – Rabat – March 28 2016

Jawad J. Abbassi Head of MENA - GSMA



CONNECTING **EVERYONE**
AND EVERYTHING TO A **BETTER**
FUTURE



The GSMA

The global industry voice shaping the future of mobile





About the GSMA



THE GSMA
WAS FOUNDED
IN
1987

12 OFFICES WORLDWIDE:



LONDON



DUBAI



ATLANTA



BRUSSELS



BARCELONA



HONG KONG



BRASILIA



BUENOS AIRES



SAO PAULO



NAIROBI



NEW DELHI



SHANGHAI



The GSMA
represents
the interests
of mobile
operators
worldwide



UNITING
NEARLY
800
MOBILE
OPERATORS



WITH
300+
COMPANIES
in the broader mobile ecosystem



The world's leading mobile industry events,
Mobile World Congress and Mobile World
Congress Shanghai, together attract

130,000+
people from across the globe each year

The GSMA works to deliver a regulatory environment
that creates value for consumers by engaging
regularly with:



MINISTRIES
OF TELECOMS



TELECOMS
REGULATORY
AUTHORITIES



INTERNATIONAL &
NON-GOVERNMENTAL
ORGANISATIONS



CONNECTING
27,000+
Industry Experts

Exclusively for GSMA Members,
InfoCentre² is your place to
connect with a global
community of industry experts

GSMA Working Groups
provide frameworks and
standards in commercial,
operational and
technical matters that help
maintain and advance
mobile industry ecosystems

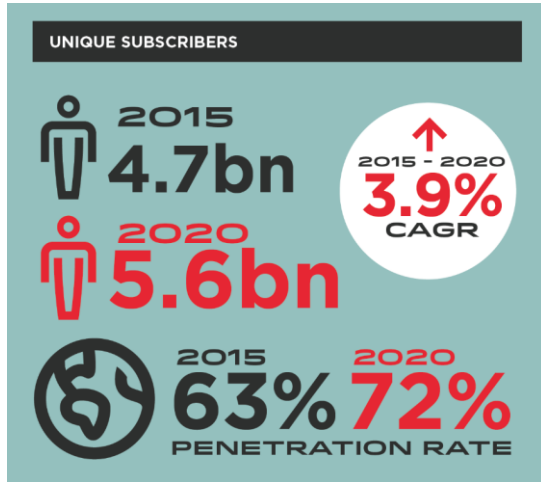


**7.5
BILLION+**

MOBILE CONNECTIONS
WORLDWIDE



The mobile economy 2016



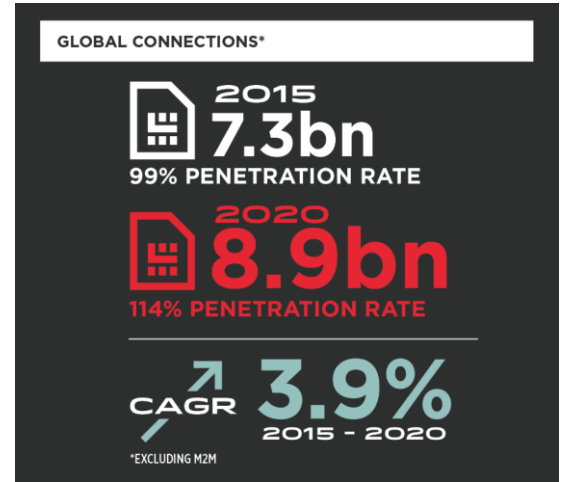
ACCELERATING MOVES TO MOBILE BROADBAND NETWORKS AND SMARTPHONE ADOPTION

Mobile broadband connections to increase from 47% of total in 2015 to

71%
by 2020

By 2020, there will be **5.8bn** smartphones, growth of 2.6bn from the end of 2015

Data traffic to grow by a CAGR of **49%** over the period 2015-2020





The mobile economy 2016

MOBILE OPERATOR REVENUES

Data growth driving revenues and operator investments



2015
\$1.1tn
2020
\$1.2tn

OPERATOR CAPEX
OF UP TO

\$900bn
FOR THE PERIOD
2016-2020

↑
2015 - 2020
1.9%
CAGR

PUBLIC FUNDING

Mobile ecosystem contribution to public funding (before regulatory and spectrum fees)



\$430bn 2015

\$480bn 2020

EMPLOYMENT

Jobs directly supported by mobile ecosystem




17m JOBS 2015

20m JOBS 2020

Plus an additional 16m indirect jobs supported by 2020






The mobile economy 2016

4G 

“ 4G networks are now available in 151 countries across the world. ”

MOBILE CONTRIBUTING TO ECONOMIC AND SOCIAL DEVELOPMENT ACROSS THE WORLD

- 
Delivering digital inclusion to the still unconnected populations
Mobile internet penetration
2015: 44%
2020: 60%
- 
Delivering financial inclusion to the unbanked populations
270 live services in 90 countries as of December 2015
- 
Delivering innovative new services and apps
Number of M2M connections to reach **1bn by 2020**

MOBILE INDUSTRY CONTRIBUTION TO GDP

2015 **\$3.1tn** **\$3.7tn** BY **4.2% GDP** ↑

GROWING TO

1.9bn 

“ Mobile money services are now available to 1.9 billion people globally. ”



Our purpose and the UN Global Goals

Connecting everyone and everything to a better future defines how the mobile industry will play an essential role in helping tackle the Global

- First industry to get behind the Global Goals
- Industry already contributing to all 17 goals
- Connectivity key to achieving all goals and enablement of a “better future”

THE GLOBAL GOALS For Sustainable Development





The mobile platform importance



Connectivity

2.5bn without access to mobile internet

Removing barriers to internet access and addressing the economic viability of coverage



Mobile Money

1.37bn without access to a bank account

Accelerating development of the mobile money ecosystem for the underserved



Digital Identity

1bn+ without a formal identity

Building the 'official' digital identity ecosystem for those with and without ID



The mobile economy - Arab States

Unique subscribers and SIM connections



2014

199m

54% PENETRATION RATE

2.7%
CAGR 2014-20



233m

57% PENETRATION RATE

CONNECTIONS*

*Excluding M2M



2014

406m

111% PENETRATION RATE

3.6%
CAGR 2014-20

2020

501m

124% PENETRATION RATE

Accelerating moves to mobile broadband networks and smartphone adoption

Mobile broadband connections

34%



2014 → 2020

69%

Data traffic to grow by a **CAGR of 55%** over the period 2014-2019

Smartphones



2014

117m

2020

327m

By 2020, there will be **327m** smartphones, growth of **210m** from the end of 2014

Mobile industry contribution to GDP

2014

\$115bn

2014

4.0% GDP



2020

4.5% GDP



\$164bn



The mobile economy - Arab States

Public funding

Mobile ecosystem contribution to public funding before regulatory fees

 **\$12.6bn** 2014

 **\$14.3bn** 2020

Employment

Jobs directly supported by mobile ecosystem

 **0.85m JOBS** 2014

 **1.04m JOBS** 2020

Plus an additional **0.6m** indirect jobs supported by 2020

Data growth driving revenues and operator investments

Operator recurring revenues

 **\$48bn** 2014
\$53bn 2020

2014-20 **1.7% CAGR** 

Mobile contributing to economic and social development in the Arab States



Delivering digital inclusion to the still unconnected populations

Mobile internet penetration 28% in 2014, 42% in 2020



Delivering financial inclusion to the unbanked populations

15 live services across the region as of June 2014



Delivering innovative new services and apps

Number of M2M connections to reach 20m by 2020



The mobile economy - Sub-Saharan Africa

Unique subscribers and SIM connections



2015

386m

41% PENETRATION RATE

2020

518m

49% PENETRATION RATE

6.2%
CAGR 2014-20



CONNECTIONS*

*Excluding M2M



2015

722m

77% PENETRATION RATE

2020

982m

93% PENETRATION RATE

6.3%
CAGR 2014-20

Accelerating moves to mobile broadband networks and smartphone adoption

Mobile broadband connections

24%



2015 → 2020

57%

Mobile broadband connections to increase from 24% of total in 2015 to 57% by 2020

Smartphones



2015
160m

2020
540m

By 2020, there will be 540m smartphones, growth of 380m from the end of 2015

Mobile industry contribution to GDP

2014

\$102bn

2014
5.7% GDP



2020

8% GDP

\$166bn



The mobile economy - Sub-Saharan Africa

Public funding

Mobile ecosystem contribution to public funding before regulatory fees



Employment

Jobs directly supported by mobile ecosystem



Plus an additional **3.4 MILLION** indirect jobs supported by 2020

Data growth driving revenues and operator investments

Operator recurring revenues



Operator capex of up to

\$72bn

for the period 2015-20

Mobile contributing to economic and social development across the region



Delivering digital inclusion to the still unconnected populations

Mobile internet penetration 23% in 2015, 37% in 2020



Delivering financial inclusion to the unbanked populations

135 live services across the region as of December 2014



Delivering innovative new services and apps

Number of M2M connections to reach 30m by 2020



Telecommunications market evolved to digital and requires new regulatory frameworks

*No longer a “**telecommunications market**” but a “**digital market**”.
Broadband connectivity enables a new ecosystem and this affects the whole economy*

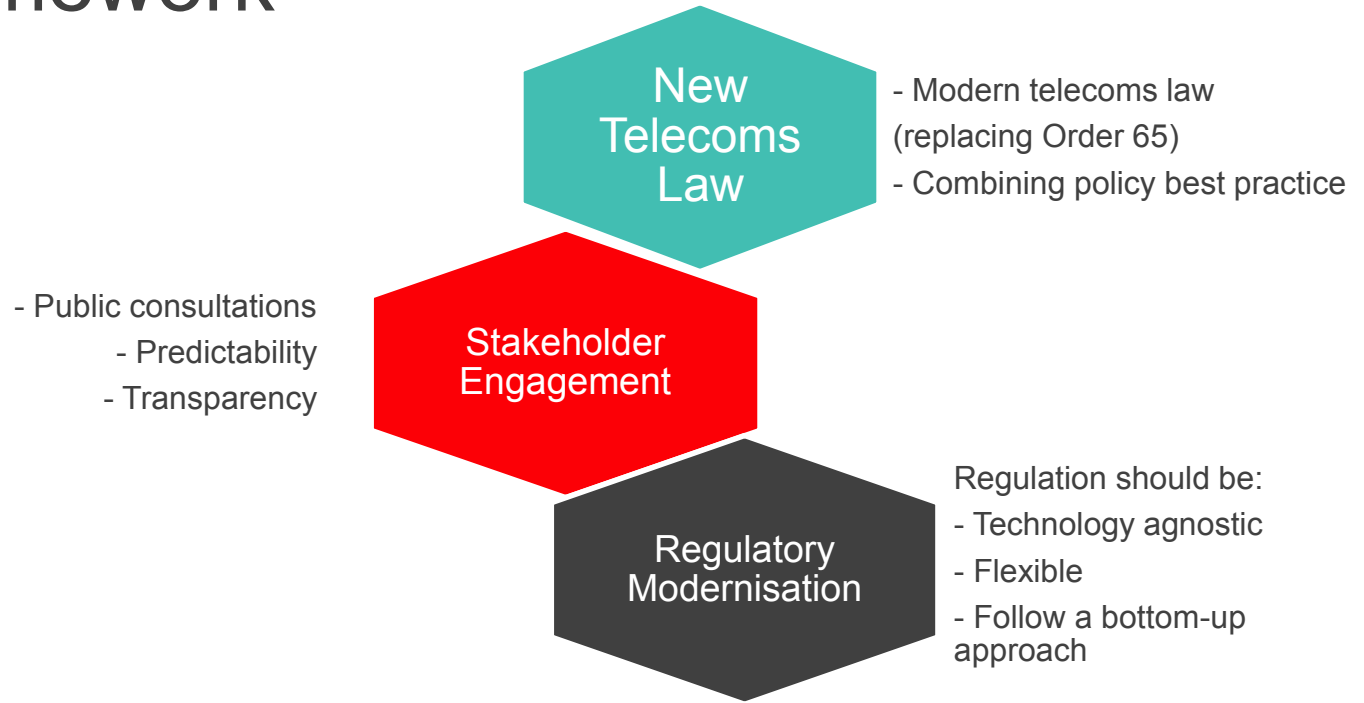
*Regulatory objectives can be better achieved if we **focus on the services delivered** to users, rather than the **type of company or technology** that they deliver.*

Regulations should be prescriptive, with a measurable and performance-based approach, in order to promote market dynamism.

Policy makers should take a fresh look at traditional rules and discard those that are no longer relevant, applying consistent criteria throughout the entire ecosystem.



Best Practice for Telecommunications Framework





Parting words:

The rapidly changing dynamics of the mobile industry, require a thorough revision of its regulatory frameworks.

Thank You

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