Digital Dividend

What's happening and what's next?

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ITU/PITA Regional Radiocommunication Seminar for APAC

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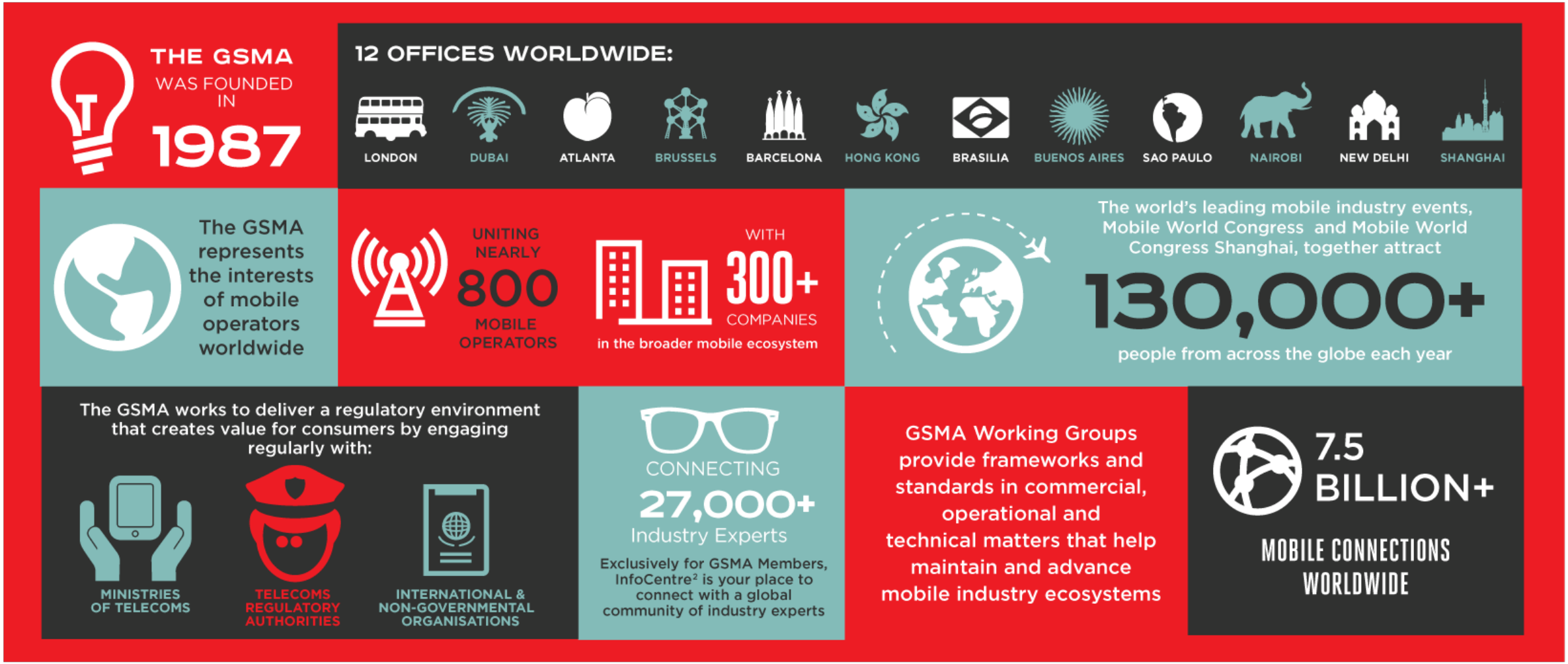
Who We Are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ATLANTA
BRUSSELS
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BRASILIA
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The GSMA represents the interests of mobile operators worldwide
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MOBILE OPERATORS
WITH
300+
COMPANIES
in the broader mobile ecosystem
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130,000+
people from across the globe each year
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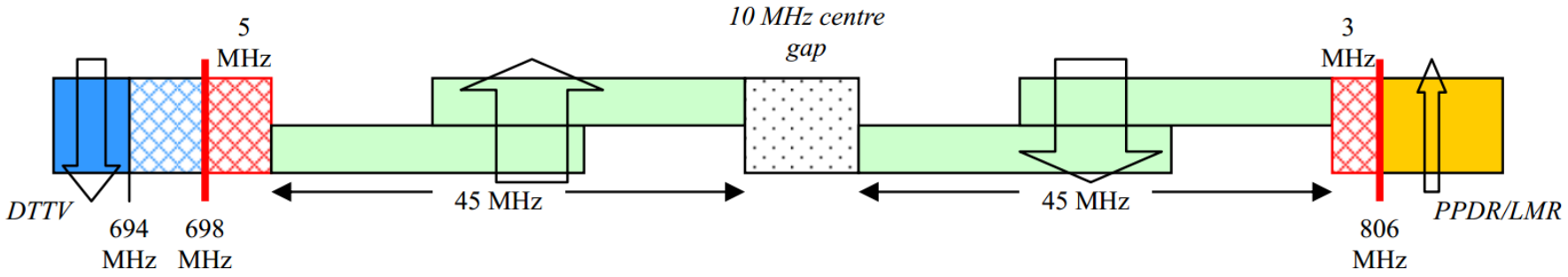
700 MHz- A True Globally Harmonised Band

- 25 commercial networks launched globally so far
- Fast-growing handset support
  - 372 and more user devices since commercial network launch, now even including Cat 9 compatible devices (up to 450Mbps)
- A globally identified spectrum band for IMT
  - Commercial launch and availability of handsets are driving confidence level and incentivise quicker releases of the spectrum for mobile in other markets



Social and Economic Impact

In Asia Pacific, from 2014-2020 the use of the 700Mz band would bring incremental benefits over broadcasting

- GDP increase of US$959 billion
- Additional US$171 billion government revenue
- 1.4 million new business activities, and
- 2.7 million more jobs

Country studies reinforce that 700MHz would bring significant incremental benefits over broadcasting from 2014-2020

	GDP Increase	Additional Government Revenue	New Business Activities	New Jobs
Indonesia	US$36.3b	US$8.4b	145,000	283,000
Thailand	US$14.8b	US$2.4b	30,000	55,000

Source: Boston Consulting Group

What’s the Status in the Region?

- The entire Asia Pacific region has committed to the APT700 band plan
- Countries like Australia, New Zealand and Samoa have already launched commercial services
- Other countries like Vietnam are mostly looking at total analogue switch off from 2017-2020

The Second Digital Dividend

Coverage bands – like 700MHz – will ultimately reach capacity putting mobile broadband at risk in emerging markets, rural areas and inside buildings

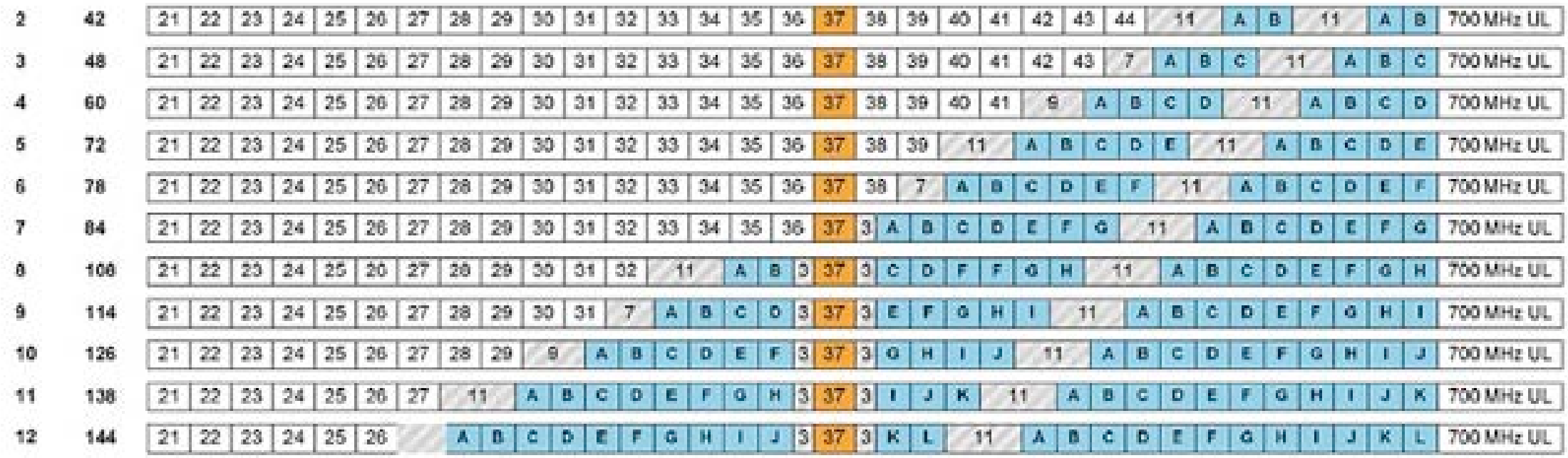
There will be less demand for a huge number of TV channels in future as people increasingly use the internet to watch whatever, whenever and wherever

Long-term planning is needed for countries that want the flexibility to use the sub – 700 MHz band for mobile, broadcasting or a convergence of both

Impact of the US incentive auction

- The outcome of the US broadcast incentive auction will be a major factor in achieving scale for sub-700MHz
- At the end of the incentive auction, an ecosystem for IMT/mobile broadband will develop for the sub-700 MHz band
- It is also clear a number of other administrations are keen to use some or all of the sub-700 MHz band for IMT

The US incentive auction



The US broadcast incentive auction

31 May, Reverse auction begins for broadcasters. Stage 1 target is establishing cost to clear 126 MHz of spectrum

28 June, Reverse auction ends with a clearing cost of US$88.4B

15 Aug, Forward auction begins for mobile for approximately 100 MHz of paired licenses

30 Aug, Forward auction ends with a total revenue of about $22.5B, failing to meet the clearing cost and triggering the next stage

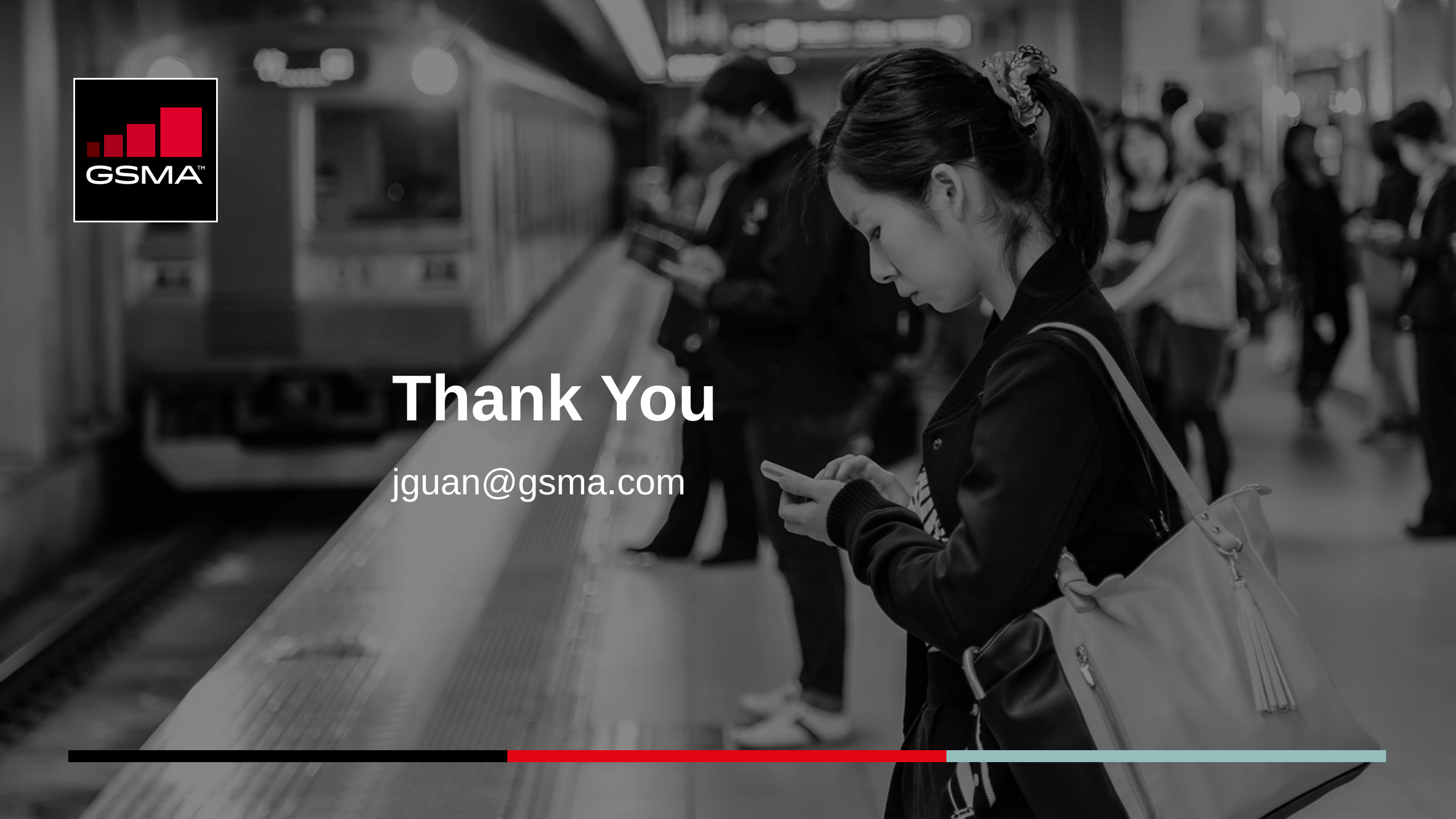
13 Sept, Reverse auction begins for broadcasters. Stage 2 has a target of establishing a cost to clear 114 MHz of spectrum

Date TBD, Results from the Stage 2 reverse auction will set a clearing cost and the forward auction will then begin again

TBC

What's Next?

- ☑ 470 – 698 MHz is identified for IMT in Micronesia, Solomon Islands, Tuvalu and Vanuatu
- ☑ 610 – 698 MHz is identified for IMT in Bangladesh, Maldives and New Zealand
- ☑ The entire UHF band in Asia Pacific already has a MOBILE primary allocation. India, for example, is planning to use the sub – 700 MHz band for IMT despite the lack of an IMT identification
- ☑ Sub - 700 MHz is a strategically important band for the developing countries to extend affordable mobile broadband connectivity in the long-term in addition to the 700 MHz band
- ☑ Developing countries should support proposals to the APT and ITU to develop the sub-700 MHz band to create an even stronger voice



Thank You

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