



**UN NEWS CENTRE**

With breaking stories and  
newswire products from



## **UN report shows broadband potential for economic and social development**



ITU Secretary-General Hamadoun Touré

6 June 2011 –

Broadband telecommunications have the potential to spur rapid economic growth and facilitate job creation, according to a United Nations report unveiled today, which urges countries to implement national broadband plans or risk losing the benefits of the global high-speed digital communications.

“To optimize the benefits to society, broadband should be coordinated on a countrywide basis, promoting facilities-based competition and with policies encouraging service providers to offer access on fair market terms... efforts should be coordinated across all sectors of industry, administration and the economy,” according to the report.

“Developing isolated projects or piecemeal, duplicated networks is not only inefficient, it delays provision of infrastructure that is becoming as crucial in the modern world as roads or electricity supplies,” said the report, prepared by the Broadband Commission for Digital Development, set up last year by the UN Educational Scientific and Cultural Organization ([UNESCO](#)) and the UN International Telecommunications Union (ITU) with the support of [Secretary-General](#) Ban Ki-moon.

The report showed, for example, that every 10 per cent increase in broadband penetration in China could contribute an extra 2.5 per cent increase in the growth of gross domestic product

(GDP). Other data cited in the report suggest that, for low- and middle-income countries, a 10-per cent rise in broadband penetration could add up to a 1.4-per cent point rise in economic growth.

An analysis for the European Commission estimates that broadband could create more than two million jobs in Europe by 2015, while a study in Brazil reports that access to broadband has already added up to 1.4 per cent to the employment growth rate.

“History has witnessed many ‘declarations of independence.’ But in today’s interconnected world we might propose a new ‘Declaration of Inter-dependence’ – a recognition that the economic welfare of each individual country increasingly depends on access to the rest of the world through broadband Internet,” said Hamadoun Touré, the ITU Secretary-General.

“This new Broadband Commission report indicates that improvements in broadband penetration directly correlate to improvements in GDP. Basically, the more available and cheaper broadband access is, the better for a country’s economy and growth prospects,” he added.

Irina Bokova, the UNESCO Director-General, stressed the importance of broadband in sharing knowledge and extending education to people everywhere.

“Provided it is available to all and affordable for all, broadband-powered applications and content can be a powerful lever for achieving Education for All goals. Inclusive, universal and equitable broadband roll-out can be a tremendous accelerator for development and growth – one way to build knowledge societies and to share the wealth of the world’s cultural, linguistic and scientific resources,” she said.

“Access to broadband is only one part of the picture – developing human capacity is absolutely vital, to ensure that individuals have the skills to make the most of new technologies. All actors – national, international, private and public – must work together to these ends.

A study by ITU released last month showed that on average, consumers are paying 50 per cent less for high-speed Internet connections than they were two years ago. This reduction is, however, mainly due to price decreases in developing countries, with steep declines often reflecting the extremely high cost of broadband in the developing world.

The cheapest broadband prices relative to average national monthly income can be found in Monaco, Macau (China), Liechtenstein, United States and Austria. Customers in 31 countries – all of them industrialized nations – pay only the equivalent of 1 per cent or less of average monthly gross national income (GNI) per capita for an entry-level broadband connection.

At the other end of the scale, in 19 countries, a broadband connection costs more than 100 per cent of monthly GNI per capita. Africa continues to stand out for its relatively high prices.

Ban underlines the role of information technologies in accelerating development