

Could the increase in demand for data in Africa be a solution?

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Africa has become a home to over a billion people and the population is expected to grow in the coming years. The sector of Information and Communication Technology (ICT) is essential for Africa's development and adequate ICT service deployment and digital connectivity will play a crucial role in the continent achieving economic sustainability.



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The forecast is that mobile data traffic in Sub-Saharan Africa is estimated to grow by 12 times the current figures, with total traffic increasing from 0.33 Exabytes (EB) per month to 4EB by 2025. Meanwhile, average traffic per smartphone is expected to reach 7.1GB over the forecast period, according to the Ericsson Mobility Report.

Key drivers will be extensive network coverage and the reduction in prices of both devices and services. Also, driven by the rapid rise in access to relevant video content, with new players who provide and aggregate local content finding initial success in larger markets. The increase of mobile data traffic in Africa is driving operators to look at opportunities to optimize their network capacities, including complementing capacity via Wi-Fi networks.

Critical national infrastructure in Africa

Hence, mobile and fixed networks have become key components of critical national infrastructure in Africa. In sub-Saharan Africa, LTE accounted for around 11% of subscriptions in 2019. Over the forecast period, mobile broadband subscriptions are predicted to increase, reaching 72% of mobile subscriptions. LTE share will reach around 30% by the end of the forecast period, and LTE subscriptions are set to triple, increasing from 90 million in 2019 to 270 million in 2025.

Driving factors behind the growth of mobile broadband subscriptions include a young and growing population with increasing digital skills. Declining data prices and an increase in the accessibility of smartphones due to lower prices are also driving growth.

As the demand for mobile data increases, more ICT investment in mobile broadband is the crucial solution to meet future requirements.

For service providers, investment and modernisation of networks is the essential way to meet the demand for data and future-proof operations for the benefit of all stakeholders. It also enables them to provide their mobile broadband community with the highest quality of service available, delivered via cutting edge infrastructure and technology to ensure a superior mobile experience for customers.

Access to high-quality broadband services is based on networks that support rapid growth in internet traffic as well as competitive pricing. There is supporting evidence that proves that a rise in mobile broadband penetration can be linked to economic growth and job creation.

Although supporting evidence may vary in its estimation on the exact contribution to the economy, these are enough to support these claims in that an increase in broadband penetration is associated with increases in Gross Domestic Product (GDP), creating jobs, increase of educational opportunities, and enhancing service delivery and rural development.

However, there are four key requirements needed to be addressed to establish the link between broadband penetration and economic growth:

1. Broadband must reach a critical mass of a country's citizens;
2. Broadband access must be affordable;
3. Demand-side skills must be developed to optimise broadband services for personal and business use
4. Supply-side skills need to be developed in order to exploit the innovative potential of broadband

The GSMA has estimated that an increase in penetration of mobile data, can be linked to an increase in annual GDP growth of a minimum of 0.5%. As wireless connectivity enables business to be done on the go, it allows information and services to be access anywhere, and will create new services and industries. It has been stated that the mobile industry in Africa is a key contributor to a country's economy and enables new economic activity in other sectors with the adoption of IoT.

As an augmentation of current mobile technologies, 5G could consequently ensure significant economic advantages for a country's citizens. However, the characteristics in speed, reliability, and latency mean that 5G can potentially be a technology that will enable new markets, develop and transform current industries, as well as support socio-economic benefits.

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