



The Digital Dividend in Latin America

Latin America has witnessed rapid take-up of mobile broadband and now has more than 50 commercial HSPA networks in more than 20 countries, delivering services to over 7 million subscribers. As the demand for affordable broadband services and internet connectivity increases, significant quantities of additional spectrum will be needed to ensure consumer demand for mobile broadband can be met.

While many governments in Latin America are well advanced with plans to license the AWS and 2.6GHz bands in 2010, many remain undecided on the allocation of digital dividend spectrum to mobile, yet it is this low frequency UHF spectrum which offers the greatest opportunity for the delivery of mobile broadband to remote and underserved areas. Increased penetration of mobile broadband will not only enhance the lives of consumers, it will bring enormous economic benefits in terms of jobs, improved productivity, competitiveness and GDP contribution. It will also lay the foundations for the delivery of new commercial and public services such as eCommerce, eLearning, eHealth and eGovernment.



Status

The US awarded spectrum for mobile broadband services in the UHF band in March 2008, and orders are now being placed with vendors to supply equipment. It is expected that the first US commercial network will be deployed in 2010. This is likely to help kick-start the market for devices and infrastructure in Latin America.

Analogue switchover is still some way off in many Latin American countries – it is scheduled for 2016 in Brazil, for example, and not until 2021 in Mexico. However, the upper part of the UHF band is relatively clear in many Latin American countries, which should experience no substantial impediments to allocating this spectrum to mobile broadband before the switchover. Chile and Argentina, which are progressing with the implementation of digital switchover, are expected to be the first to assign digital dividend spectrum to mobile. Other countries, such as Mexico and Colombia, have begun working on clearing the UHF band. CITELE is likely to establish a working group to consider optimal band plan options for assigning these frequencies in a harmonised way across the Latin America region.



GSMA position and advice

The GSMA believes that Latin America stands to benefit greatly from the availability of the UHF digital dividend spectrum for mobile broadband services. Mobile broadband is likely to be the main delivery mechanism in many markets for broadband services for the foreseeable future.

However, for individual markets in Latin America to derive the maximum benefit from UHF for mobile broadband, they need to be able to take advantage of economies of scale, particularly in terminal production. This means not only that Latin American countries should use the same frequencies, but that – as far as is practically possible – they should also use the same band plans.

The GSMA urges governments in Latin American countries to support the work which will be done on band plans within CITELE, and to seek to ensure that the smallest possible number of band plans is used in the region.

Where to go for more information
www.gsmworld.com/digitaldividend