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Digicel Case Study

Many of the countries in the Caribbean, Central America and the South Pacific regions, where Digicel operates, experience more than their fair share of natural disasters. It is an unfortunate fact of life.

As a result many of these countries have, however, built up considerable experience and expertise in preparing for, and dealing, with events such as hurricanes, earthquakes and tsunamis as well as dealing with the spread of infectious diseases such as the Zika and Chikungunya viruses or outbreaks of dengue or fellow fever.

In serving these regions Digicel has also developed experience and built a track record of providing immediate assistance and support for Governments and providing sustainable aid, support and care for the citizens of the countries where we operate in response to events such as the 2009 tsunami in Samoa, the earthquake and cholera outbreak in Haiti in 2010 and the aftermath of Hurricanes Irma and Maria in the Caribbean in 2017.

Through these very difficult experiences the countries of these regions have developed levels of preparedness and emergency plans that have served them well in the Covid-19 pandemic of 2020.

Even with this previous experience to build upon the human toll of the Covid-19 pandemic has prompted Governments to take rapid and previously unthinkable measures to restrict its spread. These have included total closure of international borders, including for returning citizens, strictly enforced curfews lasting up to a week, work from home orders and school closures.

Digicel continued our tradition of direct participation in wider efforts to help with emergency responses.

As a major employer in many of the countries where Digicel operates it was important that we were seen to lead by example; by facilitating staff to work from home, including providing new devices to staff and upgrading systems where required to enable them to do so, and ensuring that best efforts safety measures were introduced at our workplaces with temperature checks on entry, mandatory hand sanitizer use, wearing of masks, and social distancing.

The Digicel Foundation was central to efforts in the community. It donated PPE and sanitary equipment to health facilities and correctional facilities and handwashing stations were deployed to major town

centres and high traffic areas. During the period of lockdown care were packages provided to vulnerable families and to children's homes.

Digicel was not the only organisation to respond in this way and this collaborative spirit means that many countries in the Caribbean and South Pacific regions are leading in terms of the countries that are managing the pandemic best globally. The result is that at the time of writing, the US Centre for Disease Control has ranked many countries in both the Caribbean and South Pacific as having low or very low risk as regards Covid-19.

However, these measures are not without their own impacts on society and citizens. In the telecoms sector Governments and network operators have collaborated in order to mitigate some of these. While each country has its own individual needs the relatively large number and range of countries that Digicel operates in allows us to discern some patterns and common needs.

The first of these was in the area of communications. A number of Governments sought our support in ensuring that messages could be quickly disseminated to citizens and that reliable information from trusted sources could be readily accessed. A variety of solutions were implemented including:

- changing the network identifier displayed on mobile devices to public health messages such as "wash your hands" in local languages;
- inserting public health messages and information in ringback tones;
- re-tasking our SMS and on-line marketing platform to send information on curfews;
- implementing dedicated information lines and resourcing them with customer support call centre staff;
- partnering with Governments to develop and disseminate Covid-19 tracer Apps.

The next area was connectivity. The move to working from home for businesses and remote learning during school closures increased the demand for capacity on mobile networks and changed the geographic distribution of this demand. A number of Governments made additional spectrum available on an interim basis. While operators responded by investing in the necessary network expansions to make use of this the Governments contributed by waiving the fees associated with this spectrum. To protect this limited capacity operators also put in place traffic management measures to protect limited capacity from the upswing in "entertainment" content.

Network capacity is only one part of the connectivity equation. Devices are another part. In some countries, Digicel made devices available to frontline medical workers. We have heard anecdotal stories of children having to use their parents' phones to access on-line lessons and content. To protect the most vulnerable Digicel donated devices and connectivity to students, for example in Jamaica the Digicel Foundation donated over 1,500 tablets to students with special needs together with free 1-year 10GB data plans. In some cases, Universal Service Funds have been used to provide devices to teachers and students.

Unsurprisingly another area that emerged as a common theme was affordability. In markets with low fixed broadband penetration the cost of mobile data would have represented a barrier to accessing educational content. We have worked with Governments to zero-rate the data associated with on-line education and Government information websites. As the restrictions continue, we are engaging with a

number of Governments on how to provide affordable access to those who would otherwise be excluded from on-line connectivity due to economic hardship.

Digicel's mobile money solutions have enabled users to engage with the digital economy online without requiring a bank account since the outbreak of Covid-19. In Jamaica our mobile money program, MyCash, (in partnership with Mastercard) facilitated hundreds of thousands of online payments. In Haiti Mon Cash mobile money is growing rapidly with close to 2 million customers. It facilitates a wide array of cashless payment options and is also used by the Government and international aid agencies to disburse funds without the need for physical cash. The introduction of our Cell Moni mobile money program in Papua New Guinea in November of 2019 saw rapid adoption immediately prior to the outbreak of Covid-19 and, for example, enables users to purchase electricity remotely. It is clear that mobile money solutions assist engagement with the digital economy and that it is important that regulatory approaches continue to support the deployment of these.

So what can we learn from these patterns? In many ways the Covid-19 response has accelerated trends that were already there. The move to on-line, digital adoption and capacity demand growth are all part of the patterns outlined above.

However, this acceleration has laid bare the effects of digital inequality. Children from less advantaged areas and backgrounds do not have the same access to online education as their better off peers.

Similarly working from home for those at the lower tiers of the so called "knowledge economy" is not as easy or effective as those who have already begun to climb the ladder. Regulatory obstacles to the introduction of mobile money solutions have the effect of excluding the most disadvantaged persons, who are without bank accounts or credit cards, from the digital economy.

If a person is already on the digital ladder then they can continue to climb. For those at the bottom, however, it is as if someone has greased the lower rungs.

Digicel's experience, even in economies that have relatively high average GDPs, is that those with the lowest income cannot afford either the devices or the services that are the enablers for participation on-line. Because they cannot afford them then network operators cannot afford to build networks to serve areas where they live. It is a vicious circle.

However, as Covid-19 has cast the digital divide into stark relief it has also accelerated other trends.

The fact that Governments want to use traditional telecoms channels to communicate important information highlights the declining trust in on-line information. "Fake News", misinformation and conspiracy theories are something that will have to be grappled with. Samoa has had recent experience with the results of anti-vaccination rhetoric when a measles outbreak in 2019 killed over 80, mainly young children.

The fact that Governments have asked for education and information websites to be zero-rated is a recognition that not all data is equal. Some is more important to society and the economy. As we move to a 5G enabled Internet of Things it is important to ask whether data that directly contributes to the economic and societal wellbeing of a country and its citizens can be treated differently to data of dubious provenance that enriches only overseas platforms.

The need for early release of additional spectrum at pricing that makes it commercially possible to use is clear.

Even if more spectrum is available at much lower prices the cost of network deployment and the inability to recover investment from traditional telecoms revenue streams means that many will remain second-class digital citizens. The affordability issues should prompt a deeper discussion about how we close the funding gap that prevents the unconnected and marginally connected getting an on-line experience which will truly enable their equal participation. While the Covid-19 pandemic has highlighted the problems and weaknesses in the current approach to connecting the unconnected it has also highlighted the areas where fresh thinking can put these right.
