

INFRASTRUCTURE SHARING AS AN ESSENTIAL TOOL FOR MEANINGFUL CONNECTIVITY

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Abstract

In recent years, numerous studies have been published highlighting the critical role of infrastructure sharing in advancing meaningful connectivity. Different regulatory entities, including the Body of European Regulators for Electronic Communications - [BEREC](#), and multilateral entities such as the [International Telecommunication Union - ITU](#), [Inter-American Development Bank - IDB](#), Development Bank of Latin America – CAF, [GSMA](#) and the Inter-American Telecommunications Commission – CITELE, have analyzed the positive impact and challenges to implement infrastructure sharing as a means to deploy 5G technology and increase coverage in both urban and rural areas.

This contribution seeks to draw attention to the benefits of adopting the principle of infrastructure sharing as part of public policies and regulations, the role of independent providers of critical wireless infrastructure, and the need to highlight their contributions to achieving meaningful connectivity.

Benefits of infrastructure sharing, the role of the tower industry

With around 2.7 billion people worldwide still unconnected, it is imperative for governments and other actors in the telecommunications ecosystem to create the conditions, policies and regulations that will support the necessary investment in digital infrastructure. Given the capital-intensive nature of wireless infrastructure deployment, the sector has evolved to a greater specialization of the value chain to capture efficiencies, maximize the use of existing and new infrastructure required for both 5G and 4G networks, and incorporate new actors that are ideally positioned to support infrastructure sharing through a neutral-host business model: independent providers of passive infrastructure.

Independent providers of passive infrastructure, generally known as tower operators, make their infrastructure available to all service providers through sharing. Recent independent studies commissioned by companies such as [American Tower \(ATC\)](#) and [SBA Communications \(SBA\)](#), demonstrate the benefits of infrastructure sharing. Two of them, led by Dr Raul Katz, and focused on Latin America and Africa, demonstrates with econometric models, the impact of the independent tower industry on the development of 4G and 5G:

- Improved regulation of infrastructure sharing can lead to an increase in 3G/4G coverage, resulting in an increase in unique mobile broadband users and a positive impact on economic indicators.
- The deployment of towers is linked to an increase in wireless broadband adoption levels by 3.29%. In addition, it drives an improvement in the level of mobile affordability (measured as a decrease in the price of mobile broadband service relative to monthly GNI per capita) by 7.82%.
- Econometric analyses have confirmed that there are correlations between the market presence of independent tower companies and the development of the wireless industry. In the fourteen African countries studied, a 10% increase in the number of standalone towers led to a minimum 5.95% increase in 4G coverage levels, a 3.29% increase in wireless broadband adoption levels, and a 5.07% increase in quality levels, which were measured by mobile broadband download speed.
- Independent tower companies are critical to the future deployment of 5G as they help alleviate CAPEX and OPEX pressures affecting mobile network operators.
- Environmental benefits include lower visual pollution and reduction of the carbon footprint resulting from the reduced use of materials and operation of sites.

Recommendations for maximizing the benefits of infrastructure sharing to achieve meaningful connectivity

Public policies and regulations are essential to incentivize investment in digital infrastructure. By incorporating the principle of infrastructure sharing, those policies are essential for making such investment more efficient and sustainable. They should set guidelines for the orderly deployment and effective use of existing and new

infrastructure, avoiding unnecessary proliferation and/or duplication. This not only reduces costs and investment needs, but also generates greater well-being for the population, both by increasing meaningful connectivity and by reducing environmental impact.

We would like to highlight the following recommendations to incorporate infrastructure sharing in public policy and regulations:

- **Develop specific regulations for the deployment of passive infrastructure** to avoid duplication and/or unnecessary proliferation by ensuring the use of existing infrastructure before installing new infrastructure.
- **Ensure regulatory harmonization between the central government and municipalities.** This will streamline administrative procedures based on technical considerations, accelerate deployment and remove artificial obstacles for the deployment and siting of telecommunications towers.
- **Accelerate permit approvals, establish a one-stop-shop, and create a national registry of towers.** Streamline licensing and permitting processes for network operators and infrastructure providers. Establish a one-stop-shop to streamline procedures and facilitate faster deployment. Create a national registry that will give visibility to digital deserts and support enforcing infrastructure sharing.
- **Rationalize fees and taxes.** Implement regulations that set limits on fees and taxes on tower companies, particularly municipal fees. This will create a favorable environment for investment and encourage infrastructure development.
- **Ensure predictability in regulations and permitting.** Provide stable and predictable rules for tower deployment to ensure return on investment and reinvestment. This will foster investor confidence and support sustainable growth in the tower industry.

Conclusion

Infrastructure sharing is perhaps one of the most effective tools to achieve meaningful connectivity in an accelerated, efficient and sustainable way. Independent infrastructure providers, as neutral hosts whose business model is sharing, should be recognized as a relevant actor in the telecommunications value chain. Tower companies offer the most efficient vehicle for the deployment of communications networks, both in urban and rural and/or underserved areas.

To maximize the positive benefits of infrastructure sharing, it is necessary to strengthen public policies and regulation, eliminate artificial barriers to deployment and ensure the orderly and efficient deployment of infrastructure, avoiding unnecessary duplication. We invite policy makers, multilateral organizations, and ITU private sector members to:

- Recognize the importance of infrastructure sharing to achieve meaningful connectivity and support public policies and regulatory frameworks that incentivize and promote infrastructure sharing.
- Recognize the role of passive infrastructure providers as neutral players in the telecommunications value chain and encourage investments in this sector.
- Promote the elimination of artificial barriers to deployment, striking a balance between the right to connectivity and the exercise of other rights, such as environmental protection.
- Include within the activities of the ITU Development Bureau a special and concrete initiative focused on infrastructure sharing as an essential tool to achieve meaningful connectivity. This initiative will compile best practices, success stories and recommendations for all players in the telecommunications ecosystem.