

Middle East and North Africa telecoms market: trends and forecasts 2019–2024



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December 2019, based on data up to 2Q 2019



About this report

This report provides:

- a 5-year forecast of more than 180 mobile and fixed KPIs for the Middle East and North Africa (MENA), as a whole and for 12 key countries
- an in-depth analysis of the trends, drivers and forecast assumptions for each type of mobile and fixed service, and for key countries
- an overview of operator strategies and country-specific topics, in order to highlight similarities and differences by means of a cross-country comparison
- a summary of results, key implications and recommendations for mobile and fixed operators.

Our forecasts are informed by on-the-ground regional market experts from our topic-led research programmes and our consulting division, as well as external interviews. In addition to our robust set of historical data, our forecasts draw on a unique and in-house modelling tool, which applies a rigorous methodology (reconciliation of different sources, standard definitions, top-down and bottom-up modelling).



Our forecasts are refined throughout the year. This report presents the results at the time of publication and will continue to give useful background information about key drivers. However, we recommend that you always use the Analysys Mason [DataHub](#) to view the latest data associated with this report.

¹ Includes USB modem, and mid- and large-screen, but not handset-based data.

² IoT connections and revenue figures include mobile services only.

³ Service revenue is the sum of retail and wholesale revenue.

REPORT COVERAGE		
Geographical	Key performance indicators	
Regions modelled ▪ Middle East and North Africa (MENA) Countries modelled individually ▪ Algeria ▪ Egypt ▪ Iran ▪ Iraq ▪ Israel ▪ Kuwait ▪ Morocco ▪ Oman ▪ Qatar ▪ Saudi Arabia ▪ Tunisia ▪ United Arab Emirates (UAE)	Connections	Revenue
	Mobile	Mobile
	▪ Handset, mobile broadband,¹ IoT² ▪ Prepaid, contract ▪ 2G, 3G, 4G, 5G ▪ Smartphone, non-smartphone	▪ Service,³ retail ▪ Prepaid, contract ▪ Handset, mobile broadband,¹ IoT² ▪ Handset voice, messaging, data
	Fixed	Fixed
	▪ Voice, broadband, IPTV, dial-up ▪ Narrowband voice, VoBB ▪ DSL, FTTP/B, cable, BFWA, 5G, other	▪ Service,³ retail ▪ Voice, broadband, IPTV, dial-up, specialist business services ▪ DSL, FTTP/B, cable, BFWA, other
	Voice traffic	ARPU
	Fixed and mobile	Mobile:
	▪ Outgoing minutes, MoU	▪ SIMs, handset ▪ Prepaid, contract ▪ Handset voice, data

Contents [1]

8. Executive summary and recommendations

- 9. The total telecoms service revenue in MENA will grow at a CAGR of 1% between 2018 and 2024, and will reach USD69.3 billion in 2024
- 10. The total telecoms retail revenue will grow at a moderate rate in MENA, driven mainly by fixed and mobile data services
- 11. Geographical coverage: 4G/5G and NGA penetration will vary widely by country; Israel and countries in the GCC will have the highest levels of penetration
- 12. Key trends, drivers and assumptions for the mobile and fixed markets
- 13. Regional forecasts and cross-country comparison
- 14. Market context: the telecoms revenue share of GDP will decline over the forecast period due to a gradual increase in competition in the market
- 15. Key mergers, acquisitions and market entries
- 16. Key drivers at a glance for each Middle East and North Africa market
- 17. Market overview: the total telecoms revenue in MENA will grow over time, driven by revenue growth from data services in the fixed and the mobile segments
- 18. Mobile: 5G has been launched in several countries, but the number of 5G connections will only grow slowly during the forecast period
- 19. Mobile: mobile penetration will fall slightly during the forecast period, mainly because of a decline in the number of prepaid subscribers
- 20. Mobile: ARPU will be highly dependent on GDP per capita, competition levels and the penetration of data services
- 21. Mobile: the strong demand for handset data will help to offset the decline in mobile broadband and mobile voice revenue
- 22. Fixed: the NGA share of fixed broadband connections will grow over time due to investments in VDSL and FTTP/B services

- 23. Fixed: broadband penetration will increase in all countries in MENA, but the gap in penetration between the most- and least-penetrated countries will grow
- 24. Fixed: fixed broadband ASPU will decline slightly because operators will lower their prices to drive service adoption
- 25. Fixed: broadband penetration growth will be the main driver of revenue growth in the fixed segment
- 26. Specialist business services: revenue growth will be fuelled by increased spending on mobile data and a growing demand for high-bandwidth dedicated connections
- 27. IoT: the IoT sector is developing in Israel and the countries in the GCC, but it will remain relatively underdeveloped in the rest of the region
- 28. Pay TV: revenue for traditional pay-TV and operator-delivered OTT services will continue to grow in MENA

29. Individual country forecasts

- 30. Egypt: telecoms revenue is expected to grow rapidly during the forecast period, though some of this growth will be due to inflation
- 31. Egypt: VDSL will be the dominant fixed broadband technology in 2024, supported by the growing demand for high-speed connectivity services
- 32. Egypt: strong investments in fixed and mobile services will lead to considerable telecoms revenue growth
- 33. Egypt: forecast changes
- 34. Kuwait: investments in fixed infrastructure and 5G should provide a basis for future growth in broadband take-up and revenue
- 35. Kuwait: mobile ARPU will fall over time despite a slight increase in the contract share of connections and the introduction of MVNOS in 2020
- 36. Kuwait: the vast majority of operators' telecoms revenue will continue to come from mobile handsets and mobile broadband services

Contents [2]

- 37. Kuwait: forecast changes
- 38. Oman: the total telecoms revenue will return to growth in 2020, despite an increase in competition caused by the entrance of a third MNO
- 39. Oman: operators will increasingly focus on monetising their NGA investments and driving service take-up as network penetration increases
- 40. Oman: a new entrant will increase the competition in the mobile market, and the fixed broadband segment will benefit from NGA network roll-outs
- 41. Oman: forecast changes
- 42. Qatar: the overall revenue outlook remains positive, thanks to fixed broadband and mobile handset data revenue growth
- 43. Qatar: fibre will account for virtually all fixed broadband connections in the country by 2024
- 44. Qatar: the demand for high-speed connectivity will drive both fixed broadband and mobile data revenue growth
- 45. Qatar: forecast changes
- 46. Saudi Arabia: telecoms revenue is expected to grow thanks to strong demand from the mobile segment
- 47. Saudi Arabia: the number of mobile 5G and FTTP/B fixed broadband connections will grow rapidly, supported by investments
- 48. Saudi Arabia: mobile service revenue will be boosted by the launch of 5G technology
- 49. Saudi Arabia: forecast changes
- 50. UAE: the SIM registration regulation and slow population growth led to a fall in mobile revenue, but we expect that the total revenue will grow modestly
- 51. UAE: operators' 5G investments and extensive fibre coverage will help to drive steady demand for fixed and mobile data services
- 52. UAE: the demand for high-speed broadband services will be the main driver of telecoms revenue growth between 2018 and 2024
- 53. UAE: forecast changes
- 54. Methodology**
- 55. Our forecast model is supported by sound market knowledge
- 56. Examples of forecast input drivers
- 57. Key drivers at a glance table: methodology [1]
- 58. Key drivers at a glance table: methodology [2]
- 59. About the authors and Analysys Mason**
- 60. About the authors
- 61. Analysys Mason's consulting and research are uniquely positioned
- 62. Research from Analysys Mason
- 63. Consulting from Analysys Mason

List of figures [1]

Figure 1: Telecoms and pay-TV retail revenue by type and total service revenue, Middle East and North Africa, 2014–2024

Figure 2: Growth in telecoms retail revenue and nominal GDP by country, Middle East and North Africa, 2018–2024

Figure 3: 4G/5G share of mobile connections and NGA share of fixed broadband connections by country, Middle East and North Africa, 2018 and 2024

Figure 4: Summary of key trends, drivers and assumptions for Middle East and North Africa

Figure 5: Metrics for the 12 countries modelled individually in the Middle East and North Africa, 2018

Figure 6: Recent and upcoming market structure changes in the Middle East and North Africa

Figure 7: Major forecast drivers: current situation (2018) and future trajectory (2019–2024), by country, Middle East and North Africa

Figure 8: Total fixed and mobile telecoms service revenue, Middle East and North Africa (USD billion), 2014–2024

Figure 9: Mobile connections by type, Middle East and North Africa (million), 2014–2024

Figure 10: Telecoms retail revenue and growth rate by service type, Middle East and North Africa, 2014–2024

Figure 11: Fixed connections by type, Middle East and North Africa (million), 2014–2024

Figure 12: Mobile connections by generation, Middle East and North Africa (million), 2014–2024

Figure 13: Mobile ARPU by type, Middle East and North Africa (USD per month), 2014–2024

Figure 14: Contract share of mobile connections (excluding IoT), Middle East and North Africa, 2014–2024

Figure 15: Mobile data traffic per connection, Middle East and North Africa (GB per month), 2014–2024

Figure 16a: Mobile penetration by country, Middle East and North Africa, 2014–2024

Figure 16b: Mobile penetration by country, Middle East and North Africa, 2014–2024

Figure 17a: Mobile ARPU by country, Middle East and North Africa, 2014–2024

Figure 17b: Mobile ARPU by country, Middle East and North Africa, 2014–2024

Figure 18: Broadband connections by technology, Middle East and North Africa (million), 2014–2024

Figure 19: Fixed retail revenue by service, Middle East and North Africa (USD billion), 2014–2024

Figure 20: NGA broadband household penetration and NGA share of broadband connections, Middle East and North Africa, 2014–2024

Figure 21: Fixed internet traffic per broadband connection, Middle East and North Africa (GB per month), 2014–2024

Figure 22a: Fixed broadband household penetration by country, Middle East and North Africa, 2014–2024

Figure 22b: Fixed broadband household penetration by country, Middle East and North Africa, 2014–2024

Figure 23a: Fixed broadband access ASPU by country, Middle East and North Africa, 2014–2024

Figure 23b: Fixed broadband access ASPU by country, Middle East and North Africa, 2014–2024

List of figures [2]

Figure 24: Total market revenue from specialist business services, Middle East and North Africa, 2014–2024

Figure 25: Total IoT value chain revenue by sector, Middle East and North Africa, 2014–2024

Figure 26: Retail revenue from pay TV, Middle East and North Africa, 2014–2024

Figure 27: Total fixed and mobile telecoms service revenue, Egypt (EGP billion), 2014–2024

Figure 28: Mobile connections by type, Egypt (million), 2014–2024

Figure 29: Telecoms retail revenue and growth rate by service type, Egypt, 2014–2024

Figure 30: Fixed connections by type, Egypt (million), 2014–2024

Figure 31: 4G, 5G and contract share of mobile connections, Egypt, 2014–2024

Figure 32: Mobile ARPU, fixed voice ASPU and fixed broadband ASPU, Egypt (EGP per month), 2014–2024

Figure 33: Mobile data traffic per connection, Egypt (GB per month), 2014–2024

Figure 34: Broadband connections by technology, Egypt (million), 2014–2024

Figure 35: Total telecoms service revenue – current and previous forecasts, Egypt, 2014–2024

Figure 36: Total fixed and mobile telecoms service revenue, Kuwait (KWD million), 2014–2024

Figure 37: Mobile connections by type, Kuwait (million), 2014–2024

Figure 38: Telecoms retail revenue and growth rate by service type, Kuwait, 2014–2024

Figure 39: Fixed connections by type, Kuwait (thousand), 2014–2024

Figure 40: 4G, 5G and contract share of mobile connections, Kuwait, 2014–2024

Figure 41: Mobile ARPU, fixed voice ASPU and fixed broadband ASPU, Kuwait (KWD per month), 2014–2024

Figure 42: Mobile data traffic per connection, Kuwait (GB per month), 2014–2024

Figure 43: Broadband connections by technology, Kuwait (thousand), 2014–2024

Figure 44: Total telecoms service revenue – current and previous forecasts, Kuwait, 2014–2024

Figure 45: Total fixed and mobile telecoms service revenue, Oman (OMR million), 2014–2024

Figure 46: Mobile connections by type, Oman (million), 2014–2024

Figure 47: Telecoms retail revenue and growth rate by service type, Oman, 2014–2024

Figure 48: Fixed connections by type, Oman (thousand), 2014–2024

Figure 49: 4G, 5G and contract share of mobile connections, Oman, 2014–2024

Figure 50: Mobile ARPU, fixed voice ASPU and fixed broadband ASPU, Oman (OMR per month), 2014–2024

Figure 51: Mobile data traffic per connection, Oman (GB per month), 2014–2024

Figure 52: Broadband connections by technology, Oman (thousand), 2014–2024

Figure 53: Total telecoms service revenue – current and previous forecasts, Oman, 2014–2024

Figure 54: Total fixed and mobile telecoms service revenue, Qatar (QAR billion), 2014–2024

List of figures [3]

Figure 55: Mobile connections by type, Qatar (million), 2014–2024

Figure 56: Telecoms retail revenue and growth rate by service type, Qatar, 2014–2024

Figure 57: Fixed connections by type, Qatar (thousand), 2014–2024

Figure 58: 4G, 5G and contract share of mobile connections, Qatar, 2014–2024

Figure 59: Mobile ARPU, fixed voice ASPU and fixed broadband ASPU, Qatar (QAR per month), 2014–2024

Figure 60: Mobile data traffic per connection, Qatar (GB per month), 2014–2024

Figure 61: Broadband connections by technology, Qatar (thousand), 2014–2024

Figure 62: Total telecoms service revenue – current and previous forecasts, Qatar, 2014–2024

Figure 63: Total fixed and mobile telecoms service revenue, Saudi Arabia (SAR billion), 2014–2024

Figure 64: Mobile connections by type, Saudi Arabia (million), 2014–2024

Figure 65: Telecoms retail revenue and growth rate by service type, Saudi Arabia, 2014–2024

Figure 66: Fixed connections by type, Saudi Arabia (million), 2014–2024

Figure 67: 4G, 5G and contract share of mobile connections, Saudi Arabia, 2014–2024

Figure 68: Mobile ARPU, fixed voice ASPU and fixed broadband ASPU, Saudi Arabia (SAR per month), 2014–2024

Figure 69: Mobile data traffic per connection, Saudi Arabia (GB per month), 2014–2024

Figure 70: Broadband connections by technology, Saudi Arabia (million), 2014–2024

Figure 71: Total telecoms service revenue – current and previous forecasts, Saudi Arabia, 2014–2024

Figure 72: Total fixed and mobile telecoms service revenue, UAE (AED billion), 2014–2024

Figure 73: Mobile connections by type, UAE (million), 2014–2024

Figure 74: Telecoms retail revenue and growth rate by service type, UAE, 2014–2024

Figure 75: Fixed connections by type, UAE (million), 2014–2024

Figure 76: 4G, 5G and contract share of mobile connections, UAE, 2014–2024

Figure 77: Mobile ARPU, fixed voice ASPU and fixed broadband ASPU, UAE (AED per month), 2014–2024

Figure 78: Mobile data traffic per connection, UAE (GB per month), 2014–2024

Figure 79: Broadband connections by technology, UAE (million), 2014–2024

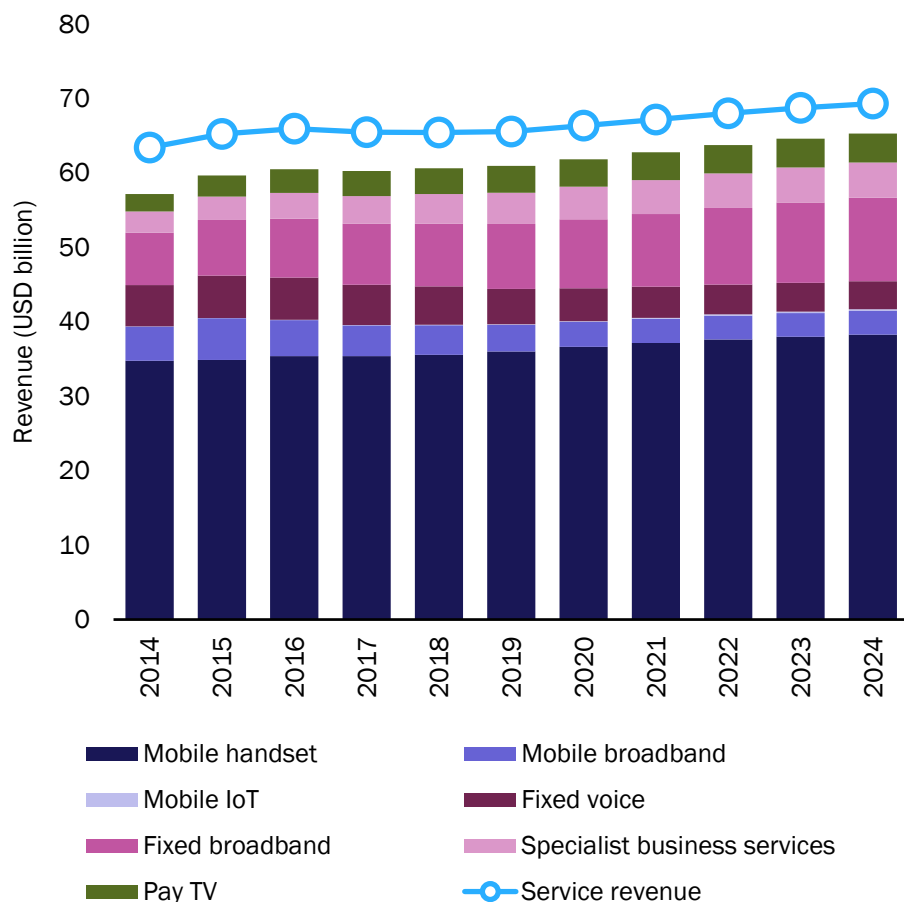
Figure 80: Total telecoms service revenue – current and previous forecasts, UAE, 2014–2024

Figure 81a: Methodology for attributing scores to each element in the key drivers table (current and future) and impact of high scores

Figure 81b: Methodology for attributing scores to each element in the key drivers table (current and future) and impact of high scores

The total telecoms service revenue in MENA will grow at a CAGR of 1% between 2018 and 2024, and will reach USD69.3 billion in 2024

Figure 1: Telecoms and pay-TV retail revenue by type and total service revenue, Middle East and North Africa, 2014–2024



Source: Analysys Mason

The adoption of next-generation access (NGA) services and the growing demand for mobile data services will be the main drivers of revenue growth in the Middle East and North Africa during the forecast period.

MENA is a very diverse region. Some countries have some of the highest standards of living in the world (for example, Qatar had a GDP per capita of over USD60 000 in 2019), while others, such as Yemen and Iraq, are politically very unstable and have low standards of living.

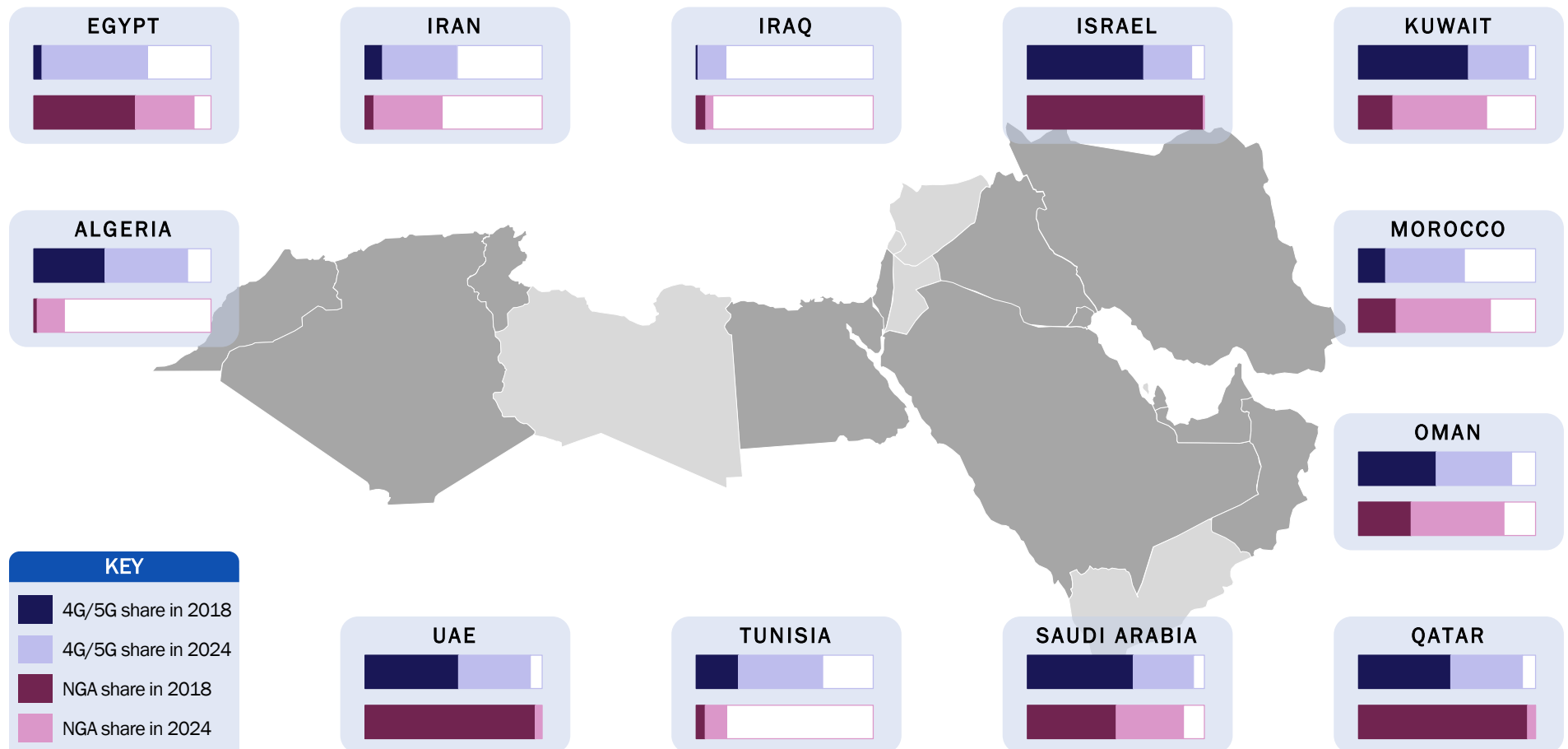
The telecoms market in MENA is mobile-centric. Mobile services accounted for 66% of the total telecoms service revenue (including that from pay TV) in 2018. This is expected to decline slightly to 64% by 2024, despite the increase in mobile ASPU due to the launch of 5G. This decline will mainly be attributable to the strong growth in fixed broadband revenue due to operators' large investments in VDSL and FTTP/B roll-outs. Mobile data services will grow in popularity, leading to strong growth in mobile data consumption and revenue, which in turn will lead to a decline in mobile voice revenue. As such, the data share of mobile revenue will grow from 40% to 54% between 2018 and 2024.

Declining oil prices and the emigration of many expatriates have had a negative impact on telecoms revenue in the countries in the Gulf Co-operation Council (GCC).¹ However, the situation is expected to improve as economies stabilise, and consequently, telecoms revenue will return to steady growth from 2020.

¹ The GCC countries are Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the UAE.

Geographical coverage: 4G/5G and NGA penetration will vary widely by country; Israel and countries in the GCC will have the highest levels of penetration

Figure 3: 4G/5G share of mobile connections and NGA share of fixed broadband connections by country, Middle East and North Africa, 2018 and 2024¹



¹ For a full list of countries modelled as part of the Middle East and North Africa region, please see the accompanying data annex. Mobile connections exclude IoT connections. NGA share of fixed broadband connections is calculated as cable, VDSL and FTTP/B connections (that provide access speeds of 30Mbit/s or more) divided by the total number of fixed broadband connections.



Contents



Executive summary and recommendations

Regional forecasts and cross-country comparison

Individual country forecasts

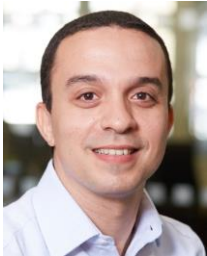
Methodology

About the authors and Analysys Mason

About the authors



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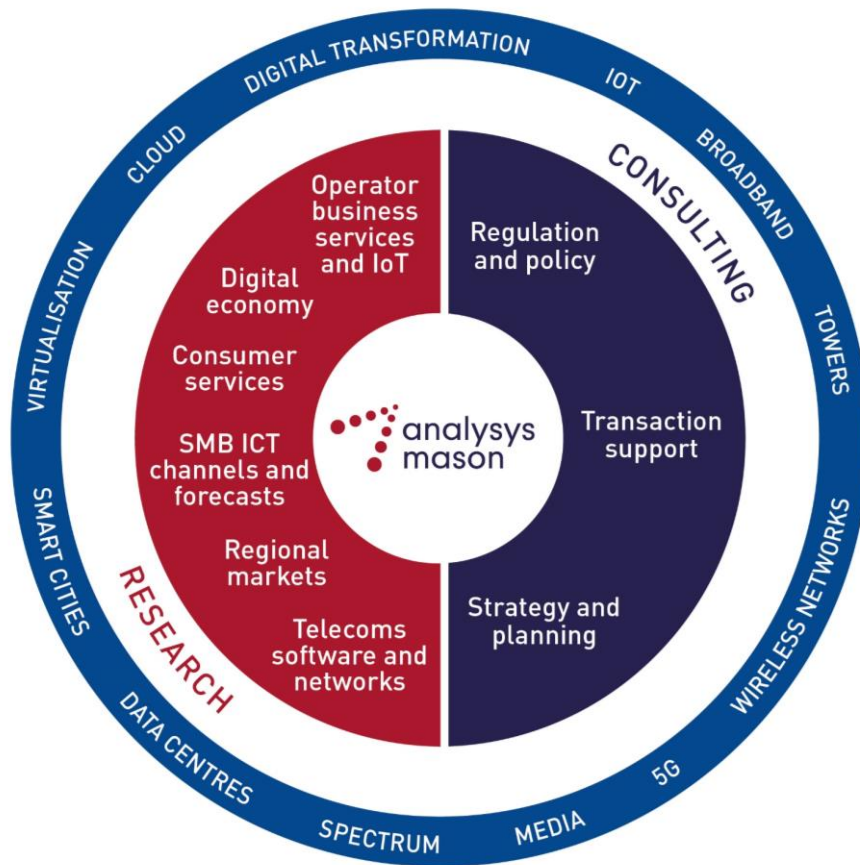
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Customer Engagement
Monetisation Platforms
AI and Analytics



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Digital Economy Strategies
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Large Enterprise Emerging Service Opportunities
SME Strategies
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