

# LIFE AFTER COVID-19

مؤسسة دبي للمستقبل  
DUBAI FUTURE FOUNDATION



FUTURE TRENDS

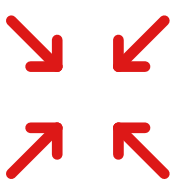
# TELECOMM- UNICATIONS



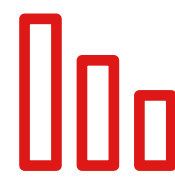
# INSIGHTS IN BRIEF



The effectiveness of existing corporate Virtual Private Networks (VPNs) in rapidly adapting to support large remote workforces will now be tested as companies around the world implement remote working policies and shift events to digital platforms in order to contain the spread of COVID-19.



This may be a good opportunity to assess whether existing infrastructure needs to be upgraded to meet the demands of higher volumes of internet usage.



This may put significant pressure on the cost and efficiency of business communication, further exacerbating the challenges facing businesses that are struggling due to a drop in demand.

# CURRENT SITUATION

In order to contain the spread of COVID-19, companies around the world have implemented remote working policies and are shifting events to digital platforms. The effectiveness of existing corporate Virtual Private Networks (VPNs) in suddenly supporting large remote workforces will now be tested. In many countries VPNs could become overloaded from spikes in traffic according to research and advisory firm Gartner. Existing broadband capacity will also be tested, not only due to the use of VPNs or other networks for businesses uses, but due to the use of recreational internet usage. The EU Commissioner for internal market and services has warned that online streaming services such as Netflix and YouTube may be putting Europe's broadband infrastructure under strain as millions work from home across the continent to prevent the spread of COVID-19, indicating that data rationing might be future possibility.





Companies that use VPNs that are dependent on traffic over the public internet may see transport problems as connections are made from around the world translating into slowdowns and reduced quality of service. According to Gartner Fellow Daryl Plummer “companies that have not prepared for this [will be forced] to upgrade equipment to relieve the stress.”

Given that VPNs are not permitted in all circumstances in all MENA countries, companies may be unable to use such networks to continue international business communication online. While employees have to work from home and international travel is not possible, this may put significant pressure on the cost and efficiency of business communication further exacerbating the challenges facing businesses that are struggling due to a drop in demand.



# OPPORTUNITY

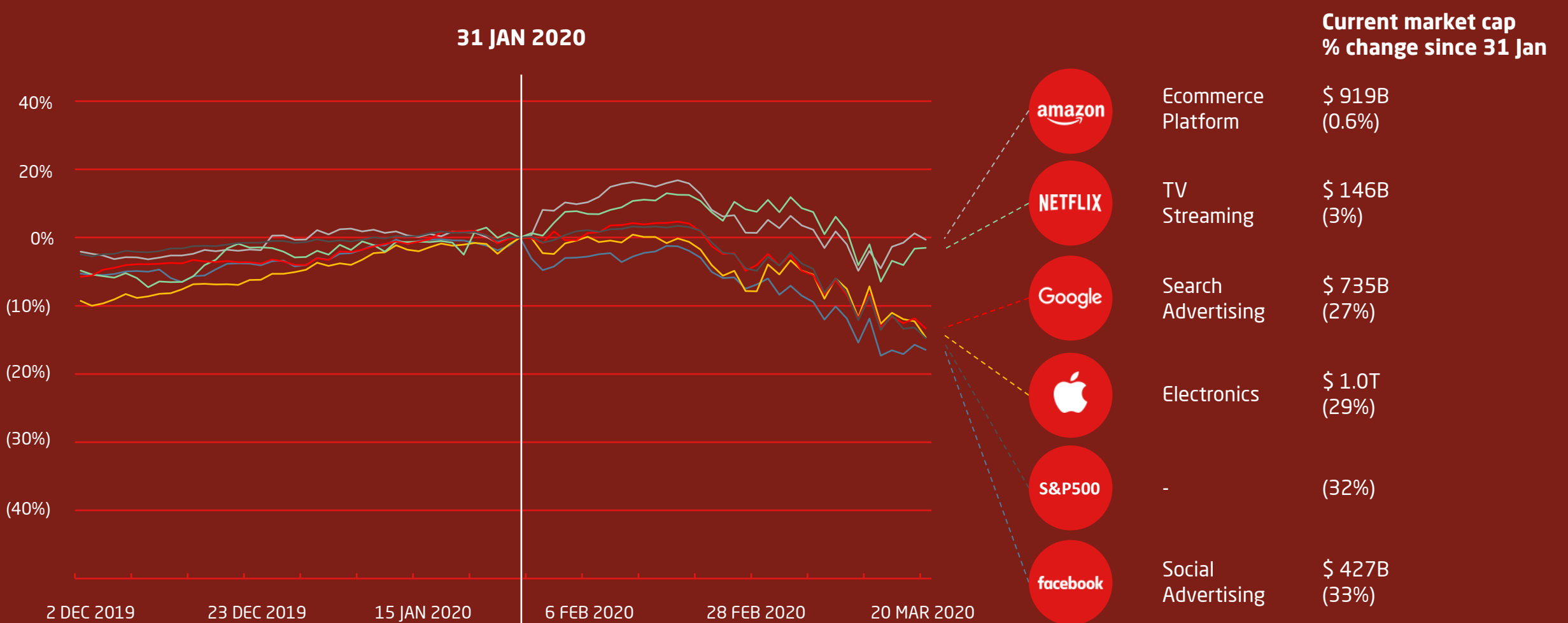
This may be an opportunity to assess the potential impact of possible future regulatory changes and determine whether existing infrastructure needs to be upgraded and the market for VPN and VoIP liberalized. Due to authorities efforts to develop infrastructure over the past decade across the MENA most regional markets should be well positioned to tackle the current situation. However, while countries in the Middle East, particularly in the GCC, are largely 'on track' with reviewing and adapting current regulatory frameworks, including introducing new regulatory frameworks with regards to e.g. cloud services or IoT <sup>1</sup>, upgrading networks and rolling out 5G capabilities will be important going forward to transform and scale operations and allow remote service provisioning.

<sup>1</sup> [https://www.samenacouncil.org/samena\\_trends/files/SAMENA\\_Trends\\_March\\_2019.pdf](https://www.samenacouncil.org/samena_trends/files/SAMENA_Trends_March_2019.pdf)

Given that online platforms for entertainment (gaming and streaming), retail and communication have seen significant increases in traffic during this period, it will be critical to review potential infrastructure upgrades required to support increased traffic but also to drive innovation and encourage the development of local digital platforms.

## Online platforms for e-commerce and streaming such as Amazon and Netflix have outperformed the market over the past few weeks.

### Share Price Performance<sup>2</sup>



<sup>2</sup> Dealroom, Impact of Corona on Startups, March 2020.