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# GOVT & BUSINESS..... DEVELOPING TELECOM INFRASTRUCTURE IN TANDEM

By

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# Background:

- In Nigeria, the Telecommunications Industry has experienced exponential growth in the last four years with about 20 million telephone lines connected to date.
- This achievement can be attributed largely to the enabling and conducive environment with respect to government's sector reform policy, conducive regulatory regime
- and the support of the regulatory body at the highest level of government



# SETTING THE STAGE:

- President, Olusegun Obasanjo soon after he assumed office in 1999 kept no one in doubt about the policy direction of his government as exemplified by his statement that:
  - *“We cannot be talking about creating a conducive environment for foreign investments if the performance of our transport, **telecommunications** and energy sectors remain dismal and epileptic.” - July 1999*



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# Reform Drivers:

- The reform was motivated by:
  - The need to ensure affordable access to services while creating the conditions for the joint development, with the private sector, of the information and Communications Technology infrastructure urgently needed to improve operational efficiencies in all aspects/sectors of the economy



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# Drivers:

The Commission's role is to implement Govt policy to

- ❑ Encourage investment & competition
- ❑ Facilitate market entry for new operators
- ❑ Oversee & ensure interconnection of new operators with incumbents
- ❑ Protect consumer rights and
- ❑ Facilitate the provision of telephone services for all.

# Outcomes:

Expanding access through “Umbrella Phone Kiosks”;  
Over 300,000 Nigerians earn income through these ventures



Road-side Phone Kiosks



Sales of phone accessories at the  
GSM Village, Abuja



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# Outcomes:

- Coverage of fixed & mobile telephony
  - All the States of the Federation are covered by both services
  - At least two operators are present in all the 36 States and the Federal Capital.
  - Landmass coverage is estimated at around 40 - 50%
  - Rapidly growing population coverage
  - Over 19 million new line connections in 5 years
  - Significant growth in Sector contribution to growth of GDP



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# Present Constraints:

- ❑ Inadequate backbone infrastructure
- ❑ Unreliable support infrastructure (such as electric power supply)
- ❑ Inadequate local funding sources and high cost of capital locally
- ❑ Delay in privatizing the incumbent operator



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# What Next?

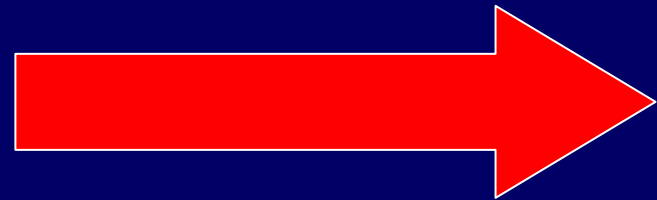
- ❑ Innovative deployment of universal access fund to facilitate faster deployment to rural and under-served areas
- ❑ Further liberalization of International Services
- ❑ Implementation of the Unified Licensing Regime
- ❑ Facilitation of massive build out of Optic fiber transmission infrastructure nationwide ....WiN project
- ❑ Facilitation of Broadband & Internet Infrastructure deployment in state capitals & commercial centers.....SABI project
- ❑ Continued support & encouragement of existing operators



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# Conclusion:

- The Nigerian experience in the Telecom sector is a veritable demonstration of the success of market reform
- The next revolution that the ICT sector is anxiously waiting is one in the power sector.
- With the present state of electricity supply in the country, the digital revolution in Nigeria cannot attain its full potential.

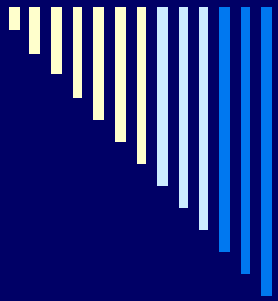




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# Conclusion

- All ICT equipment, infrastructure and terminals depend on electricity to be energised.
- Unless this vital public source of energy is always available and reliable, the Nigerian people will not be able to fully enjoy the benefits that the digital revolution offers.
- Industrialisation especially by way SME's will also continue to be a mirage



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*Thank You!!!  
Merci!!!*

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