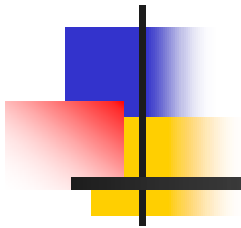


1<sup>ST</sup> SON INTERNATIONAL CONFERENCE ON  
STANDARDS AND QUALITY MANAGEMENT



**BENCHMARKING THE TELECOMMUNICATIONS  
INDUSTRY FOR EMPOWERMENT AND PROFIT**

By Engr Ernest C.A. Ndukwe  
Chief Executive Officer,  
Nigerian Communications Commission  
ABUJA, 19<sup>TH</sup> AUGUST 2004



# Introduction

---

- Revolution is now taking place in telecoms in Africa
  - Africa is becoming the fastest growing region in the world for mobile communications (The ITU, 2003)
- Propelled by Market liberalisation, Wireless Networks, Prepaid billing and IP technologies.



# Introduction

---

- Africa presents the most fertile ground for investments in telecoms

**“The enormous growth potential and revenue per line is higher in Africa than elsewhere.”**

- Hamadoun Toure, 2003

Head of the ITU Telecommunication Development  
Bureau

# POSITIVE IMPACT OF MARKET REFORM



---

## Sector Reform Will Usually

- Improve services
- Eradicate misuse of monopoly powers
- Attract local & foreign investment
- Encourage innovation and introduce advanced services
- Generate government revenues
- Increase sector efficiency through competition

# NEED FOR SECTOR REFORM – Cont'd



---

- Right policies and a good regulatory environment, contribute to attracting investment by providing stable, transparent and non-discriminatory access to telecommunications resources.
- Government commitment to reform is essential and must be total
- Half-hearted reform measures limit inflow of private capital required to accelerate network expansion

# The Nigerian Scenario



---

- Regulatory body, the Nigerian Communications Commission (NCC), was established by law in Nov. 1992.
- Commenced operation in mid 1993 with the inauguration of the first Commission.
- Commenced full market liberalisation in 2000.

# The Nigerian Scenario – Contd.



- The last few years have seen a notable increase in private sector involvement in the Nigerian Telecommunications Industry with the:
  - ✓ Successful auctioning of the 2G Digital Mobile Licenses in January 2001 (Total of four GSM licenses issued).
  - ✓ Licensing of Fixed Wireless Access (FWA) Operators in 2002, (both national & regional licenses issued).
  - ✓ Licencing a Second National Carrier in 2002.
  - ✓ Preparation of the Incumbent Operator for privatisation.

# The Nigerian Scenario - Contd.



---

- Several Internet Providers licensed to encourage fast growth of Internet nationwide.
- The Regulatory Body has been strengthened, and is receiving full support from the government.
- A National Telecom Policy (NTP) released in September 2000.



# The Nigerian Scenario- Contd



- A new Communications Law was enacted in July 2003
- The new law significantly empowered the NCC by giving it operational and financial independence
- The new law also established a Universal Service Provision Fund Agency

# The Nigerian Market - Score Card

	December 1999	December 2002	December 2003
<b>Number of Connected Fixed Lines</b>	450,000	702,000	850,000
<b>Number of Connected Digital Mobile Lines</b>	None	1,594,179	3,100,000
<b>Number of National Carriers</b>	1	2	2
<b>Number of Operating ISPs</b>	18	30	35
<b>Number of Active Licensed Fixed Line Operators</b>	9	16	30
<b>Number of Licensed Mobile Operators</b>	1	4	4
<b>Private Investment</b>	\$50m USD	\$2,100m USD	\$4,000m USD (est.)

# The Nigerian Market



---

- The deregulation and liberalisation of the telecom industry has brought with it a lot of advantages for the Nigeria economy
- The economic benefits include; attracting new investments, providing needed infrastructures and creating innovative services
- Investment in telecommunications tends to trigger an economic chain which in the case of Nigeria has positively impacted other sectors of the economy

# The Nigerian Market Contd.



---

- **THREE YEARS OF TELECOM SECTOR REFORM HAS BROUGHT ABOUT:**

- ? Substantial private sector investment
- ? Increase in number of market players
- ? Unprecedented Growth in the Network
- ? Expanded geographical coverage
- ? Empowerment of the citizenry
- ? Employment Creation
- ? Economic Stimulus



# NEED FOR STANDARDS

---

- With the liberalisation of the telecoms environment and with many players, there is need for establishment of standards for both manufacturing and service delivery to:
  - Ensure compatibility of Equipment and Systems
  - Ensure Quality of Service (QoS)
  - Protection of the Consumer



# NEED FOR STANDARDS

---

- ADHERENCE TO ESTABLISHED INTERNATIONAL STANDARDS IS REQUIRED FOR LOCAL MANUFACTURING OF:
  - Cables
  - Towers and Masts
  - Recharge Cards
  - Mobile Phones



# NEED FOR STANDARDS

---

- The International Telecommunications Union (ITU) in Geneva through its Standards Bureau establishes equipment standards.
- This enables manufacturers to build systems to common standards to ensure compatibility.



# TELECOMS STANDARDISATION IN NIGERIA

---

- Nigeria is not an island and therefore equipment and systems used in the Nigerian networks will need to conform to international standards.
- However, every country has its own preferences in terms of technology type and interface specifications





# TELECOMS STANDARDISATION IN NIGERIA

---

- The Nigerian Communications Commission is currently working on Quality of Service Benchmarks for the industry
- The operating companies in Nigerian must adhere to uniform standards at interface points between them to ensure seamless interconnection



# TELECOMS STANDARDISATION IN NIGERIA

---

- Various sector-specific regulatory bodies in Nigeria are also charged with the responsibility of standard specification and enforcement in their respective sectors.
- There is need for these organisations to collaborate with the Standards Organisation of Nigeria for establishment and documentation of standards.

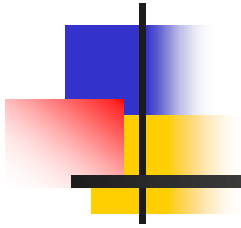


# CONCLUSION

---

- BENEFIT OF STANDARDISATION
- Expanded Markets
- Access to international markets
- Enhanced interconnectivity
- Consumer satisfaction and protection
- Encouragement of research and development
- Encouragement of local manufacturing

# Thank You All



Ernest C. A. Ndukwe  
Chief Executive Officer  
Nigerian Communications  
Commission  
ABUJA, 19<sup>TH</sup> AUGUST, 2004.