

TELECOMMUNICATIONS IN NIGERIA:
THE NEXT FRONTIER

BEING PAPER PRESENTED BY

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I wish to first of all thank Century Media Ltd., the publishers of New Age Newspapers for putting this seminar together. We accepted at NCC to collaborate with New Age for this event because of the rising profile of New Age as one of the most authoritative publications on ICT matters in the country.

It is therefore a great pleasure for me to present this keynote address on Telecommunications in Nigeria: The Next Frontier. That Nigeria today is the fastest growing telecommunications market in Africa is an accepted fact. Our teledensity in the past four years has been growing over 100% per annum and we do not expect anything different in the year 2005.

The period from April 2000 when the Board of the Commission was inaugurated to April 2005 can be rightly described as the era of Telecommunications Revolution in Nigeria.

The Board of the Commission from inception worked assiduously to build the regulatory structures required for enhanced private sector participation. New and competent staff were carefully selected and employed at the NCC. Salary structure was revised to ensure that the Commission can attract and retain quality manpower. Consultants were engaged for some critical assignments. Licencing processes were embarked upon in a most transparent manner and timely network roll out by licenced companies were

facilitated by the Commission. Ground rules for interconnection were established and new entrants were protected from incumbent and dominant operators. The confidence of lending financial institutions was enhanced. The National Telecom Policy was revised and published in Year 2000 and a new Communications Law enacted in Year 2003. Several regulations and guidelines were also enacted and published for the guidance of the industry.

The result is a massive growth in subscriber lines from less than 25,000 analogue mobile lines in the country in May 2000 to about 12.8 m digital mobile lines by end of May 2005. Fixed lines have also grown from about 450,000 lines to over 1.2 m lines during the same period. Thus giving a total subscriber level today of about 14 m lines.

However, for a country of about 120 m people, though this figure of 14 m represent an astronomical growth in subscriber base, we cannot afford to be complacent. ICT remains a priority of the Federal Government and an important sector in the reform agenda of President Obasanjo administration. Mr. President requires us to ensure that ICT facilities are extended to all citizen of the Federal Republic of Nigeria. Not just basic telephony but other essential services such as internet and broadband.

The Commission is therefore entering a new 5 year plan period which we term the era of Growth and Consolidation. This era aims to sustain the rapid growth of subscribers as well as improve sector efficiency. We have therefore; come up with a 10 point agenda detailing what the strategic focus of the Commission will be going forward.

1. **Promoting Mass Market**

ICT is an enabler of broad based social and economic development and must therefore be accessible and affordable to all citizens of the country. It is therefore the intention of NCC to facilitate an enabling environment that will ensure availability and affordability across all class levels in the society. NCC believes that the next stage in the development of the sector should be the lowering of the total cost of ownership for consumers in the entry-level segment. Operators and service providers will therefore be encouraged to initiate cost saving measures to enable them offer consumers attractive and affordable products in order to get more people connected.

2. **Extending Services to Rural and Underserved Areas**

Related to promoting mass market is the need to ensure that no matter where anyone lives in Nigeria, that access is available. It is recognised that the key to stimulating the development of productive enterprise in rural areas is the provision of basic infrastructures including ICT. It is therefore the intention of government to promote schemes that will ensure that services extend to all the rural Nigeria in pursuit of an all inclusive information society.

3. **National Long Distance Backbone Infrastructure**

The Commission will massively pursue the implementation of the Wire Nigeria (WiN) program to ensure that optic fibre backbone infrastructure is extended to all parts of the country. In consultation with the service providers, the Commission will develop incentives

that will encourage rapid expansion of transmission infrastructure across the nation.

4. **Improvement in Sector Efficiency and QoS**

We plan to ensure that the Quality of Service in the network is improved and of a standard comparable to anywhere in the world. This will be achieved by a combination of setting and monitoring QoS benchmarks and facilitating keen competition in the sector.

5. **Consumer Education and Protection**

We will continue to promote consumer education and consumer protection programs such as; The Telecom Consumer Parliament, the Consumer Outreach Programs, and support to consumer advocacy groups. NCC will launch its own Call Centre for handling consumer complaints to compliment the efforts of the operating companies.

6. **Enforcement of Licence Conditions**

The Commission will intensify its enforcement activities to ensure operators comply with licence conditions and laws guiding the industry. Issues relating to consumer protection will receive very serious attention. Operating companies will be encouraged to be good corporate citizens that keep to the terms and conditions of their licences as well as the laws and regulations guiding the industry, as a way of minimizing the need for regulatory intervention under a truly competitive market environment.

7. **Encourage Investment**

The NCC will continue to create the necessary conducive climate for investment. We hope to continue to ensure a transparent, predictable and favourable regulatory environment required to attract investment to the sector. The Commission will intensify regular consultation with the industry as a means of ensuring that their legitimate interests are protected with respect to decision making by the Commission. It is the intention of the Commission to continue to protect existing operators with proven track record of performance and good corporate governance and support them in ensuring that their rights and obligations are maintained, even when new entrants are being licenced.

8. **Advisory Role to Government on Policy and Technology**

NCC will continue to serve as a major source of expert information to all arms of government Executive, Legislature and Judiciary on ICT matters. We will continue to organize capacity building training programs for the arms of government as well as offer well researched positions on matters relating to ICT policy and development to government.

9. **Institutional Strengthening of NCC**

We will continue to strengthen the internal structures at NCC to ensure that it continues to meet the demands of the ever changing ICT sector. It is our goal to continue to train and retain our staff as well as ensure careful selection and employment of competent professionals to join the Commission's workforce. The NCC will also continue to

support the Digital Bridge Institute and other training facilities to ensure the development of manpower for the ICT industry. The Commission will also continue to support and actively participate in programs of institutions such as WATRA, ITU, ATU, and NEPAD.

10. **Encouraging New Technologies**

It is necessary to ensure that operators take advantage of new technologies that improve service to consumers in terms of ease of deployment and price. We will therefore ensure that we continue to assess new technologies such as; VoIP, Wi-fi, Wi-Max, 3G and encourage deployments as necessary to improve service delivery to consumers.

In this regard, timing is very important to ensure that Nigerian companies are not used as test beds for technologies that may lead to loss of investment, which we can ill afford.

The Commission will also be looking closely at ways of promoting massive broadband infrastructure development in Nigeria as soon as possible. Broadband is an accelerator of social and economic development in the modern world with its applications enabling economic and social benefits such as public safety, national security, telemedicine, e-government, distance learning, utility applications etc.

CONCLUSION

ICT is the main driving force of globalisation today and Telecommunications infrastructure is the platform on which ICT networks

and services rest. Government is conscious of the role ICT can play in national development and is therefore committed to ensuring that telecom and ICT infrastructures are expanded rapidly.

All our energy and effort at the Commission now and in the future will be geared towards accelerating the creation of a robust, pervasive, ubiquitous, affordable and widely available ICT infrastructure across the nation.

THANK YOU.

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