



OPENING ADDRESS BY DR. EUGENE I. JUWAH
EXECUTIVE VICE CHAIRMAN / CEO NIGERIAN
COMMUNICATIONS COMMISSION AT THE
STAKEHOLDERS' FORUM ON THE PRESENTATION OF
FINAL DRAFT REPORT ON NEW INTERCONNECTION
RATES DETERMINATION FOR VOICE SERVICES

Felicitations and protocols.

You would recall that the Commission has consistently reviewed the industry Interconnection Rates every three years from 2003 to date. The interconnection rates determination of year 2003 was based on international benchmark, with adjustments for the Nigerian operating environment, due to dearth of industry statistical data.

In the year 2006, which coincidentally was when the five year exclusivity period granted to the GSM Operators expired, the Commission reviewed the interconnection rates by applying multiple rates for mobile and fixed voice services in recognition of far-end and near-end calls termination principles.

Notably, the subsisting 2009 Glide Path Interconnection Rates for voice services is the first time the Commission implemented the glide path asymmetric rates for the industry. This was in recognition of late entrants and the commencement of the Unified Service Licensing Regime in order to create an enabling environment for healthy competition in the telecommunications markets among the active players.

To this end, the Commission commenced the process for the review of the subsisting 2009 Glide path interconnection rates for voice services with an initial industry stakeholders' forum in July 2012. Having gone through the rigorous process for industry statistical data collections, analysis and population into the cost models, the Commission is pleased to present to the industry the final draft report and findings of the Consultants, PricewaterhouseCoopers (PwC), UK.

This final draft report on the interconnection cost model is the outcome of the in-depth cost study of the data input received from the Operators. The Commission however would like to express its displeasure by some of the big Operators who were not very cooperative in the course of the collection of these data and the Consultants had to apply international benchmarked figures to populate the cost models, in those instances.

This cost models result represent the figures of an efficient operator, having taken into consideration the most appropriate industry average figures as provided by the Operators, in line with international best practice.

The Consultants, PwC shall make Power-point slide presentations of their findings and detailed cost models templates, specifying the various network elements that were considered during the exercise. This is therefore another opportunity for the industry to participate and provide comments to the Commission on the cost model results.

Once again, the Commission shall appreciate your active participation at this event and assures all stakeholders that your contributions, inputs and comments on these results would be given due consideration toward the finalization of new Cost Based Interconnection Rates Regime for the entire industry.

Thank you for your attention.

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