

SPEECH BY THE EXECUTIVE VICE CHAIRMAN, NIGERIAN COMMUNICATIONS COMMISSION, PROFESSOR UMAR GARBA DANBATTA, FNSE, FRAES ON BUILDING INSTITUTIONAL CAPACITY AND HUMAN CAPITAL: HOW A REGULATOR BUILDS CAPACITY THAT FITS FOR PURPOSE IN A RAPIDLY MOVING ENVIRONMENT AT THE INTERNATIONAL INSTITUTE OF COMMUNICATIONS (IIC) AND REGIONAL, TELECOMMUNICATIONS AND MEDIA FORUM, FROM 5TH TO 7TH FEBRUARY, 2018 IN SINGAPORE

Protocols

I am honoured to be invited to speak on Building Institutional Capacity and Human Capital: How a Regulator Builds Capacity that Fits for Purpose in a Rapidly Moving Environment at the International Institute of Communications and Regional Telecommunications and Media Forum holding in Singapore. The inherent dynamism in Telecommunications demands very strong institutions and critical human capacity for regulators to achieve their regulatory mandate in evolving environments. Distinguished guests, ladies and gentlemen, I should underscore the ingredients for an effective institutional and human capacity development, generally. Successful institutions ensure the possession of a clear vision, mission, set of values, and operational principles that are supported by an appropriate structure, motivated workforce, and value-adding processes. Corporate operations must be linked to a strategic plan that is religiously implemented with adequate resources and committed leadership. In addition, the institutional structure has to remain adaptable to accommodate evolving trends in technology and other vagaries of the ICT industry. The foregoing elements of a telecommunications regulatory institution can always keep pace with the rapidly moving ecosystem of telecommunications. Obviously, style, scope and level of maturity of regulation may differ from one domain to another but key objectives, structure and processes in achieving optimal regulation remain similar to most climes.

Background of Telecommunications Regulation in Nigeria: The Nigerian Communications Commission was established by a decree in 1992 which was amended and transformed to an Act of parliament in 2003. Also, the regulation of the industry is guided by the Nigerian Wireless Telegraphy Act of 1990 and the National ICT Policy of 2012. The foregoing laws, policy and periodic Government declarations continue to determine the manner of regulation. So far, Government and critical stakeholders in the operational space have remained supportive of the regulator. Consequently, the cumulative effect of the regulatory instruments has elicited enormous growth in the industry. In 2000 the number of active lines was less than 500,000 but, have risen to over 142,000,000 by the last quarter of 2017. The industry has also witnessed an internet mobile connection of over 90,000,000, broadband penetration of 18%, foreign capital investment in the economy of over \$68,000,000,000, an ICT industry contribution of 9.5% to the national GDP, and a teledensity of 101.66%.

Institutional Capacity of the Nigerian Communications Commission: The foregoing gains are attributable to clear institutional direction, focused leadership and an empowered workforce that is strategically placed, vertically and horizontally. The Nigerian Communications Commission (NCC) ensures that the execution of its mandate is strictly guided by clear institutional Vision and Mission statements, corporate core values and principles with a rolling Strategic Management Plan that is cascaded to engage all categories of the workforce whose contributions are monitored at three levels annually. Ladies and gentlemen, it is pertinent to underscore the relevant interrelationship between institutional and human capacity building for optimal telecommunications regulation particularly, in a rapidly moving ecosystem. The Commission ensures that its institutional structure remains pliable to tackle emerging technologies and exigencies of the telecommunications sector.

Currently, the Nigerian Communications Commission's institutional capacity is defined by its regulatory mandate which the extant leadership has highlighted as an 8-point agenda to:

- i. facilitate broadband national penetration across the country;
- ii. improve quality of service and the experience of consumers;
- iii. optimise the use of spectrum;
- iiii. promote ICT innovations and investment opportunities;
- v. facilitate strategic collaboration and partnerships locally and internationally;
- vi. protect and empower the consumer;
- vii. promote fair competition and inclusive growth amongst licensees; and
- viii. ensure regulatory excellence and operational efficiency.

Compliance Monitoring and Enforcement: Licensing conditions, regulations, guidelines, tariff rate regulation and technical standards amongst a host of other things are vigorously monitored and enforced fairly and firmly. This is effectively extended to the interior through the structure of zonal offices across the geo-political zones in the country. Invariably, effective realisation of the 8-point agenda is enormously promoted at the zonal level.

Quality of Service: A taskforce is dedicated to monitor compliance of network operators with internationally developed technical and consumer-experience related parameters for measuring quality of service of telecommunications in the industry. Reviews are made periodically and shared amongst operators for the purpose of improvement of their services.

Collaboration with Bilateral Telecommunications Institutions: A key feature of the Communications Commission is collaboration with bilateral institutions on ICT management. The engagement enables peer reviews, setting up of operational standards, capacity building and domestication of best practices in the industry. It also, helps harmonisation of regional telecommunications policies, amongst other things.

2017 Year of the Consumer: The Commission dedicated 2017 as the year of the consumer to project the needs of the consumer in the areas of his education and rights. The campaign empowers the consumer by exposing him to his rights and obligations to the use of

mobile services in addition, to the opportunities to interact with service providers through the ‘Consumer Parliament, Consumer Outreach and the Consumer Town Hall’ Programmes.

Stakeholder Consultation: A typical feature of achievement of balanced regulatory decisions, smooth programme implementation, synergy and harmony in the industry is through stakeholder consultation. Regulatory institutions of other relevant sectors, consumers and licensees are actively engaged by the Commission to enrich the quality of reviews, directions, policy making and outcomes, amongst other things.

Corporate Social Responsibility: This secondary role of the Commission enables it to impact favourably on the educational sector and security management across six geo-political zones. In addition, the Nigerian Communications Commission encourages the promotion of telecommunications-based Research and Development from the academia on projects that have potential to develop the industry. Similarly, the Commission sponsors the Advanced Digital Appreciation Programme for Tertiary Institutions (ADAPTI), as well as, the Digital Awareness Programme (DAP) for designated secondary schools in the country. The aforementioned interventions have impacted the educational sector enormously.

Performance of the Nigerian Communications Commission: The Commission has remained resolute with the delivery of its mandate most professionally. The commitment has elevated it to recognition by numerous institutions both locally and overseas over the years and earned her awards. In 2017, the Bureau for Public Service Reforms, Nigeria reviewed the Commission’s structure, processes and work culture, scored it a platinum rating and marked it a model for other public institutions in the country to emulate.

Code of Corporate Governance for the Telecommunications Sector: Besides the foregoing efforts of the Commission in ensuring optimal implementation of its mandate, service excellence in the telecommunications sector is promoted by enforcement of the Code of Corporate Governance on major licensees in the telecommunications industry. The code draws generously from the Company and Allied Matters Act and the Nigerian Communications Act to propagate supervisory standards that network operators are required to observe for business sustainability. Boards of network operators are required to uphold ethics of good governance and ensure Management and the workforce of their institutions comply with the standards of ethical behaviour, avoid conflict of interest, multiple directorship, measure and compensate workforce performance appropriately, protect the interest of shareholders, and establish a whistle blowing mechanism, amongst other industry best practices.

Human Capital Capacity Building: The Nigerian Communications Commission takes capacity building of its workforce very seriously. Annual provisions are made for needs of the Human Capital both for training and development. Members of staff are sponsored to participate in relevant career-related seminars, conferences and workshops locally and overseas. The Capacity interventions are made to cover all aspects of the institutional

mandate and categories of staff. New trends in the ICT sector are monitored and relevant internal skills sharpened to cope rapid changes in the telecommunications ecosystem.

Challenges: Over the years, the Commission has worked assiduously to ensure optimal delivery of its mandate. However, a number of challenges have continued to undermine the effort of the Nigerian regulator even with its innovative institutional and human capacity building. Some of the concerns include:

- i. intractable multiple taxation for right of way for telecommunication infrastructure;
- ii. inadequate investment in broadband penetration;
- iii. quality of service related issues; and
- iiii. persisting illegal SIM card registration.

Way Forward: In spite of the foregoing challenges, the Commission remains committed to high level consultation with critical stakeholders, sustained compliance monitoring and enforcement of breached licensing conditions, and collaboration with industry partners to adapt best practices for effective regulation.

Also, it must be underscored that institutional and human capacity building should be seen to align with corporate vision and mission statements, unfolding technologies in the operational ecosystem and the strategic management plan of the regulator. There must be clear and shared strategic drivers that are managed by very engaged workforce for regulatory excellence.

Conclusion: Distinguished guests, ladies and gentlemen, it is pertinent to conclude by reaffirming the significance of ICT regulators to appreciate the indispensability of rapid technological changes in the ICT industry with their demands on regulation. Regulators must have vibrant institutional and human capital capacities to cope with the exigencies of the times.

Thank you.

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