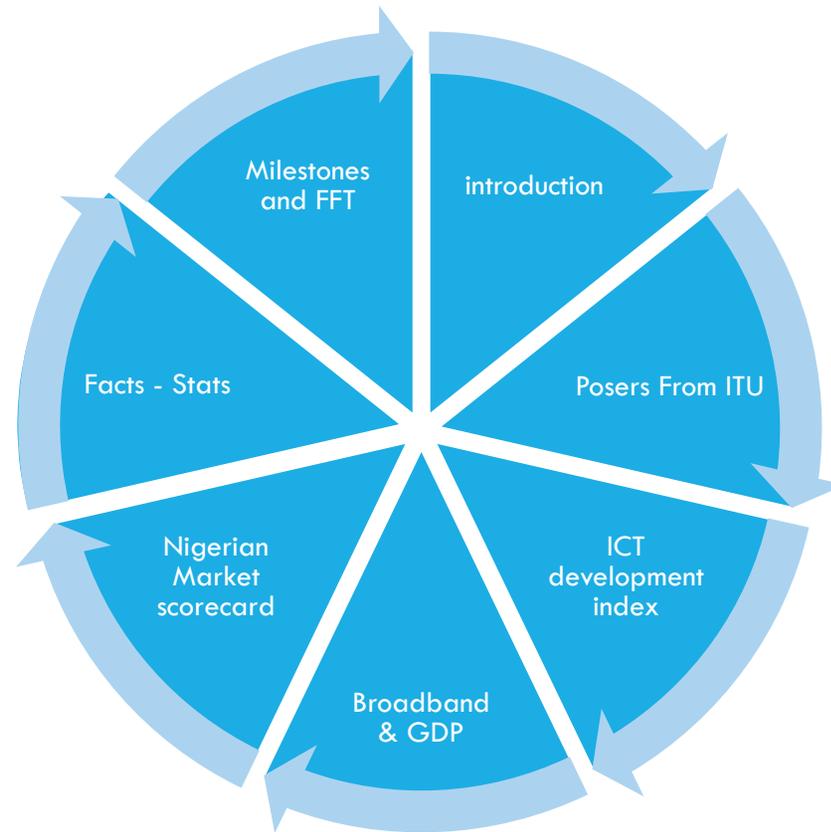


**INVEST IN ICT
NIGERIA**
(A WORLD OF LIMITLESS
POSSIBILITIES)

Presentation by
Nnamdi Nwokike
Director, Corporate Planning and Strategy
on behalf of the executive vice chairman
Nigerian communications commission
at the 14th annual innovation Africa digital summit
April, 2016

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INTRODUCTION

- ❖ Robust telecommunications network is important for economic growth
- ❖ Telecommunications constitutes a significant portion of world economy
- ❖ The market value of the sector passed the USD2.5 trillion mark in 2010 .
- ❖ Undoubtedly everyone should be interested in sectors that generate such figures.

POSERS FROM ITU

	ICTs as an instrument	ICTs as an industry
Connectivity	How affordable and widespread are ICTs (eg. PCs, Internet access, software) for the common citizen?	Does the country have ICT manufacturing industries for hardware, software, datacom solutions and services?
Content	Is there useful content (foreign and local) for citizens to use in their daily lives?	Is content being generated in local languages and localised interfaces? Is this being accessed/used abroad? ICTs (eg. PCs, Internet access, software) for the common citizen?
Community	Are there online/offline forums where citizens can discuss ICT and other issues of concern?	Is the country a hub of discussion and forums for the worldwide ICT industry?
Commerce	Is there infrastructure (tech, legal) for e-commerce for citizens, businesses and government? How much commerce is transacted electronically?	Does the country have indigenous ecommerce technology and services? Are these being exported?

ICT DEVELOPMENT IN PERSPECTIVE

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**THE 8 CS OF THE
INFORMATION SOCIETY**

POSERS FROM ITU CONT'D...

	ICTs as an instrument	ICTs as an industry
Capacity	Do citizens and organisations have the human resources capacity (tech, managerial, policy, legal) to effectively harness ICTs for daily use?	Does the country have the human resources capacity (tech, managerial, policy, legal) to create and export ICTs?
Culture	Is there a forward-looking, open, progressive culture at the level of policymakers, businesses, educators, citizens and the media in opening up access to ICTs and harnessing them? Or is there nervousness and phobia about the cultural and political impacts of ICTs?	Are there techies, entrepreneurs and managers proactive and savvy enough to create local companies and take them global?
Cooperation	Is there adequate cooperation between citizens, businesses, academics, NGOs and policymakers to create a favourable climate for using ICTs?	Is there a favourable regulatory environment in the country for creating ICT companies, M&A activity, and links with the diaspora population?
Capital	Are there enough financial resources to invest in ICT infrastructure and education? What is the level of FDI?	Is there a domestic venture capital industry; are they investing abroad as well? How many international players are active in the local private equity market? Are there stock markets for public listing?

ICT DEVELOPMENT IN PERSPECTIVE

-

**THE 8 CS OF THE
INFORMATION SOCIETY**

S/N	Country	Prepaid Cellular Tariff (PPP\$/Min)*	Data Penetration (%)	ARPU (\$)	Investment in ICT (Value)	ICT Contribution to GDP
1	Nigeria	0.14	46.1	6.00 (2014)	\$32 billion (2015)	8.5 (2015)
2	South Africa	0.55	52	19.07 (2012)	\$615.9 million (2014)	2.9 (2012)
3	Uganda	0.26	19	3.7 (est.) (2014)	\$1 billion (2014)	6.2 (2012)
4	Ghana	0.13	28.4	15.9 (2006)	\$3.22 billion (2014)	24.7 (2014)
5	Senegal	0.49	23.4	17.52 (2005)	\$120 million on Diamniadio Tech Park	10.8 (2008)
6	Ethiopia	0.13	4.2	32.03 (2002)	\$1.6 billion (2013)	1.35 (2009)
7	Egypt	0.07	33			5.7 (2008)
8	Tanzania	0.59	5.3	4.4 (est.) (2014)	\$108,400,000 (2006 - 2010)	20.1 (2007)
9	Cameroon	0.45	18	16.12 (2006)	\$467,000,000 (2006 - 2010)	4.6 (2008)
10	Kenya	0.1	45	6.5 (est.) (2014)	\$417,000,000 (2006 - 2010)	5.8 (2008)
11	Singapore	0.18	82.5	34.44 (2015)		7 (2012)
12	UAE	0.12	91.9		\$4.63 billion (2014)	5 (2012)
13	Phillipines	0.35	43.5		\$1.32 bn (2006 - 2010)	0.78 (2009)
14	United Kingdom	0.43	92.6	24.15 (2015)	58 bn pounds annually	2.53 (2008)
15	United States	0.27	88.5	45.58 (2015)	\$1 trillion (2009)	1.51 (2015)

ICT DEVELOPMENT IN PERSPECTIVE

** The Global Information Technology Report 2015

Dearth of data from Africa

ICT DEVELOPMENT INDEX

IDI 2015 RANK	COUNTRY	IDI 2015	IDI 2010	IDI 2010 RANK
4	United Kingdom	8.75	7.62	10
15	United States	8.19	7.3	16
19	Singapore	8.08	7.62	11
32	UAE	7.32	5.38	49
88	South Africa	4.9	3.65	88
98	Philippines	4.57	3.16	105
100	Egypt	4.4	3.48	98
109	Ghana	3.9	1.98	130
124	Kenya	3.02	2.09	126
132	Senegal	2.68	1.8	137
134	Nigeria	2.61	1.96	133
147	Cameroon	2.19	1.6	149
149	Uganda	2.14	1.57	157
157	Tanzania	1.82	1.54	153
165	Ethiopia	1.45	1.07	165
* A TOTAL OF 167 ECONOMY WERE COMPARED			* ITU 2015 GLOBAL ICT DEVELOPMENT INDEX	

POSERS FROM ITU CONT'D..

❖ Performance suggests significant scope for ICT penetration and harnessing

Nigeria's competitiveness has declined at international levels, relative to other countries

One of the most compelling pieces of evidence for this failing performance is seen in Nigeria's ranking in the International Telecommunication Union (ITU) ICT Development Index (IDI)

Between 2010-2015 Nigeria's ranking fell 1 place from 133rd to 134th

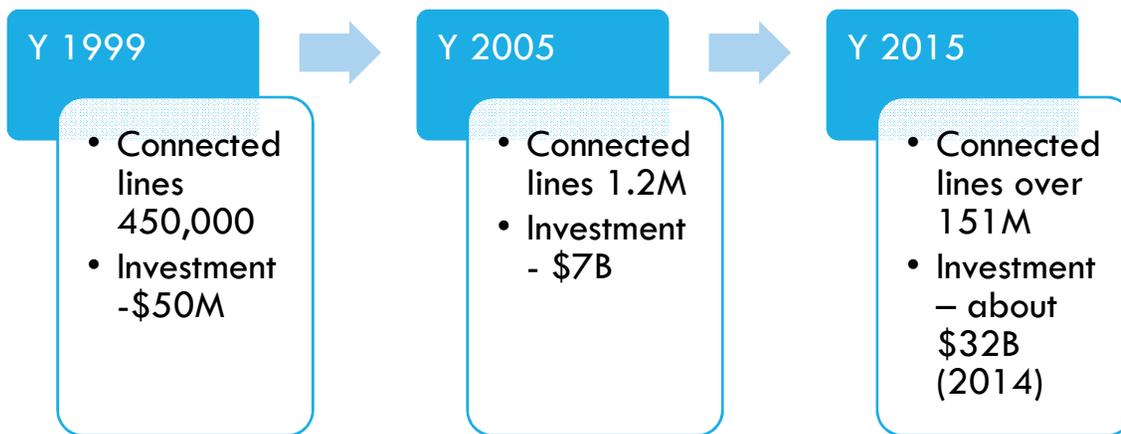
❖ ICT Development Index (IDI) compares ICT developments in countries over a period. The Index combines 11 indicators into a single measure that can be used as a benchmarking tool globally, regionally and at the country level. These are related to ICT access, use and skills, such as households with a computer, the number of Internet users; and literacy levels etc.

BROADBAND INCREASE & GDP GROWTH

Country	Data	Effect
United States	46 US States during the period 2001 - 2005	A 10% increase in broadband penetration is associated with 3.6% increase in efficiency.
OECD	25 OECD Countries between 1996 and 2007	A 10% increase in broadband penetration raises per-capita GDP growth by 0.9-1.5 percentage points.
	2002 -2007 for 22 OECD countries	An increase in broadband penetration of 10% yields 0.25% increase in GDP growth.
High Income Economies	1980 – 2002 for 66 high income countries	10% increase in broadband penetration yield an additional 1.21 percentage points of GDP growth.

Source : *The Impact of Broadband on the Economy: ITU / 2012*

THE NIGERIAN MARKET – SCORE CARD



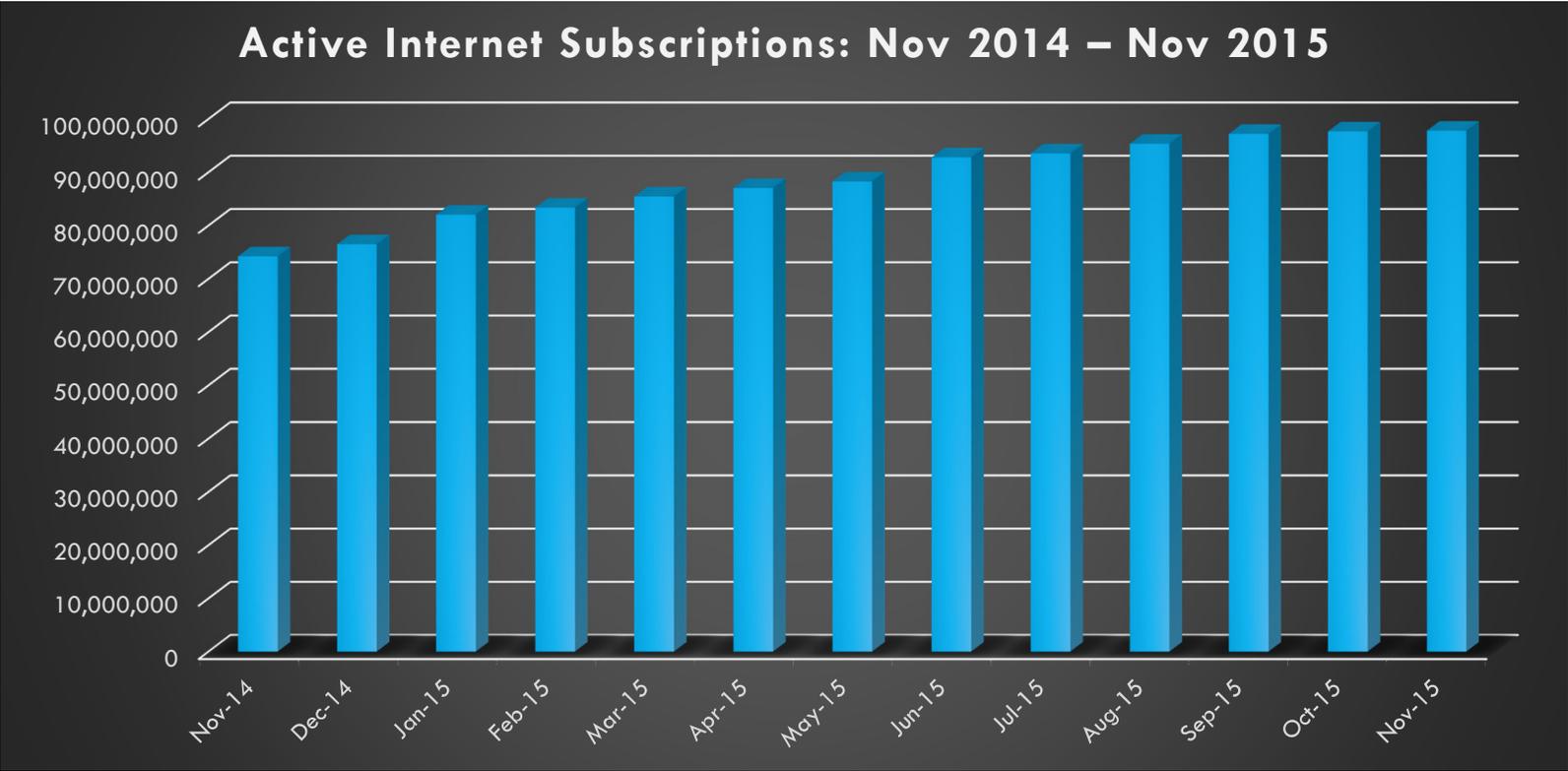
ENABLERS

- Effective Regulation
- Government Support
- Enabling Environment
- Consumer/Investor symbiosis
- Economic Stability

WE ARE NOT THERE YET!

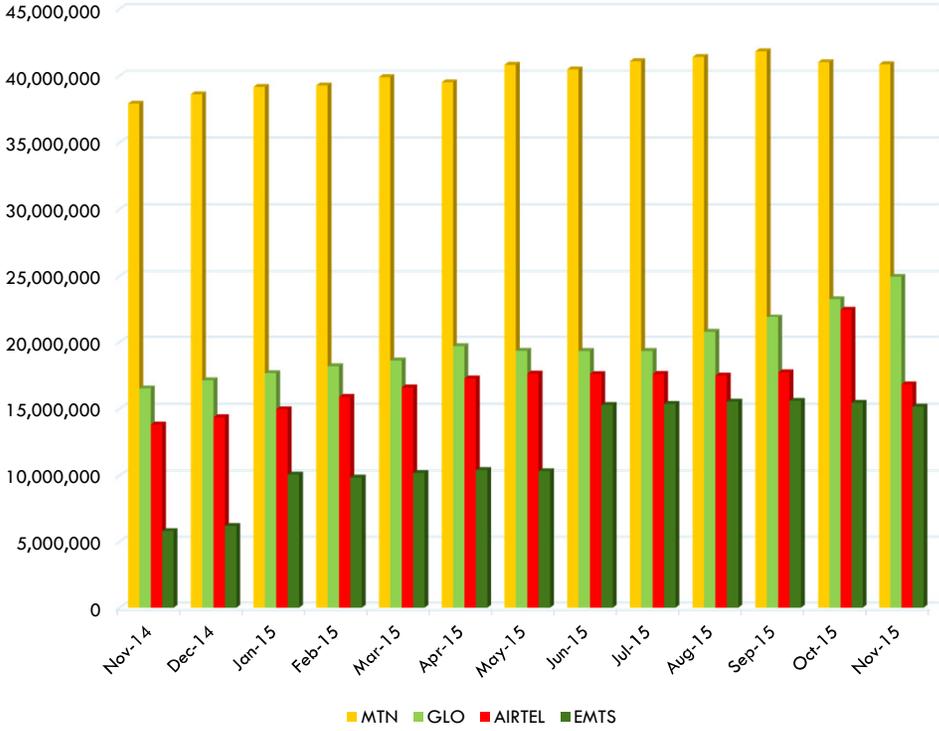
Active Internet Subscriptions Nov 2014 - Nov 2015

The graph below shows that the total active internet subscriptions in November, 2015 increased to **97,984,736** from **97,682,517** recorded in October, 2015 thus indicating that there was an **increase of 0.3%** in November, 2015.

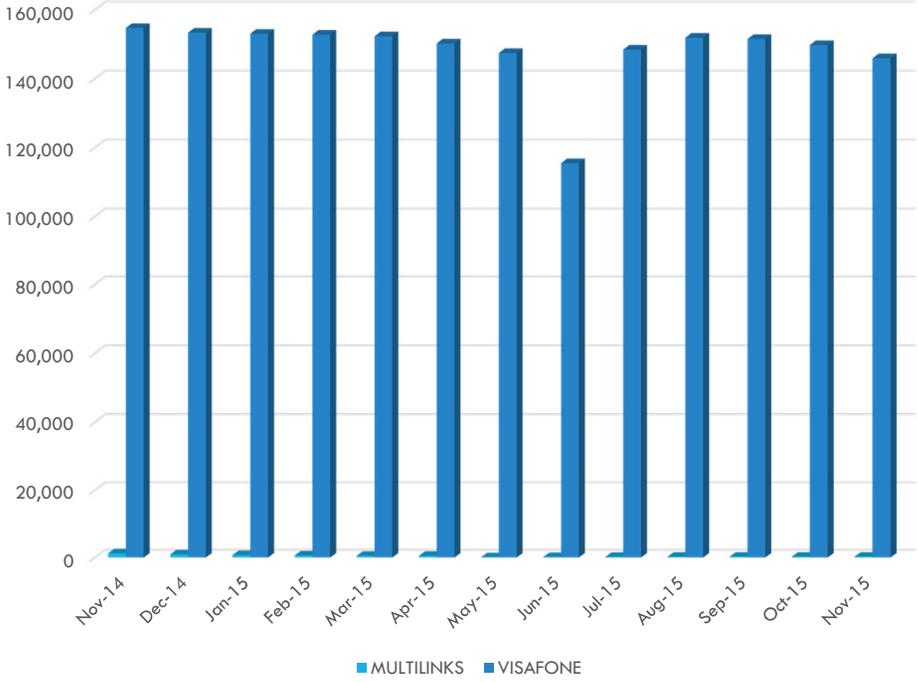


Total Active Internet Subscriptions

Trend of Active Internet Subscriptions: Mobile [GSM] (Nov '14 - Nov '15)

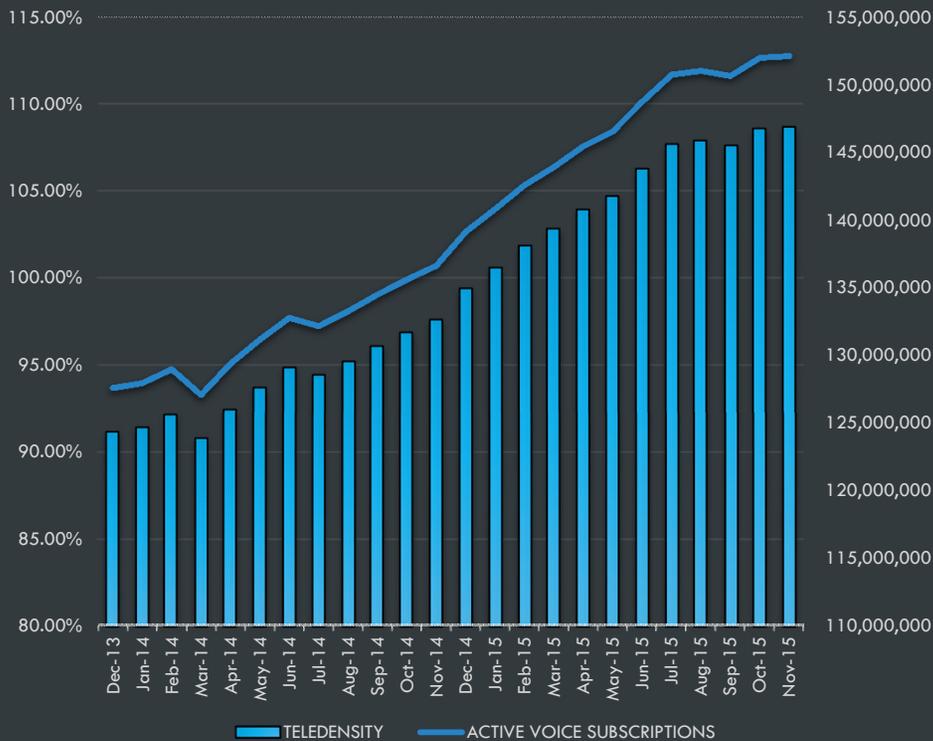


Trend of Active Internet Subscriptions Mobile [CDMA] Nov '14 - Nov '15

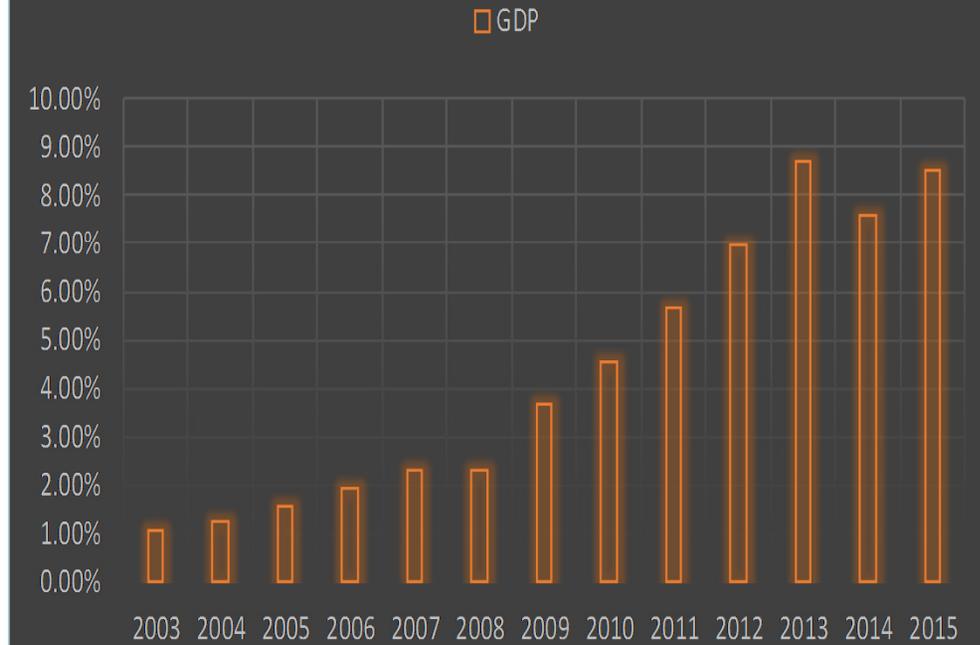


STATISTICAL REVIEW OF TELECOMMUNICATIONS MARKET

Teledensity and active voice subscriptions
(Nov 2015)



% Contribution of the Telecommunications Sector to
GDP (2003 - March 2015)



FACT - STATS

By end 2015, there were more than 7 billion mobile cellular subscriptions corresponding to a penetration rate of 97%, up from 73 million in 2000



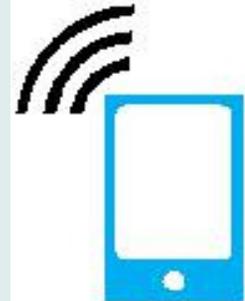
- ❑ Between 2000-2015, global Internet penetration grew 7 fold from 6.5% to 43%
- ❑ Internet penetration in developing countries stands at 35%: LDCs lag behind with only 10%
- ❑ In African, one in 5 people use the internet today compared to almost 2 in 5 people in Asia & pacific and 3 in 5 people in cis

- ❑ The proportion of households with Internet access at home increased from 18% in 2005 to 46% in 2015
- ❑ By the end of 2015, 34% of households in developing countries have internet access, compared with more than 80% in developed countries
- ❑ In least developed countries (LDCs) only 7% of households have internet access compared with the world average of 46%



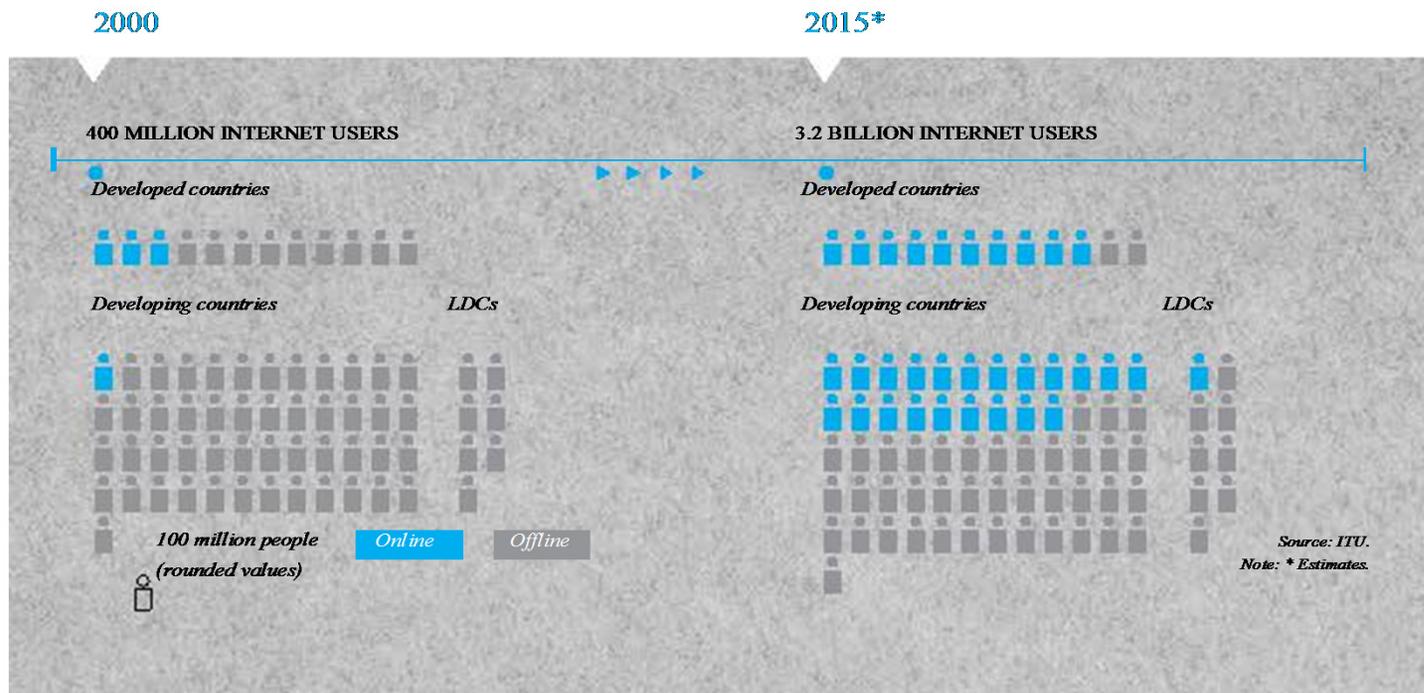
FACT - STATS

- ❑ Mobile broadband is the most dynamic market segment; globally, mobile-broadband penetration reaches 47% in 2015, a value that increased 12 times since 2007
- ❑ Mobile-broadband penetration levels are highest in Europe and the Americas, at around 78 active subscriptions per 100 inhabitants
- ❑ Africa is the only region where mobile broadband penetration remains below 20%



IN DEVELOPING COUNTRIES, AVERAGE MONTHLY FIXED BROADBAND PRICES (IN PPP\$) ARE 3 TIMES HIGHER THAN IN DEVELOPED COUNTRIES: MOBILE-BROADBAND PRICES ARE TWICE AS EXPENSIVE AS IN DEVELOPED COUNTRIES

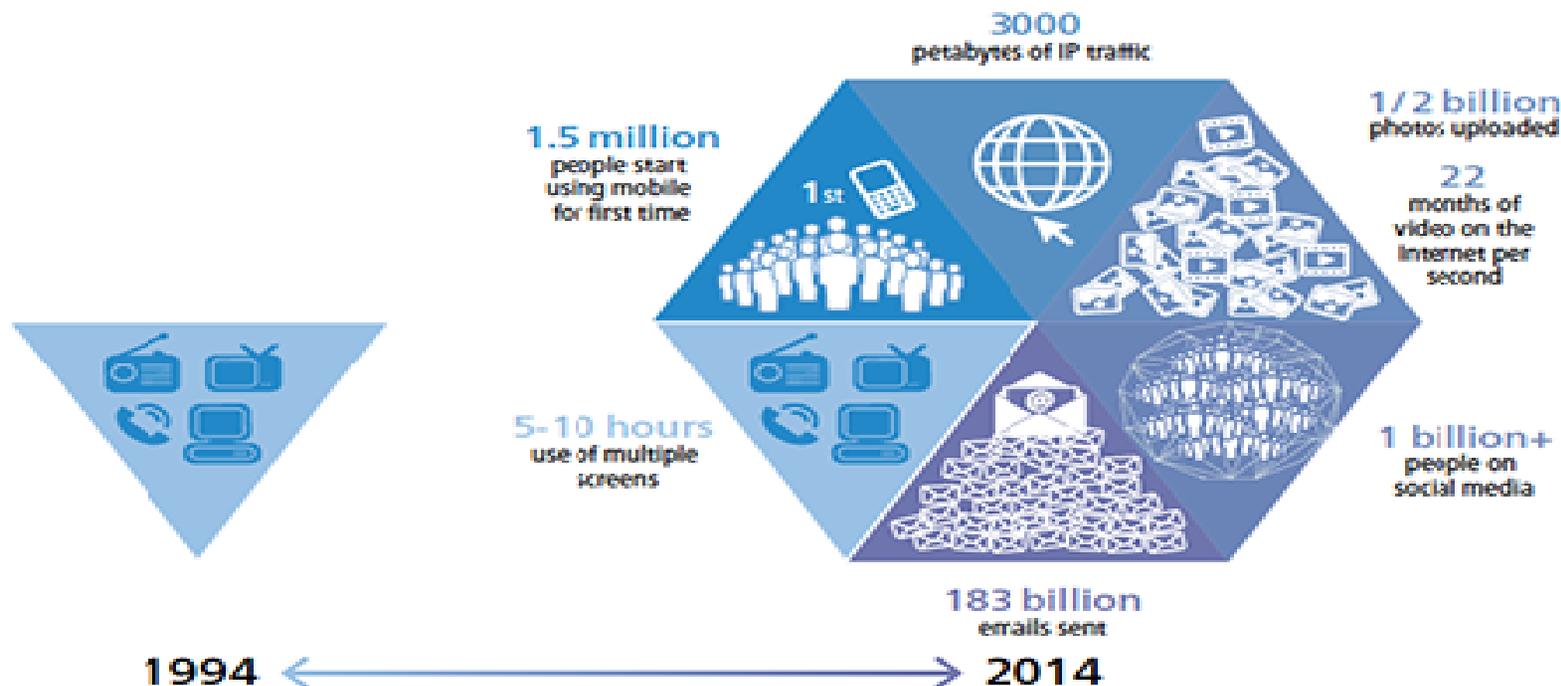
FACTS -STATS



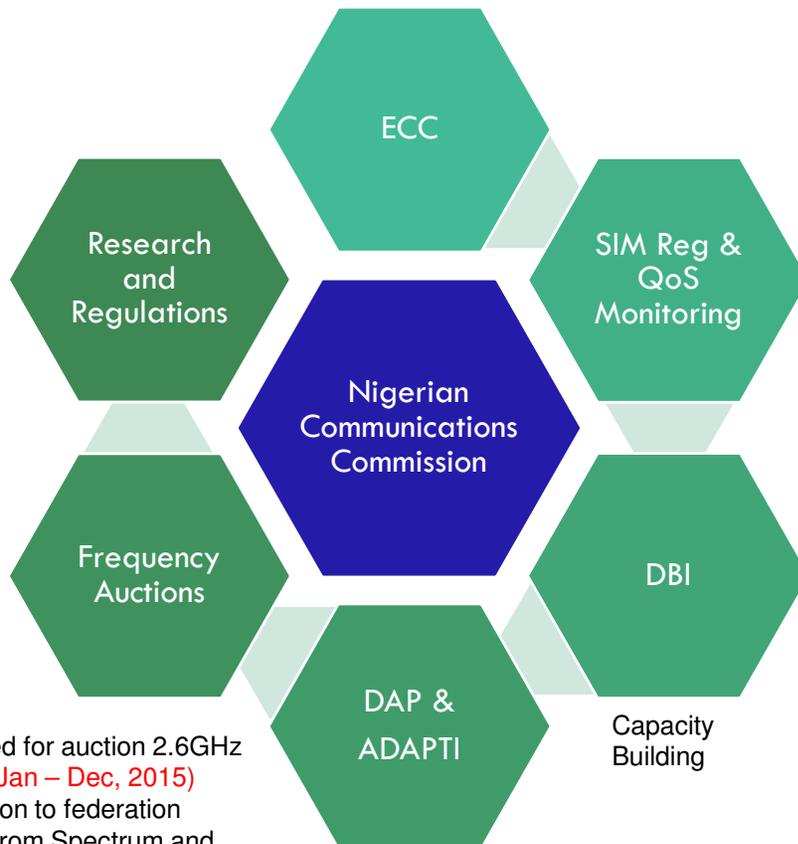
FACTS -STATS

1

A typical day in the digital world



Source: ITU.

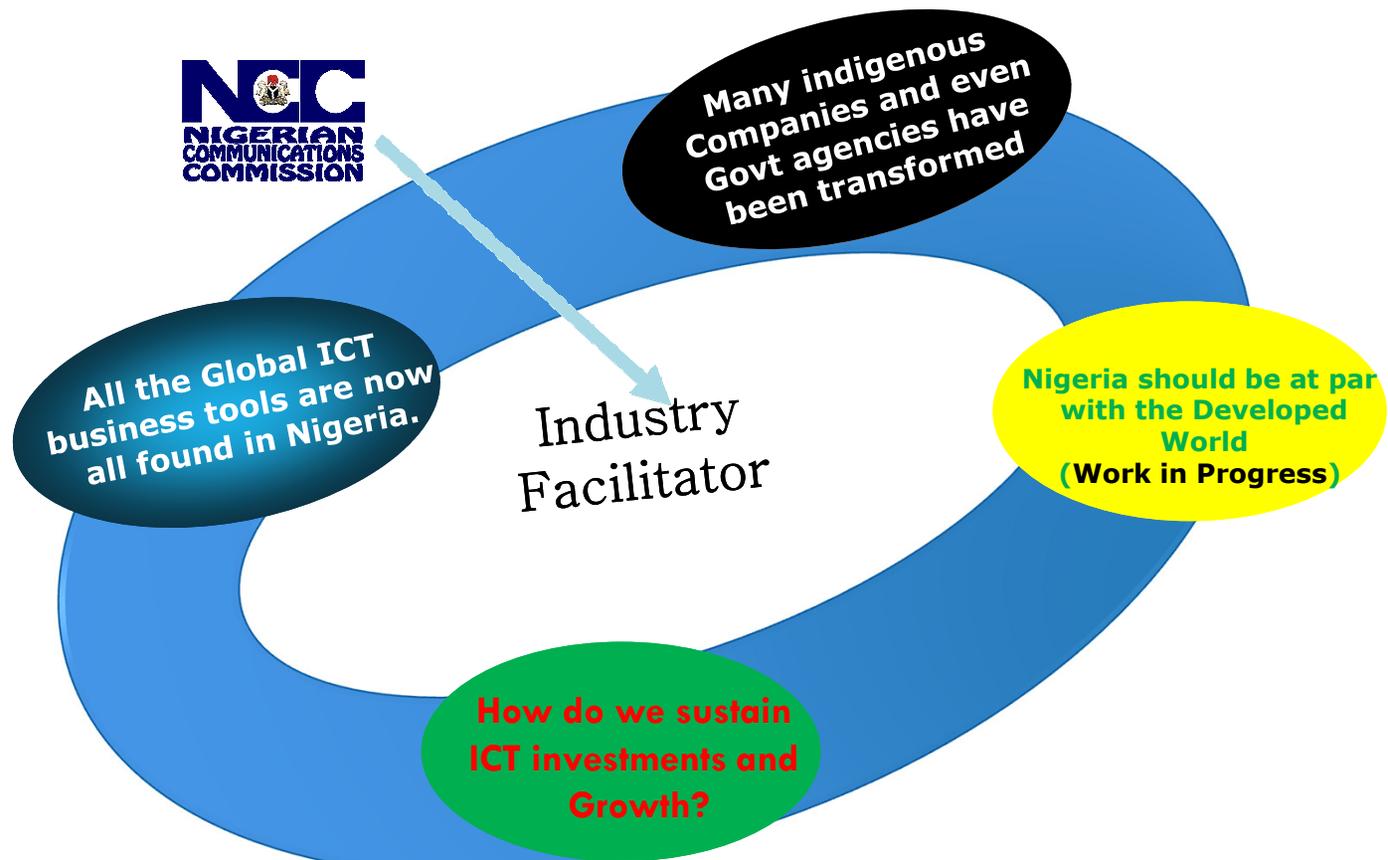


- Advertised for auction 2.6GHz
- **N62.3B (Jan – Dec, 2015)** contribution to federation account from Spectrum and Operating surplus

Digital Access Programme (DAP)
Advanced Digital Awareness Programme for Tertiary Institutions (ADAPTI)

Some NCC Milestones

#fft - Food for Thoughts!!!



#fft Cont'd....

- As the number of embedded devices that require mobile connectivity grows, telecommunications companies will be looking for opportunities to increase revenue.
- Carriers need to continue to focus on providing data and voice services that are high quality, reliable, and affordable.

INVESTING IN ICT IS THE BEST WAY FOR DEVELOPING COUNTRIES TO GET OUT OF CRISIS

«... Indeed, investing in high quality, affordable information infrastructure, education, and knowledge may be the best way to innovate out of crisis, especially for developing countries. Investing in broader access to knowledge becomes even more important during times of crisis, rather than less so. »

▪ Source : ITU



Thank you for
listening

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www.ncc.gov.ng