**TOPIC:** "**THE NEXUS OF CONNECTIVITY AND ECONOMIC GROWTH: SAFEGUARDING SUBSEA CABLE NETWORKS IN WEST AFRICA**"

**Introduction**

Distinguished guests, esteemed colleagues, members of the Lagos Chamber of Commerce and Industry, and valued stakeholders.

It is an honour to address you today on a critical issue: the intersection of connectivity and economic growth, particularly focusing on the recent disruptions caused by subsea cable cuts in West Africa. It goes without saying that our connectivity infrastructure is the backbone of our digital economy, and thus safeguarding it is crucial for sustaining and accelerating economic growth.

**Historical Perspective**

Permit me to provide a historical perspective on Subsea Cables—which is the subject of our conversation today. These cables, stretching thousands of kilometres under the ocean, carry over 99% of international data traffic. They are the foundation of global internet connectivity, enabling everything from financial transactions and communications to healthcare and education. In West Africa, these cables are especially critical, given the region's growing digital economy and increasing reliance on internet-based services.

TeleGeography, a telecommunications market research and consulting firm, reckons that as of early 2023, there were more than 550 active and planned submarine cables worldwide, each about the width of a garden hose. The collective 1.4 million kilometres in length of the 495 existing cables is enough to circle the Earth 30 times.

For instance, the Atlantic Ocean Route, spanning from the United States to Europe and then to Africa, is one of the longest subsea cable routes, stretching over 10,000 kilometres before landing at key points in West Africa. Specific cables, such as the West Africa Cable System (WACS), span approximately 14,530 kilometres, connecting South Africa, several West African countries, and Europe.

Decades ago, this was not the case for us in West Africa. We had limited subsea cable infrastructure, as we were relying heavily on the SAT-3/WASC, which only became operational in 2001. Satellite communications was the primary means of international connectivity, particularly for remote areas and it came with its cost challenges, as well as limited bandwidth capacity.

Today, over ten major subsea cables, including WACS, ACE, MainOne, Glo-1, and the recently launched 2Africa cable, serve West Africa, providing multiple landing points along the coast and enhancing redundancy, reliability, and capacity.

These subsea cables, by enabling robust digital connectivity have impacted profoundly on economic growth across the West African sub region.

I will take a few moments to speak to some of these areas of impact especially in relations to economic growth in the region:

1. **Economic Growth Correlated with Connectivity**

The correlation between subsea cable capacity and economic growth is well-documented. According to a study by the McKinsey Global Institute, every 10% increase in internet penetration can boost GDP growth by 1.3% in developing countries. For instance, the deployment of the East African Submarine Cable System (EASSy) in 2009 resulted in a 50% reduction in the cost of bandwidth, which in turn spurred economic growth in the region.

In Nigeria, the launch of the 2Africa cable in 2023, is expected to increase data capacity by up to 200% across the continent, enhancing internet speeds and lowering costs. This is projected to contribute an additional $9 billion to Nigeria’s GDP by 2025, driven by increased business activity, improved access to digital services, and enhanced educational opportunities.

1. **Impact on E-Commerce and Financial Inclusion**

Subsea cables are vital for enabling e-commerce, which is a major driver of economic activity. A 2021 report by the World Bank found that every 1% increase in broadband penetration boosts e-commerce sales by approximately 1.4%. For Nigeria, the rise in internet connectivity has led to a boom in online retail, with e-commerce revenues projected to reach $16 billion by 2025.

Financial inclusion is another area where subsea cables play a crucial role. Mobile banking and digital payment systems, which depend on stable internet connections, have expanded financial services to previously underserved populations. The GSM Association (GSMA) reported that mobile money services have reached over 1.2 billion people globally, with a significant portion in Africa benefiting from improved connectivity.

1. **Enhanced Educational and Health Services**

Subsea cables facilitate access to quality education and telemedicine. According to the International Telecommunication Union (ITU), every 10% increase in broadband penetration can lead to a 1.2% rise in the literacy rate. In Nigeria, educational platforms like the National Open University and various e-learning initiatives, such as the Ahmadu Bello University Distant Learning Programme, have benefited from improved connectivity, reaching millions of students across the country.

Telemedicine, enabled by subsea cables, is revolutionizing healthcare delivery. The World Health Organization (WHO) highlights that telemedicine can reduce healthcare costs by 20-30% and improve access to care in remote areas. In West Africa, telemedicine platforms are already providing crucial medical consultations and support, particularly in rural and underserved communities.

1. **Quantifying the Economic Impact**

Recent research quantifies the economic benefits of subsea cables. The Global Infrastructure Facility (GIF) estimates that every $1 billion invested in digital infrastructure can generate $5 billion in economic returns. With global subsea cable investments exceeding $15 billion annually, the economic impact is substantial. In West Africa, increased subsea cable capacity is expected to enhance regional GDP by up to $25 billion over the next decade, driven by improved connectivity and digital services.

**Impact of Recent Subsea Cable Cuts**

In recent years, several cables connecting to West Africa have experienced physical damage mainly due to weather, other natural conditions and fishing vessels, resulting in major disruptions to services. These incidents have had an impact even to countries which are connected to several cables, such as Nigeria. In 2009, damage to the SAT-3/WASC cable - then West Africa’s only active submarine link - caused multiple internet blackouts, including in Nigeria, which suffered a 70% reduction in bandwidth for over a week. In January 2020, Nigeria, and the wider region, experienced further significant disruption, following damage to the SAT-3/ WASC and WACS systems, which left businesses and users unable to access reliable internet.

While the MainOne, ACE and Glo-1 cables were unaffected, a lack of interconnection between operators meant the impact on connectivity was significant, despite redundant international links.

On March 14, 2024, West Africa faced another significant disruption when multiple subsea cables were cut, impacting key connections like the African Coast to Europe (ACE), MainOne, Sat-3, and the West African Cable System (WACS). This incident led to substantial economic losses and disrupted businesses, government services, and communications across the region.

Nigeria was particularly affected, losing 684 Gbps of data capacity. Equally affected were several other countries, including Côte d'Ivoire, Liberia, Benin Republic, Ghana, Burkina Faso, Togo, Cameroon, Gabon, Namibia, Niger, Lesotho, and parts of South Africa.

The economic toll was immediate. West Africa is reported to have lost an estimated 6.66 billion US dollars in three days, with Nigeria alone incurring about N273 billion in losses within four days.

Beyond the immediate economic losses, the incident highlighted the vulnerability of the region's digital infrastructure. The total cost of repairing the four affected submarine cables was evaluated at 8 million US dollars. This considerable expense further emphasizes the need for robust protective measures and contingency plans to prevent and mitigate such incidents in the future.

**Learning from Global Best Practices**

As we strive to fortify our subsea cable systems, it is imperative to learn from global best practices that have proven effective in enhancing resilience and protecting these vital assets. Implementing similar frameworks and fostering international collaborations will help ensure robust and reliable connectivity, driving economic growth and development.

1. **China's Digital Silk Road and the Quad Partnership for Cable Connectivity and Resilience**

In 2015, China's National Development and Reform Commission, Ministry of Foreign Affairs, and Ministry of Commerce prioritized undersea cable projects to create a Digital Silk Road. By 2021, China had signed agreements or provided investments to at least 16 countries, prompting "the Quad"—comprising the United States, Japan, Australia, and India—to launch its own initiative focused on securing undersea cable networks in the Indo-Pacific. This initiative targets developing countries with fewer connections to the global network, where investments can yield significant benefits.

The Quad's initiative united public and private sectors to enhance the resilience of undersea cables. Australia established the Indo-Pacific Cable Connectivity and Resilience Program to share best practices and provide technical assistance, while the U.S. contributed through a $5 million CABLES program, focusing on technical assistance and capacity building. Additionally, the G7 summit underscored the importance of secure and resilient subsea cables, with leaders pledging to enhance network resilience through deeper cooperation.

1. **European Commission’s Recommendations**

The European Commission has set a commendable example with its recommendations in February 2024 to enhance the security and resilience of submarine cables. These include regular stress testing to identify vulnerabilities, enhanced information sharing among stakeholders, and public-private partnerships to fund and expand infrastructure capacity. The EU also emphasizes strategic attention and funding for critical submarine infrastructure projects.

1. **Sri Lanka’s Submarine Cable Protection Framework**

Sri Lanka pioneered the Submarine Cable Protection and Resilience Framework, launched on July 15, 2021 as the first for any Asian country, with support from Japan through the United Nations Office on Drugs and Crime (UNODC) – Global Maritime Crimes Programme (GMCP). This initiative involved collaboration with international partners like the International Cable Protection Committee (ICPC) and resulted in a national plan that integrates international best practices.

**National Efforts to Enhance Telecom Resilience**

Recognizing the critical nature of telecom infrastructure, the Nigerian Communications Commission (NCC) has taken a proactive approach to enhancing the resilience of the telecoms industry through its advocacy for the designation of telecoms facilities as Critical National Infrastructure (CNI). This underscores Nigeria’s commitment to protecting and securing these vital networks.

By designating telecom infrastructure as CNI, we would facilitate greater collaboration among industry stakeholders, law enforcement agencies, and regulatory bodies to implement effective security measures to protect both physical and cyber threats, thus ensuring that critical services are not disrupted.

Furthermore, we are actively promoting awareness about the importance of subsea cables and the need for their protection among policymakers, businesses, and the general public. This includes advocating for supportive policies and regulations at the national and regional levels.

**Call to Action**

During the West Africa Telecommunications Regulatory Assembly (WATRA) annual general meeting in Sierra Leone, I emphasized the severe impact of subsea cable cuts on the global economy and called for a comprehensive strategy to safeguard our telecommunications networks. This strategy aims to enhance resilience and improve disaster response protocols to protect the subregion from future disruptions.

Resilient telecom infrastructure is vital for addressing global social challenges—bridging healthcare gaps, providing quality education, and creating jobs. By protecting telecom infrastructure and ensuring uninterrupted connectivity, we are invariably driving economic development across our region.

In conclusion, I must mention that we must consider as a top priority the fast-tracking of applications for submarine cable repairs, as well as exempting these repair works from cabotage laws.

Finally, I urge us to commit to protecting our subsea cables, fostering collaboration, and implementing robust regulatory frameworks that ensure our connectivity infrastructure remains a catalyst for economic growth and development in West Africa.

Thank you for listening.

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