

Remarks by Prof. Umar Garba Danbatta, Executive Vice Chairman, Nigerian Communications Commission, at the A4AI-Nigeria Coalition Meeting, holding in Lagos on July 4, 2016.

**Delivered by Tony Ojobo, Director of Public Affairs
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Good Morning. I wish to state how very excited I am to be part of this programme being put together by the Alliance for Affordable Internet (A4AI) Nigeria Coalition. Being part of the global body, the Nigerian version brings together prominent players from the private sector, public sector, and civil society to provide a unified voice and coordinated focus in addressing shared goal of open, affordable access to the Internet in the developing world.

Specifically, the Alliance aims to increase the affordability of both mobile and fixed-line Internet access with a focus on achieving a goal of no more than 2 per cent of monthly income per capita for 1GB broadband connection.

We share in your vision. We share in your dreams.

The Nigerian Communications Commission (NCC) is charged with the responsibility of providing a conducive environment for the telecommunications industry to grow and for technology ideas to sprout and germinate.

One of the functions enshrined in the Nigerian Communications Act 2003, is granting and renewing communications licences.

This empowers us to issue licences and monitor compliance with licence terms and conditions as per rollout, service deployment and tariff. In all this the user which A4AI seeks to empower with affordable internet occupies a central place.

The Nigerian Communications Act 2003, mandates NCC to midwife and nurture an industry that will accommodate the needs of subscribers through the deployment of necessary technologies and affordable services, including internet services.

I am aware that your organization is very passionate about Internet and Broadband for all. We are in this together. Facilitation of Broadband Penetration enjoys top priority in our 8-Point Agenda recently released to industry stakeholders; others being to: Improve Quality of Service, Optimize Usage and

Benefits of Spectrum, Promote ICT Innovation and Investment Opportunities, Facilitate Strategic Collaboration and Partnership, Protect and Empower Consumers, Promote Fair Competition and Inclusive growth, and Ensure Regulatory Excellence and Operational Efficiency.

Every point in the Agenda has been carefully thought out and followed with vision and strategy to help accomplish them and push the industry to new heights in an era of very fair, firm, and forthright regulations.

Your priority areas in Nigeria include: Infrastructure Sharing and Open Access, Spectrum, and Consumer Awareness and Pricing Transparency.

The NCC has been very concerned about some issues in the industry and has taken or is making some concerted efforts to mitigate their debilitating hold on the sector. Our concern for the escalating operating expenditure (OPEX) in the industry influenced the Commission to issue Guidelines on Collocation and Infrastructure (C/IF) Sharing in 2006. The Act empowers us to do this.

The primary object of these Guidelines is to establish a framework within which operators can negotiate C/IF arrangements, and for that purpose, specifically to:

- a. Ensure that the incidence of unnecessary duplication of infrastructure is minimized or completely eliminated;
- b. Protect the environment by reducing the proliferation of infrastructure and facilities installations;
- c. Promote fair competition through equal access being granted to the installations and facilities of operators on mutually agreed terms;
- d. Ensure that the economic advantages derivable from the sharing of facilities are harnessed for the overall benefit of all telecommunications stakeholders;
- e. Minimize capital expenditure on supporting infrastructures and to free more funds for investment in core network equipment; and
- f. Encourage operators to pursue a cost-oriented policy with the added effect of a reduction in the tariffs chargeable to consumers.

Under the Guidelines, the NCC shall encourage and promote the sharing of the following infrastructures: Rights of way, Masts, Poles, Antenna Mast and tower structures, Ducts, Trenches, Spaces in buildings, and Electric power (public or private source).

In spite of the NCA 2003, Guidelines and Regulations, and other sundry measures taken by the Commission to address some noticeable problems, there are still a lot of obstacles, most of them man-made, hindering the operators from rendering needed but effective services.

But the reason problems exist is for humans to resolve them. That exactly, is what we are doing at the Commission. While being very mindful of the Law that mandates us to regulate the industry, the Commission, since I assumed office nearly one year ago, has reached out directly to some very important stakeholders on how to create a more friendly environment for the operators to rollout services. High on this list are the State Governors; some of whom we have engaged directly while also discussing with the Governors Forum. We believe that through this engagement we are more able to quickly resolve demanding issues like Rights of way, Masts deployment and the bogey of double taxation, among others.

This brings me to one of your other focus areas which remains a cardinal scarce resource of government: Spectrum. Creative sale and use of this scarce resource will help expand the capacity of our industry. This will be good news for broadband deployment and Internet usage across the country.

As we speak the Infraco Licenses for two operators – Infraco Nigeria Limited (promoted by MainOne in Lagos Zone) and I-Connect (promoted by IHS consortium for North Central) are being perfected. When this is done, the remaining zones of North East, North West, South West, South East and South South will follow.

Only recently the Commission released 14 slots of 2.6GHz spectrum into the open market through an auction. Only six slots were taken up by one successful bidder. We are, however, not discouraged with the outcome as post mortem is being administered to the process in order to find out creative ways of conducting another auction in the future.

As a Commission, we are in a hurry to prime the industry for growth. Our target is to create a market that will meet the aspirations and yearnings of all stakeholders, particularly the consumers and the operators.

We are happy with the figures coming out of the industry – about \$38bn worth of investment, over 148million subscribers on the various networks, and over 92million connected to the Internet through their mobile phones – but we are not satisfied at all because we know our market has the capacity to achieve more.

While admitting that is quite encouraging for the Nigerian Bureau of Statistics (NBS) to declare recently that the telecommunications sector is contributing 8.8 per cent to the country's GDP, the NCC will continue to engage in productive activities that will further expand the scope of the sector.

This is where we share in your vision and in your dreams to take Internet to the generality of the people at highly affordable cost. Going forward, all our actions predicated upon fairness, firmness and forthrightness, will be geared towards growing the market exponentially in order to create a boom for the data and Internet sector. We pledge to be very transparent in the discharge of our regulatory mandate.

We have the market in Nigeria. The Law empowers us to work. And this Administration has encouraged us to excite and attract local and international investors to this market. This we intend to do without prevarications, knowing that in future history will be fair to those who helped diversify, grow and create a solid base for our economy.

Last note. Technology holds the key to our future development. The role of the Commission in promoting this technology is very clear; defined by Law and pursued by a talented workforce of an impeccable zeal.

Thank you for listening.

Prof. Umar Garba Danbatta

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