



THE FEDERAL GOVERNMENT OF NIGERIA
FEDERAL MINISTRY OF COMMUNICATION
TECHNOLOGY

The Honourable Minister for Communication Technology

Mrs Omobola Johnson

At

1st Nigerian A4AI Multi-Stakeholder Forum

Venue: Chelsea Hotel, Plot 123 Cadastral
Zone A0, Central Business District, Abuja

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PROTOCOLS

Those of you who have heard me speak before will recognize the priorities of the Ministry couched in the easy-to-remember format of “Connect Nigeria”, “Connect Nigerians”, develop “Local Content” as well as “ICT in Government”.

Our first priority “Connect Nigeria” is focussed on deploying ubiquitous and cost effective ICT infrastructure in the country. Cost effectiveness has been quantified for us by the UN Broadband Commission’s target of entry level broadband services to be priced at less than 5% of average monthly income.

According to the A4AI Affordability Index report, which I will also refer to later in this keynote and which we must keep in mind for our later discussions,. “Eighty-four percent of Nigerians live on less than two dollars per day and the World Bank notes that 63 percent live on less than \$1.25. A prepaid mobile broadband user subsisting on \$2 per day who wanted to use 1GB of data per month would have to spend 22 percent of their monthly income to do so.”

This is a far cry from the UN Broadband commission target, so we either have to increase average monthly income or drastically reduce the average cost of access for Nigerians to meet this target. I think the answer is that we must do both if we are to achieve our economic, social and political aspirations. And by the way like most developed and developing economies, access to broadband has increasingly become front and centre to the achievement of these aspirations.

The foregoing has informed why we were one of the first countries to join the Alliance for Affordable Internet (A4AI) when it was launched, incidentally in Abuja, during the Commonwealth Technology Organisation (CTO) Forum in October 2013. We at the Ministry of Communication Technology share a number of common goals with the A4AI. There is, most obviously the shared aim of advancing affordable access to both mobile and fixed-line internet in developing countries.

We also share the belief that while technology solutions to affordability progress, policy and regulation affecting affordability are a key enabler to the successful deployment of these technologies. As we all know policy formulation and regulatory action is informed by sound empirical research.

With respect to research, I will again refer to the A4AI “Affordability Report for 2013¹” their first major publication. This report presents the results of a new ‘Affordability Index’, which ranks nations across communications infrastructure and access and affordability indicators fundamental to achieving affordable Internet. It also explores the key barriers to affordability.

The Affordability Index is a composite index, comprised of both primary and secondary² data and covers forty-six (46) emerging and developing countries. Malaysia tops the overall rankings followed by middle-income countries Mauritius, Brazil, Peru and Colombia. Morocco is the top-performing developing country and Nigeria is in the top five (5) developing countries (others are Indonesia, Kenya and Uganda).

Nigeria is expectedly impacted negatively by the poor score of 30.7/100 in the “Communications Infrastructure³” sub-index but a more encouraging score of 61.2/100 in the “Access & Affordability⁴” sub-index brings our Affordability Index composite score to 39.3/100 and rank of 19/46.

This research helps us confirm our already assigned priorities and provide justification (if needed) for the Ministry’s ongoing “Connect Nigeria” thrust.

Central to our Connect Nigeria initiative, our national broadband plan was approved in May 2013 and is now being implemented with oversight from a Broadband Council that comprises major stakeholders in the industry. Elements of this plan have been rolled out with the significant step of provisional allocation of a 30MHZ slot in the 2.3GHz range for Wholesale Wireless Access after a successful auction process. The Open Access Model that will be applied for the Next Generation Optic Fibre Network (“Infracore model”) is at the very final stage of licensing the companies.

Other initiatives that directly address our affordability issues include:

¹ http://a4ai.org/wp-content/uploads/2014/01/Affordability-Report-2013_Final-2.pdf

² A4AI affordability index combines secondary quantitative data on infrastructure, access and affordability collected from reliable sources, with primary data gathered via a multi-country expert survey

³ Communications infrastructure: This sub-index measures the extent of infrastructure deployment and the policy and regulatory framework in place to enable investment in the sector.

⁴ Access & affordability: This sub-index measures the adoption and prices of broadband services as well as the policy and regulatory framework in place to promote access and reduce cost of service.

1. Harmonisation of regulations across various federal government agencies (NESREA, NCC, FMITI weights and measures unit)
2. Engagement with State governments on a variety of issues
 - a. Reducing the cost of right of way – the single largest cost during fibre roll-out
 - b. Levies on telecoms infrastructure that are passed onto consumers
 - c. Smart State initiatives on a quid pro quo basis – create an enabling environment and we will prioritise the roll-out of telecomms infrastructure in the state
3. The Cyber crime bill to introduce legislation that will reduce the vulnerability and the cost of maintaining ICT infrastructure
4. Well planned, balanced and transparent spectrum auctions to make more spectrum available for the delivery of mobile broadband which will be the predominant means of access in Nigeria
5. Licensing of seven infrastructure companies to roll out metro rings in six geopolitical zones and Abuja – this will redress the monopolistic/anti-competitive actions that we see in the market today and will successfully integrate all parts of our broadband delivery value chain.
6. Improving the reach and capacity of our IXPNs and keeping local traffic local.

In addition to these initiatives we are also rolling out initiatives through the Universal Service Provision Fund (USPF) that will provide connectivity to unserved and under-served areas.

The most significant of these include:

1. The Accelerated Mobile Phone Expansion (AMPE-BTS) programme through which we deploy Base Stations in rural areas
2. The Rural Broadband Initiative (RUBI) which provides wholesale internet bandwidth to ISPs, Cyber cafes, and ICT centres like Community Communication Centres (CCC) in rural communities
3. The Backbone Infrastructure Project (BTRAIN) with which 3500km of fibre is to be deployed specifically to rural areas by March 2014 via government subsidies to operators and infrastructure providers
4. Plans to pilot digital TV whitespace technology to support connectivity to rural areas

One initiative that deserves particular mention is the National fibre-optic Research and Education Network (NgREN) for tertiary institutions.

We recognized early on that Nigerian students, particularly in institutes of tertiary education are grossly underserved and in some cases, unserved with respect to affordable, high speed Internet access. The USPF, the National Universities Commission and the World Bank have jointly funded the NgREN project whereby a 10Gbps fibre optic based network connects thirty six (36) Federal Universities, Twenty eight (28) Off-Campus sites and Twelve (12) Medical Colleges to the wider research and education universe in the first phase. Subsequent phases will include state universities, polytechnics and other tertiary institutions.

A4AI research has also resulted in detailed “A4AI Policy and Regulatory Best Practice Recommendations” which encourages a liberalized market as well as policies and practices to encourage lower cost structure for industry. We are pleased to note that we are in almost complete alignment with these best practices and am sure the robust discussions during our breakout sessions will help us begin the process to identify and correct any gaps that will improve our environment.

The affordability target is a hard target that MUST be improved upon and the multi-stakeholder coalition approach that the Alliance is hinged on is a good platform for us to do this. The onus is on us in the Public Sector to develop and roll out policies and regulations that will ensure improvement, while the Private Sector are called upon to deploy innovative and cutting edge solutions as well as develop content in local languages to improve demand. Civil society and academia will be depended upon to provide data as well as needed research that will measure development and impact.

Thank you

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