

Open Access backbone fiber network and impact on broadband penetration

ACEN, Abuja/Lagos Nov. 2011

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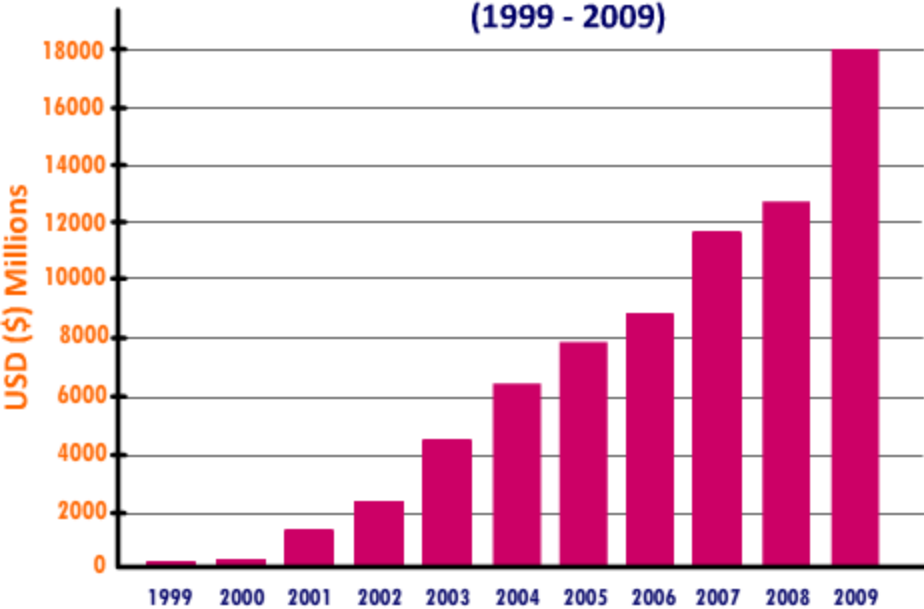
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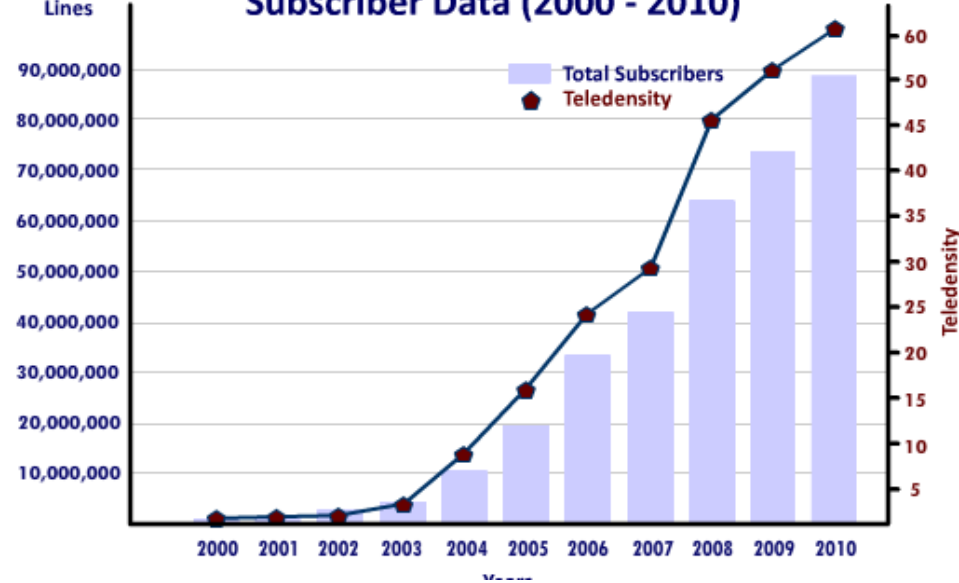
1. Industry Statistics – Telecom Business In Nigeria

Trends of Private Investment
(1999 - 2009)



Number of Lines

Subscriber Data (2000 - 2010)

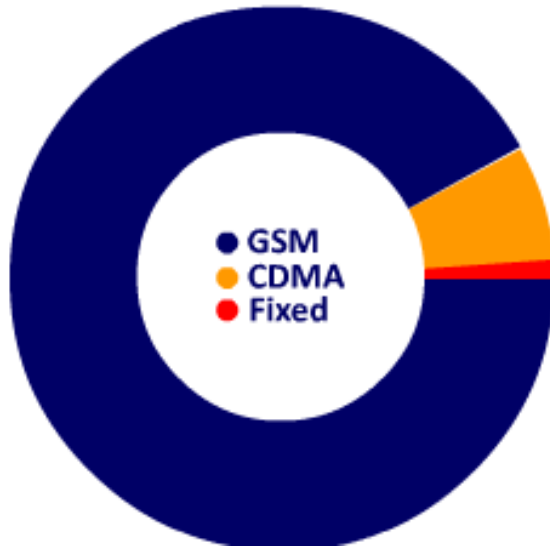


Key Drivers :

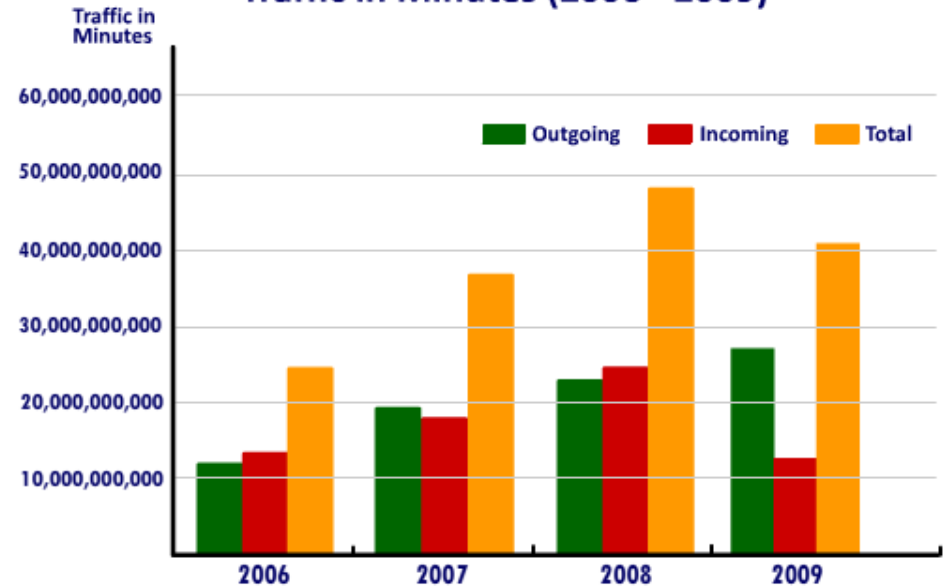
- Largest telecom market in West Africa
- Annual investment in excess of USD 2 billion in Nigerian Telecom segment
- YoY increase of 20 to 30 % Telecom investment in Nigeria.
- 100% growth in wireless business for past 6 years
- 12% Annual teledensity growth in Nigeria.

1. Industry Statistics – Telecom Business In Nigeria

Share of Telecommunications Services
(December 2010)



Traffic in Minutes (2006 - 2009)

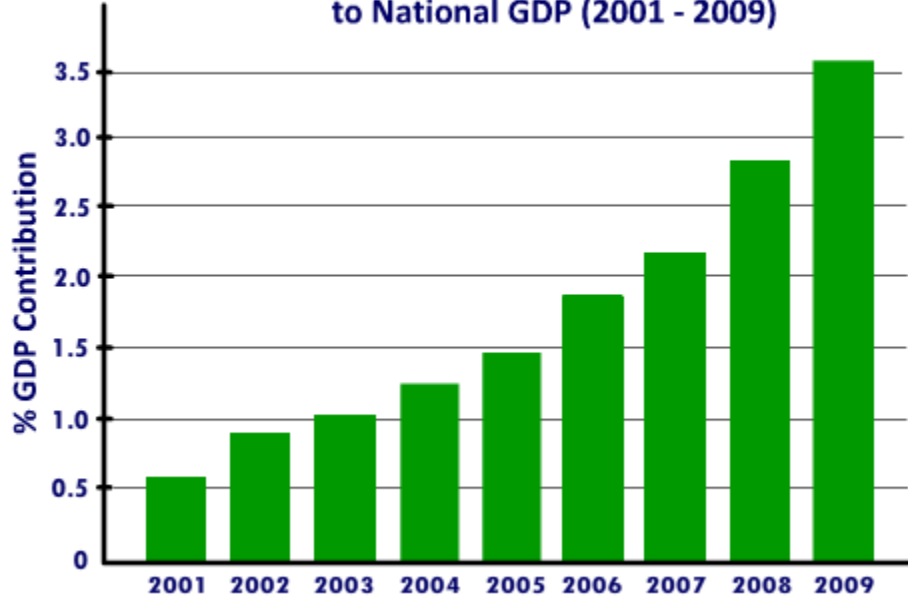


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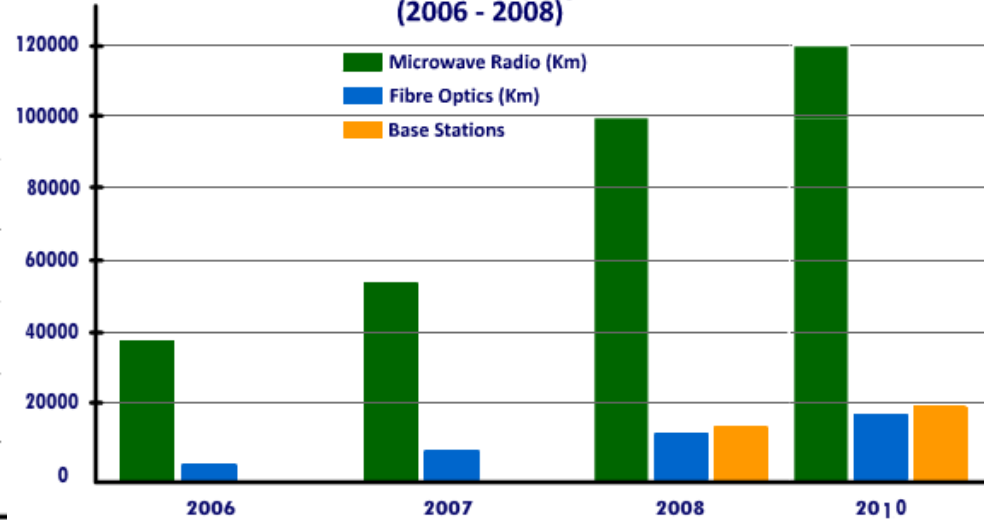
- Market dominance of 99% by Wireless Business i.e. GSM /CDMA.
- GSM segment hold 90 % of telecom retail market
- 30 % Annual growth in Wireless network utilization
- Total MoU in excess of 60 billion Minutes across all operators.

1. Industry Statistics – Telecom Business In Nigeria

Percentage Contribution of Telecoms Industry to National GDP (2001 - 2009)



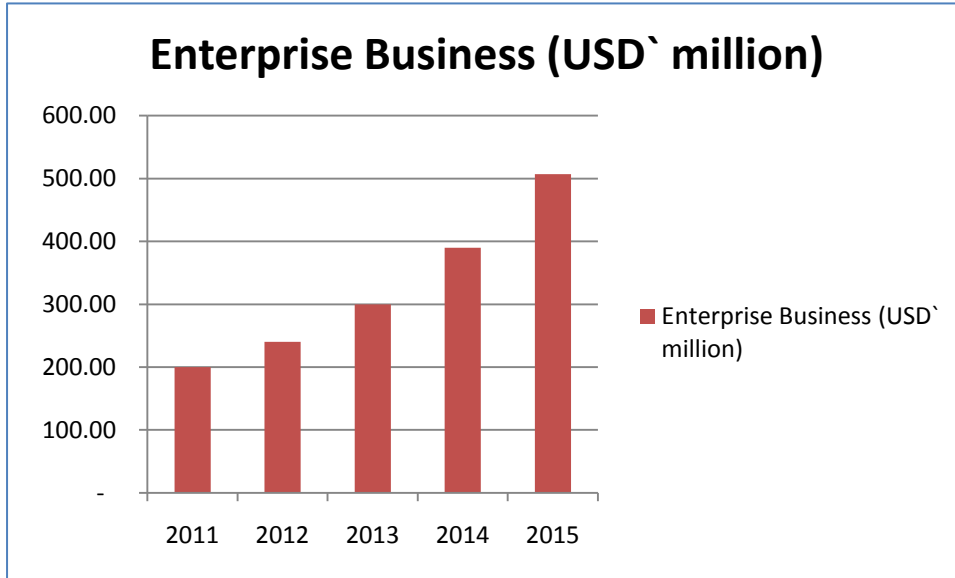
Infrastructure Deployment (2006 - 2008)



Key Drivers :

- By 2013 percentage contribution of Telecoms Industry to National GDP is expected around 6 to 7 %.
- Continued investments in BTS and MW segment to improve coverage
- Slow and steady growth of capital intensive Fiber project
- 50% additional BTS roll out is expected by Year 2014.

1.2 Enterprise Business in Nigeria



Presently Enterprise segment ICT requirements are served mainly by Telecom companies i.e. Phase3 Telecom, MTN , GLO & Multilinks.

- Nigerian enterprise segment is valued at USD 200 million
- Potential growth of 20 to 30 % in enterprise business segment over 5 years
- Un/underserved enterprise segment
- Lack of dedicated business model and last mile delivery challenges for enterprise solution.
- With increased competition across wireless segments in Nigeria, enterprise business is one key focus to maintain pioneer market position with successful business model.

2. BROADBAND IN NIGERIA – The journey so far!

In telecommunications, broadband is a term synonymous with a high-speed connection to the internet. The term is technology neutral, so can be delivered by a range of technologies including DSL, LTE or generation access!

Nigeria as a whole can be classified as un-served. It is estimated that 51.1% of Internet users are connected by VSAT, 24% by broadband wireless, 3.4% by DSL, 9.3% via dial-up, 8.7% by cable/satellite and the remainder by Wi-Fi and leased lines. Currently VSAT remains the predominant form of broadband Internet access.

The regulator Nigerian Communications Commission (NCC) has liberalized the long-distance market, and in addition to the two national carriers, there are now seven national long-distance operators (NLDOs) that are investing in the roll-out of fiber backbones in different regions of the country

2.1 ADVANTAGES OF OPEN ACCESS NETWORK

- This model is attractive to service providers (for many reasons):
 - Open access model reduces CAPEX for ISPs
 - It helps ISPs control their OPEX
 - It increases the chance of new investments to new infrastructure

2.2 BROADBAND PENETRATION: HOW CAN STAKEHOLDERS INFLUENCE IT?

- Adopt supportive regulations that embrace innovation & competition
- Form mutually beneficial public/ private partnerships
- Invest in infrastructure and the latest innovative technology
- Encourage competitive ecosystems
- Release spectrum suitable for sustain broadband deployment

Thank you