The Role of Public and Private Sector in Developing National and Regional Interconnection

Panel Session I: Interconnection Policy Shortfalls
Introduction

There have been significant improvements to Africa’s Internet connectivity in the last five years.

Enormous investments have taken place across the value chain, notably in submarine cables and terrestrial backbone.

These investments have a mixed impact on Internet access services, through lowered prices and increased adoption.

This panel will investigate the policy issues that may limit improvements in Internet access services.

The following slides come from the Internet Society paper “Lifting barriers to Internet development in Africa: suggestions for improving connectivity,” May 2013, Robert Schumann and Michael Kende.
The Internet value chain contains multiple links

- Internet access service results from international and national connectivity along with last mile access
- There are many points at which a policy shortfall could increase the price of Internet service and thereby lower access
- This is true in spite of significant investments in recent years across the value chain
Internet access prices vary widely across Africa

Source: Analysys Mason, Google, Telegeography, 2012
Take-up rates also vary widely, even adjusted for income or prices

There have been significant increases in submarine cable availability in recent years.

Source: Analysys Mason, 2012
Investment in capacity has been significant, but challenges remain

**Investments**

- **Submarine Cables**
  - USD 3.8 billion invested in recent years
  - Added 24 Gbit/s of new capacity on top of 13 Gbit/s prior to 2011
  - Seven countries have their first landing station
  - 11 other countries have an additional landing station

- **Terrestrial Capacity**
  - USD 8 billion invested
  - Nearly 100 route-kilometers of new capacity available each day in Africa

**Challenges**

- 16 landlocked countries in Africa that require cross-border terrestrial capacity

- Two coastal countries have no submarine cables, others have only one or two

- Evidence that cross-border connections are still limited, resulting in indirect traffic exchange
Prices of capacity to Europe differ widely within and among regions
Policy shortfalls can take a variety of forms

Roadblocks to deployment

- Liberalization of gateways
- Cost of rights of way access
- Sector-specific taxes

Means to promote deployment

- Regulatory certainty
- Facilitate infrastructure sharing
- Public private partnerships (Panel II)
This panel will review policy shortfalls leading to interconnection challenges

Speakers:

- Mike Jensen (Consultant, South Africa)
- Haitham El-Nakhal (Senior Manager, Internet Policies and Technical Affairs, National Telecom Regulatory Authority, Egypt)
- Prenesh Padayachee (Chief Technology Officer, Internet Solutions, South Africa)
- Dr. Mamadou Diallo Iam (TIC - Mali)
- Emile Milandou (ARPCE - Congo) - TBC