



GRAND DUCHY OF LUXEMBOURG
Ministry of Foreign Affairs

Directorate for Development Cooperation



European Union Africa
Infrastructure Trust Fund

Developing a competitive market environment



Enabling telecoms sector growth

Goal: to be able to create/build/improve on new and existing telecoms policy and infrastructure, to allow the development and foster growth of new carriers; some of whom could become Regional Internet Carriers (RICs).

Growth can only occur under favourable market conditions

“Open Access” telecoms network policies

- Deregulated local loop (or equivalent service)
- Duct sharing policies
- Easy access to neighbouring states
- Fair/open access to landing stations

Restrictive telecoms regimes inhibit growth

- Competition is the key critical element needed to foster growth.

eg. ZA situation went from 1 to 2 to 300+ telcos, and since liberalisation, network capacities have grown thousand-fold.

(2mb/s—> 40mb/s = 1000% increase)

Licensing

- Should not be necessary to license operators that are not reselling services in country.

Operators may wish to connect to a local IXP, or local business partner to facilitate business opportunities. If they don't have direct business-to-user relationships, then legal registration may be an impediment to operations.

Easy access to spectrum

- While Africa builds her fibre networks, easy access to spectrum to deploy and deliver high(er) speed networks is critical to growth.
- Wireless services are key to fast and cheap deployments
- Broadband to the home/SOHO necessary for getting critical, commercial economies of scale into the network

Content Legislation

- Permissive legal environment for the development and hosting of content locally.

Ideally, content hosting/delivery networks should not be prosecutable for content that is not explicitly “owned” by them, but may be available via their services.

Human Resources

- National HR policies should be conducive to hiring and retaining staff.
- Easy to obtain work permits for foreign staff.
- Bilateral tax treaties with countries.

Digital Taxation

- Digital taxation policies should be flexible and innovative to spur growth of e-business.
- Reduce taxes on communication equipment importation.

Futurist policies to encourage growth

- E-Government services are excellent incubators.
- IPv6 is an opportunity that Africa is not recognising. How can IPv6 be used to spur growth,



GRAND DUCHY OF LUXEMBOURG
Ministry of Foreign Affairs

Directorate for Development Cooperation



European Union Africa
Infrastructure Trust Fund

END

