PARTNERSHIP AND COLLOBORATION IS THE ONLY FORWARD IN SUB-SAHARA AFRICA (SSA)

The data centric landscape is yet to be fully defined and crystallised in SSA. In Nigeria, for instance, where there has been recorded evidence of latent demand for localised content and associated services, the potential remains untapped due to multi-faceted recurring structural challenges.

According to recent GSMA statistics and latest findings from other sources (NCC & NBS), the number of unique mobile subscribers and subscriptions has flattened out to circa 170m plus or minus at tolerance level of 5% either way. Multi-SIM usage is prevalent in the growing smart phone adoption rate numbers, albeit constrained by the weak economic environment and low consumer purchasing power, so bandwidth hungry applications and resource demanding streaming services are contained within walled garden areas in the big urban cities where infrastructure is struggling to meet quality of service expectations. This configuration is typical, in many other emerging SSA markets and the landscape view is buttressed by Q1 financial results released by MTN, Vodacom and Orange, the leading juggernauts in SSA of an acceleration in the transformation of their current voice centric business models to one that typifies and is existent in one of the emergent FAANG competitors, just in order to retain their customer relationship that they've used to build up their empires in the 'old world' order.

Yes, connectivity is still a viable proposition in the context of SSA, however, with the recognition around the globe, that an all-IP network can now be easily dimensioned to offer converged multi-media services on the back of a fiber to x formation and/or 3G/4G access network, it was inevitable that the decline in ARPU in line with OTT alternatives, begged the question, whether rolling out infrastructure into rural areas was such a wise or smart move after all, even with Government subsidies.

With a revenue base predicated on certainty of demand from their captured client base, the notion that there were options to threaten their ARPU was a distant thought. With the recent announcement of Google's free WiFi services in certain African countries, the downward trend is only inevitable.

The infrastructure gap in SSA is massive (African Finance Corporation (AFC)), estimates, USD$3trn over a 30year period) and many governments are struggling with budget deficits against budget sizes totally dwarfed by the average annual revenue line of any one of the FAANGs. Yet, the reality is that Africa and SSA in particular; offers much opportunity for future growth in the mobile broadband space.

The challenge as always is what comes first, effective government policies or the ability to manage technological innovation in the absence of an environment that is characterised by much uncertainty?

In Nigeria for example, all the long run or long-term indices point to a large population, young demographics and vast untapped opportunities across all sectors of the economy. The most promising I must argue for those below the age of 20 years old is ICT and its ability to drive change and a possibility to improve quality of life.

However, the ICT sector is fragmented and the telecom terrain is in a state of flux in the absence of an updated regulatory regime that includes the fundamental application of regulatory tools and directives that promotes local content and prepares a foreseeable landscape for the data centric digitalisation that the new paradigm requires. Continually focusing on infrastructural rules that have a voice only technology ambit to it will not suffice and misses the underpinning adaptation that technology has brought as a disruptive enabler for AI, Machine Learning & Robotics to exist and that will be common with the commercialisation of 5G networks in just under 7 to 8 years from now (2025-6). We, in the industry reluctantly recognised the sheer complexity that this brings to our current way of operating and are yet to absorb the nature of this technological advancement in addressing our multi-lingua society that exhibits a technology deficit from one spectrum (haves) to the other end (have nots) when our basic education and tertiary Universities are still reeling out Computer Graduates, taught in COBOL or FORTRAN only.

How we got ourselves to this point is now irrelevant. How we get ourselves out of this quagmire is more important and may I further argue, can only be achieved through an ICT ecosystem that truly collaborates and imbibes the spirit of trust and partnerships, right from academia, Government to the big juggernauts fighting to preserve their patch.

Without collaboration and partnership being fostered, we run the risk of defining and creating at best islands of progressive digital communities and landscapes that are not interconnected under a ‘winner takes all attitude’, with negative socio-economic flaws.

This scenario stares us in the face and without a rallying call for us to take a step-back to reshape and re-mould our current relationships within the industry; we face the risk of increasing the level of poverty and the African problem at large.

Thank you.

Olusola Teniola, President ATCON

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