Greater investments needed to drive data explosion in Africa

LAGOS, Nigeria: Strategies for achieving improved broadband access across the African continent were discussed by experts at the International Telecoms Week conference in Chicago, recently. They highlighted the need to accelerate investment in Africa to facilitate the continent's broadband data explosion.

(L-R): Nic Rudnick, CEO, Liquid Telecoms; Uche Ofodile, Regional Head, Africa Express Wi-Fi, Facebook; Artur Mendes, CCO, Angola Cables; Funke Opeke, CEO, MainOne; Chris Wood, CEO, WIOCC and Chris George, Strategic Initiatives, Google, at the 2017 International Telecoms Week, held in Chicago, this past week.

Based on the theme *Achieving A Connected Continent: Leading The Data Explosion Across Africa*, the expert panel session with participation from Google, Facebook, WIOCC, Liquid Telecom and Angola Cables, discussed strategies for achieving improved broadband access across the continent. The session reviewed the state of broadband infrastructure and data traffic trajectories in different countries on the continent and made comparisons to other markets globally.

This included areas in which investments had been made, such as submarine cables, data centres, and access networks including 3G4G and FTTH networks, as some of the elements that have accelerated the growth in data traffic on the continent.

The consensus was that the data explosion will need to be driven by further investment in local networks to reach more end users rather than new submarine cables. The session revealed that while most African submarine cable systems had the capability to deliver 100 GBPS wavelengths, Africa has not utilised near enough capacity to saturate those systems. According to the panelists, for broadband to become more pervasive, there is need for continued investment and innovative business models to aid the rapid deployment of Access networks across the continent.

Regulatory environments

Facebook's regional head, Africa for Express Wifi, Uche Ofodile, shared the company's experiences working with carriers to jointly make infrastructure investments. He highlighted its initiatives in Uganda, where it is working with Airtel to deploy fibre backhaul, but noted that demand and favourable regulatory environments informed their decisions to invest.

The need to go beyond mobile infrastructure was also highlighted by the CEO of Liquid Telecom, Nic Rudnick, whose company just completed its acquisition of South African operator, Neotel for $429million.

"As consumers in Africa start to use the internet for content, TV and on-demand services, mobile will have its limitations, not just in terms of technology, but also in price. We need to look at other technologies to achieve cost effectiveness." The panelists' assessment of data centre growth in Africa also indicated that uptake is not as rapid as experienced in other parts of the world and that most of the content consumed in Africa is hosted in Europe.

Data centre operators, MainOne and Liquid shared their experience that initial demand on the continent has been driven by enterprises and financial institutions, as against other geographies where OTT players are the biggest data centre players.

"We do not see any of these OTTs hosting their services from Africa. We are not seeing meaningful investments coming into Africa (from OTT players) and with the sizeable population of the continent, we need to see them play a larger role in the African ecosystem," the panel concluded.

For the sixth year in a row, MainOne raised Africa's profile as a target for broadband investment at the recently concluded global telecoms conference, International Telecoms Week in Chicago, USA, where it hosted an over-subscribed Africa Panel Session.

The session which was a gathering of major international and African carriers, data centre operators, mobile network operators and content distribution companies, provided a platform for players to share perspectives on the opportunities and challenges across the region with a global audience. The discussions also focused on infrastructure challenges as well as regulatory and economic constraints that impede faster proliferation of broadband access across the continent.