



KEEP THE DATA FLOWING



Hi Costs Of IP Bandwidth in Africa

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- Now – “Civil Society”

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Pre-ambule

- The single biggest inhibitor of the growth of the Internet in Africa is the cost of International Transit IP.

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AIM

- Why?
- What can be done about it?

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Connectivity Cost Dynamics

	European ISP Financial Dynamics			African ISP Financial Dynamics	
	Unit Costs	Ratio		Unit Costs	Ratio
Cost Of IP	5	1		500	5
Cost Of Local Loop	50	10		100	1

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Halfway Proposition

- Email from Kenya to Europe
 - Kenyan ISP Pays
- Email from Europe to Kenya
 - Kenyan ISP Pays
- Its not fair
 - Voice carriers have ITU settlement rate scheme, why not data & IP as well

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Counter Argument

- ITU - Settlement Rate system didn't work.
- ITU – Aghhhhhhhh.....
- European ISPs carry transit traffic, and there is a cost to that.
- Africa doesn't have any content so what to we care?

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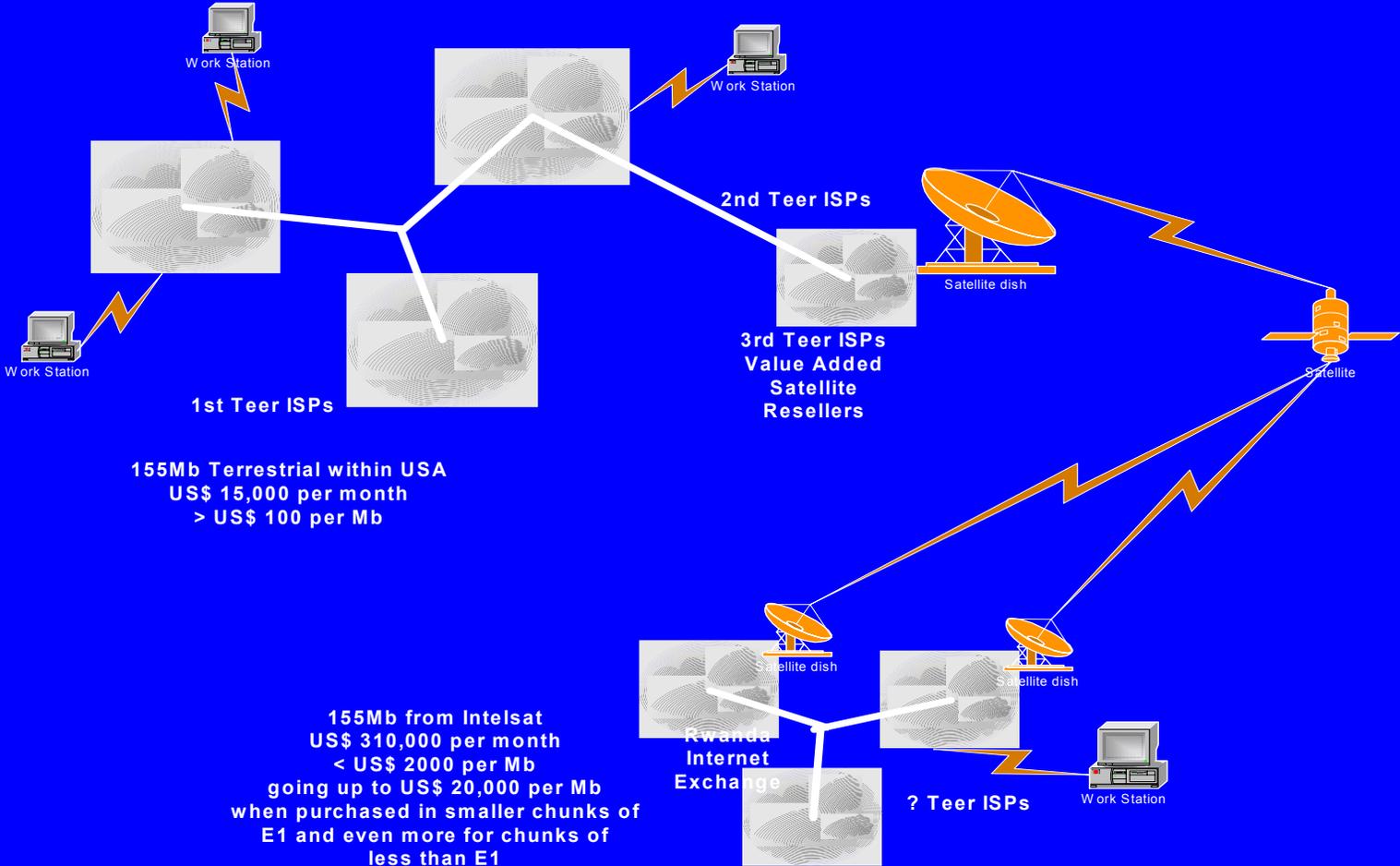


How do we move forward?

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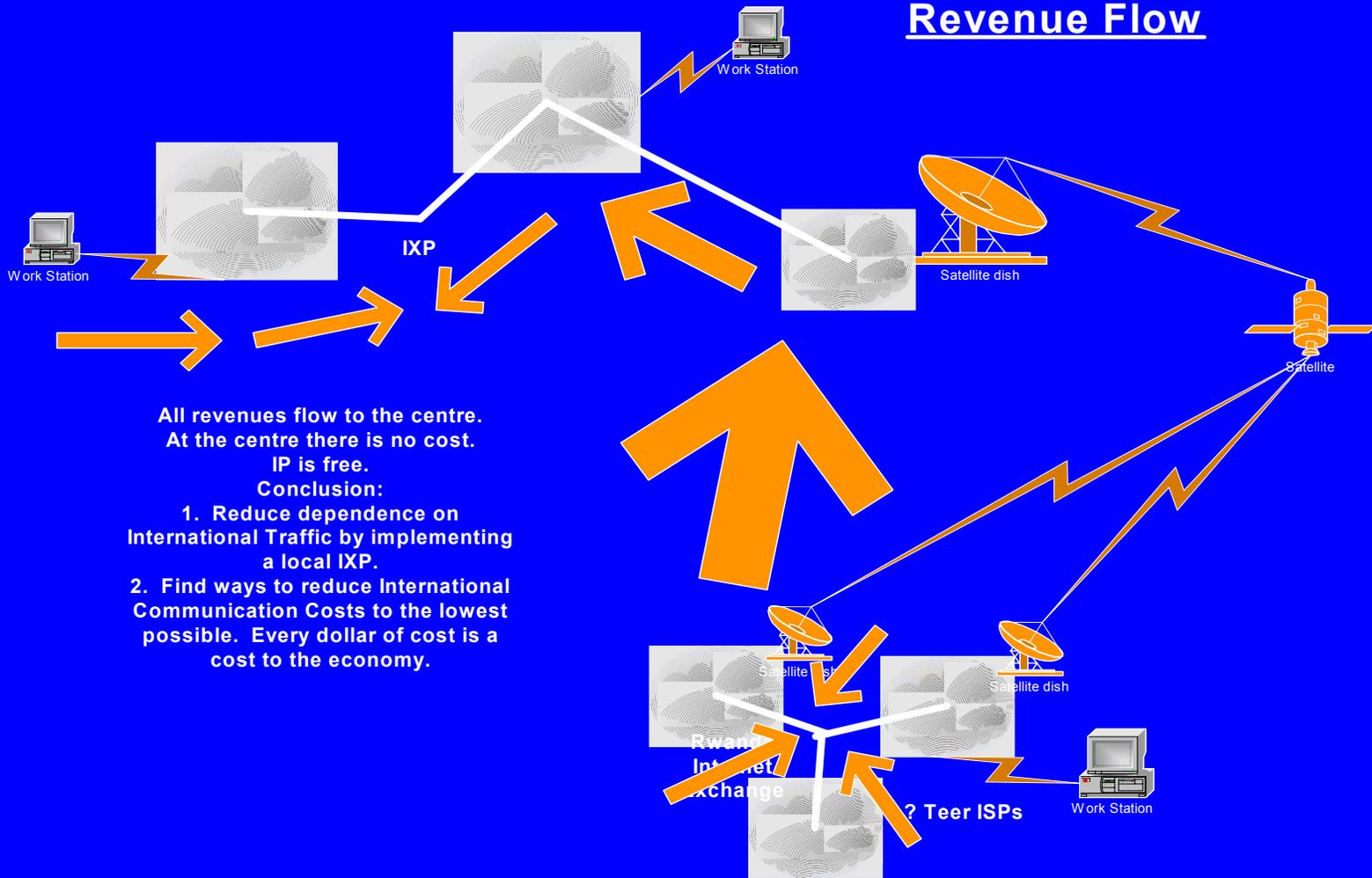
Internet Services to Africa



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Revenue Flow



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Work In Progress

- Creation of Exchanges
- But, watch out;
 - Speeds
 - Policies
 - KIXP – Policy on non ISP Access
 - JINX – MTN & big player monopolies

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Next Steps

- Regulatory Perception of International vs Local Traffic.
 - Fully Liberalize
 - Abandon concept of cross subsidies
 - Encourage cross border connectivity
- Collective Bargaining with European ISPs
 - Peering Agreements
 - Maybe even an element of cost share (to secure service quality)
- Bring The Content Home
 - Webmail
 - Websites

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Intervention

- International Fiber – THE PRIVATE SECTOR MODEL FOR BUILDING IT WILL NOT ACHIEVE THE AIM.
 - SAT 3
 - East Africa Maritime
- Intervention is required
- Who pays?

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Terrestrial Fibber

The patchwork approach:

- Sudan has made a great start – NEXT?
- Egypt – Sudan – Uganda – Rwanda – Zambia – RSA
- RSA – Mozambique – Malawi – Tanzania – Kenya – Ethiopia – Djibouti
- Cross connect through Kenya and Uganda
- Maybe even cross connect: Chad – Cameroon – Sat 3!

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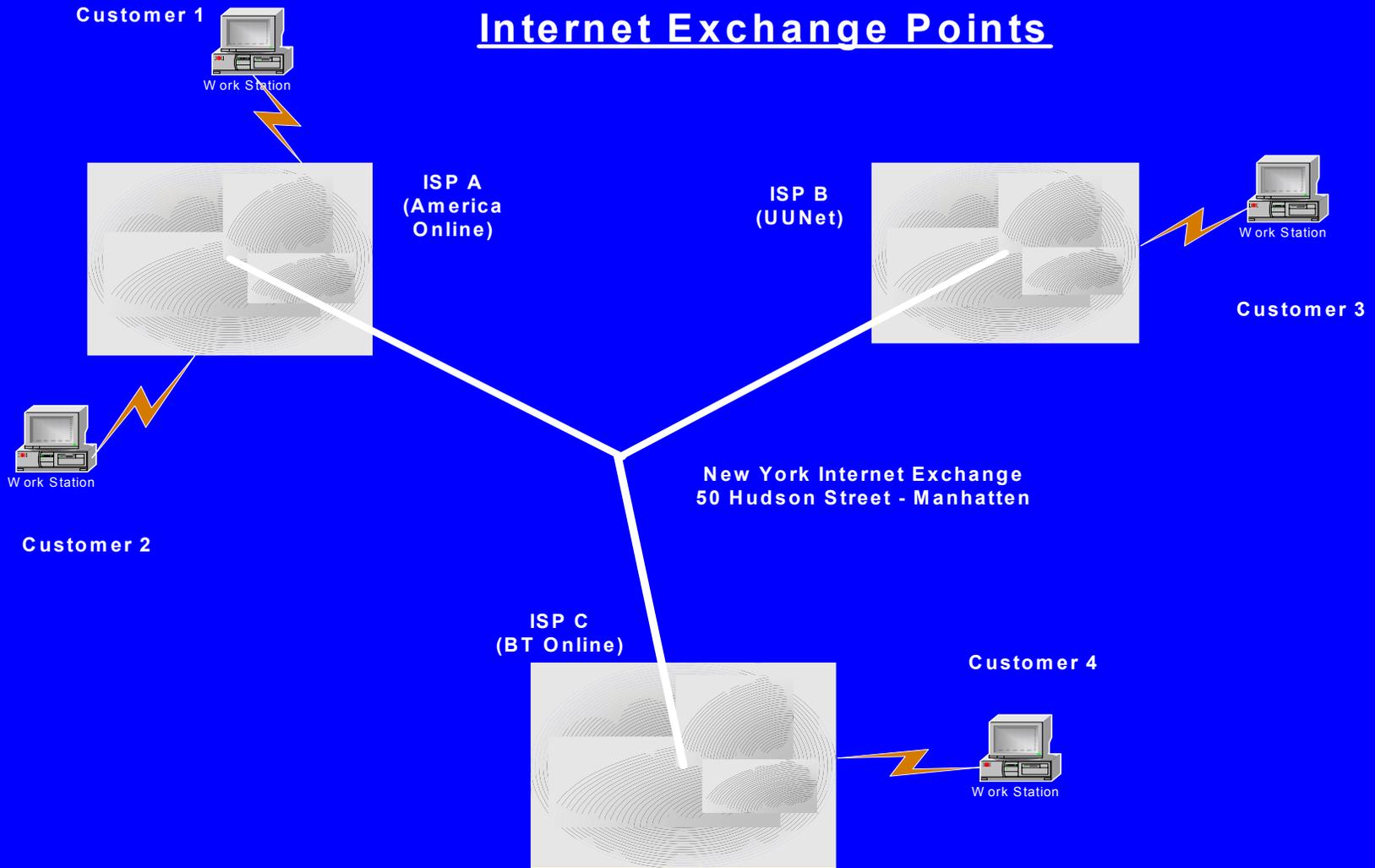




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Internet Exchange Points



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