D BS

Ref: Ceo/bocra/ceo/001/30/07/(13)

RECORDS
2013 -07- 3 0
TEL: (+267) 3957755
FAX: (+267) 3957979
PRIVATE BAG 00495, GABORONE BOTSWANA
BOTSWANA COMMUNICATIONS REGULATORY AUTHORITY

30th July 2013

The Chief Executive Officer

Botswana Communications Regulatory Authority

Private Bag 00495

Gaborone

Dear Mr Pheko

RE: SUBMISSION TO BOTSWANA COMMUNICATIONS REGULATORY AUTHORITY (BOCRA) – DRAFT NATIONAL BROADBAND STRATEGY RECOMMENDATIONS

The above captioned subject refers.

May I once again express my gratitude to yourself sir, for having duly granted Botswana Fibre Networks (Pty) Ltd (BoFiNet) an extended period to submit the organisation's contribution to the Draft National Broadband Strategy Recommendations. BoFinet appreciates the support that BOCRA has continuously offered especially from the former's infancy, which BoFinet regards as vital to the success and progress of the organisation.

Following extensive consultations internally, BoFiNet is hereby pleased to submit its contribution to the Draft National Broadband Strategy Paper. To that end, kindly find herewith attached BoFinet's comments on same.

Kindly be further advised that, BoFiNet remains at BOCRA's disposal to clarify anything in this submission, to participate in any hearings and to assist in the finalization of the National Broadband Strategy.

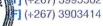Yours Sincerely

Keabetswe Segole
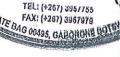Acting Chief Executive Officer
Botswana Fibre Networks (Pty) Ltd

BOTSWANA FIBRE NETWORKS (PTY) LTD
(BOFINET)

Submission to Botswana Communications Regulatory Authority
(BOCRA)

"Draft National Broadband Strategy Recommendations"

Submission Date: 30 July 2013

1. Introduction

1. BoFiNet is pleased to have the opportunity to comment on the Draft National Broadband Strategy Paper and sees this initiative by BOCRA as an essential facet in the development of the ICT capability of Botswana.

2. It is BoFiNet's considered view that this initiative fits perfectly with the government of Botswana's and particularly with the Ministry of Transport and Communication's desire to ensure a level playing field but also an approach in the Broadband sector that allows for affordable and efficient access for all role players and consumers within the sector.

3. BoFiNet wishes to commend the Authority for the consultative and responsive manner of engagement on this critical issue and we congratulate the Authority on its efforts in this regard.

4. BoFiNet's comments have been mainly centered on the Recommendations within the main paper, although the supporting detail in the Appendices document has also been taken into consideration.

Recommendation Number / Paragraph number	BoFiNet Comment
Recommendation 1	BoFiNet agrees with the ecosystem based approach. The target suggested of 10Mbps for 90% of the population within 3 years appears very challenging. It would be useful to understand how this target would be cascaded out to the key delivery parties (BoFiNet and the suppliers chosen to cover areas 1, 2 and 3). It is however also worth noting an argument how ISPs/VANs (or those who will not win in the bid) will be involved in the three areas (especially smaller players in the ecosystem). There is probably need to ensure the winners in these areas be mandated to provide wholesale service to other service providers as a way of encouraging competitiveness hence service quality and price reduction to the end user.
Para 3.1.1.1	The rise of South Africa as in internet 'hub' is a key dynamic which should be addressed by the report, with an ever increasing amount of content being cached in Johannesburg, there is a significant amount of internet content demand from Botswana which is satisfied from Johannesburg (ie without needing to access WACS / EASSy. Governmental support for reducing cross-border transit costs would play a major role in this

Para 3.1.2	BoFiNet is in agreement with this finding and sees the remit of BoFiNet as to specifically address the high pricing / low transparency within the wholesale sector in Botswana
Para 3.1.2.2	BoFiNet agrees with the pricing trends for international bandwidth projected. However the costs for cross-border bandwidth to reach cable landing stations is still prohibitively high resulting in higher total cost to provide service.
Para 3.1.2.2 .3	On the issue of BTC and the ISP both being required to provide services to enable an internet connection, and the end user paying two bills, BoFiNet would urge BOCRA to instigate an approach to local loop unbundling or a managed wholesale service (Wholesale Line Rental) from BTC for local copper access on a cost plus model.
Recommendation 2	BoFiNet is in agreement with the report that the e-government content initiatives will be an important element of the drive for broadband take-up, and will at the same time increase accessability to key Government services for citizens and reduce time to serve / cost to serve in some instances.
Recommendation 3	BoFiNet is in agreement with the aim to communicate a plan around e-Gov initiatives. A clear prioritisation should be developed to ensure early availability of services which will have 'mass' appeal.
Recommendation 4	BoFiNet is in agreement with the aim of providing a structured mass digital literacy programme as this will stimulate the use of ICT and internet
Recommendation 5	BoFiNet is in agreement with the proposed roll-out of public broadband facilities, but also sees the use of ICT (and Broadband) in schools as a key area to develop. Partnerships with PC vendors to provide large numbers of subsidised PC's to schools is an easy way to address a key demographic who will in-turn become the broadband consumers of tomorrow. A partnership model adopted by the Kenyan government can be used as a benchmark
Recommendation 6	BoFiNet is in agreement with this recommendation
Recommendation 7	BoFiNet is in agreement with the need to ensure that there is an accompanying legal framework which enables business through electronic means.
Recommendation 8	BoFiNet is in agreement with this recommendation
Recommendation 9	In addition to the cyber-crime approach, Government should prioritise having a robust approach to internet child safety, especially giving thought at the outset on how to restrict access to inappropriate / damaging content (especially pornography). Although mentioned briefly, this should be a key consideration which is 'designed-in' to the programme from the outset.
Recommendation 10	BoFiNet is in broad agreement with the supply side policies suggested.
Paragraph 5.2.2	BoFiNet in agreement with the approach especially on the transit costs in Namibia and South Africa and recommend bilateral intervention or a subsidy of these costs by government to wholesale service / infrastructure providers in the short to medium term to stimulate growth
Recommendation 11	BoFiNet is in agreement with the recommendation although notes that operators already do attempt to procure terrestrial backhaul /

	transit services as economically as possible and are constantly trying to balance the equation of length of term of contract to ensure services are procured optimally. Swaps, IRU's and tenders are all commonplace in this environment.
Recommendation 12	BoFiNet is in agreement with this recommendation.
Recommendation 13	Given that the EASSy and WACS assets will shortly be ceded to BoFiNet, and that the new transmission technologies (DWDM domestic capability) will shortly be operational, this recommendation is considered not to be necessary going forward.
Recommendation 14	BoFiNet is in agreement with this recommendation and suggests that a WLR approach (see Para 3.1.2.2 .3 comment above) is most workable and easiest to achieve.
Recommendation 15	Given that BoFiNet will be providing fibre backhaul, if a regulated WLR approach is taken for the copper access element (in a FTTC scenario), BTC should provide open-access and cost orientated WLR type products to all other operators / SP's.
Recommendation 16	BoFiNet is in agreement with this recommendation.
Recommendation 17	BoFiNet would like to further understand the position on the approach to duct sharing and whether this is implicit in the description of passive infrastructure.
Recommendation 18	BoFiNet is in agreement with this recommendation, and would like to reiterate the need to expedite the digital TV migration since further delays will have a ripple effect on the NBS roll-out. Alternative strategy to be considered to start with areas outside the border zone (while delaying broadband roll-out in the regions where neighbouring countries are still behind in the migration programme)
Recommendation 19	Noted
Recommendation 20	BoFiNet noted and agrees with the division of Botswana into three sections for broadband enablement. BoFiNet would be pleased to discuss further BOCRA's view of the role of BoFiNet in supporting the three delivery regions / partners. It will also be worth considering to mandate the winners in these areas to provide wholesale products to other players who are interested in service provisioning in such areas. This will encourage competitiveness and service quality leading to service cost reduction for the end user.
Recommendation 21	BoFiNet notes the aspiration of the recommendation but urges caution as a disproportionate amount of time and resources may need to be applied to achieve the goal of enabling farms. The broadband enablement of hard to reach 'outliers' has proved extremely costly in other countries' approach to Broadband enablement (e.g. UK)
Recommendation 22	The focus on SDSL may be unwarranted – the vast majority of usage remains predominantly asymmetrical and the energies and resources of BTC would probably be better focussed on improving the current ADSL portfolio to support high download speeds at lower contentions which is of concern at this stage.
Paragraph 5.5	A key area of BoFiNet's evolving strategy will be to enable a FTTC approach, allowing service providers to connect from the cabinet to the home or business using own provided copper / fibre, or a BTC provided WLR product.

Recommendation 23	BoFiNet is in agreement with recommendation 23 and sees that business / civic / residential areas should all be 'in-scope' for FTTx coverage, although careful prioritisation will be necessary, and the ROI for such development be carefully modelled. BoFiNet sees the use of a Fibre to The Cabinet approach as most likely to be appropriate to the Botswana model. In this scenario, BoFiNet could provide the fibre from the exchange to the cabinet, and could supply the MSAN in the cabinet, which in turn would link to the existing BTC copper infrastructure for the last mile to the customer premises. This model would be dependent on BTC creating a suitable wholesale line rental product from the cabinet to the end premises (sub loop unbundling), which would allow any Service Provider to have access connectivity to the customer's premises using BTC's last mile copper infrastructure.
Recommendation 24	Noted
Recommendation 25	Noted
Recommendation 26	BoFiNet is in agreement with the recommendation to provide distance independent pricing for LIAP's. However BoFiNet submits that in the short to medium term subsidies to be considered for LIAP sites to achieve this, till adequate penetration and usage increases are witnessed in the market.
Recommendation 27	BoFiNet is not in agreement with this recommendation. The fibre capability of BPC is a significant national asset. BoFiNet contends that the aims of the Nation would best be served by ceding the right of use / asset of the power fibre to BoFiNet, in order that the National fibre infrastructure could be managed within a holistic strategy and that the costs of creating an operational telco division of BPC could be avoided. Extreme caution will need to be exercised in the pricing of dark fibre if offered to commercial organisations directly by BPC (as per the recommendation), as such activity could undermine the ability of BoFiNet to compete and provide a sustainable long term fibre network with the necessary levels of re-investment to protect the future of Botswana's high capacity network. BoFiNet submits that considering the high excess capacity built, there is a need to not have additional licences in this space to ensure the investments in the national assets are well protected.
Recommendation 28	Noted
Recommendation 29	BoFiNet has noted and agrees the division of Botswana into three sections for broadband enablement. BoFiNet would be pleased to discuss further BOCRA's view of the role of BoFiNet in supporting the three delivery regions / partners
Recommendation 30	Given the fast pace of change, BoFiNet would suggest that the NBS be formally reviewed more frequently than the 5 years suggested (say 2 or 3 year intervals especially during the embryonic years)
Recommendation 31	Noted and agreed
Recommendation 32	BoFiNet is in agreement with the recommendations on funding and would urge BOCRA to develop financial KPI's for NBS monitoring, to ensure that ROI is measured in terms of economic output.

2. Conclusion

1. BoFiNet thanks the Authority for its efforts to ensure that a proper Broadband Strategy should be developed and implemented. To ensure that this happens with the intended outcomes being realised, BoFiNet suggests that the main issues raised in the consultation process be considered for further inclusion in the process ahead.

2. BoFiNet remains at the Authority's disposal to clarify anything in this submission, to participate in any hearings and to assist in the finalization of the National Broadband Strategy.