

## **LACK OF FINANCE CRIPPLES AFRICA ICT INFRASTRUCTURE DEVELOPMENT**

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African countries still pay \$400 million annually to European carriers to communicate with each other. African tele-density and internet connectivity remain significantly lower than the rest of the world. To alleviate these problems, several regional fiber optic cable networks have been proposed but several of them have not been able to get off the ground because of lack of funding. There are several reasons for lack of funding, including:

1. Resistance by policy makers in some countries to contribute towards the funding of these networks. One argument commonly used in Africa is “we already have satellite, why do we have to invest in fiber cable”?
2. Resistance by foreign investors to fund these networks claiming low purchasing power parity (PPP) and the prospect of poor short term return on investments.
3. Other excuses by foreign finance houses such as requirement on telecommunications deregulation. Although most African countries have deregulated their telecommunications over the past several years – this has not translated into the required funding.

In this presentation the basics of fiber optic technology will be reviewed and a compelling argument on why Africans should embrace this technology especially in global/submarine long haul and terrestrial long haul networks will be presented. Some of the proposed projects will be reviewed and how their successful implementation is a pre-requisite to building wealth and improving African PPP will be demonstrated.