



**CONTRIBUTION FROM CÔTE D'IVOIRE  
TO THE 2008 GSR CONSULTATION**

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## **Consultation on innovative sharing strategies to promote affordable access for all**

### **INTRODUCTION**

In Côte d'Ivoire, the reforms undertaken with Law 95-526 of 7 July 1995, establishing a Telecommunications Code, and its implementing directives, are intended to bring about an open and competitive market, an essential requirement for meeting the public interest objectives of universal access/service. The strategy put in place by the government of the country is to place responsibility on the operators, in particular the incumbent operator; create a fund; and use technology-neutral regulation to facilitate development and hence universal access.

#### **1. Incumbent's contribution**

The state took steps to achieve universal service/access through a concession agreement with the incumbent operator. This decision, taken against the background of the previous situation, in which the incumbent had a monopoly on fixed services and telex, was based on a number of considerations:

- access universality
- rural area service
- emergency calls
- directory
- telex and telephone directory inquiries.

#### **2. National telecommunications fund**

**2.1 Creation of FNT:** The government has created a fund, called the *Fonds National des Télécommunications* (FNT) or "National telecommunications fund". The FNT is composed of a management board assisted by a technical board. All authorized operators contribute to its funding, with a connectivity fee assessed at two per cent of gross revenue.

**2.2 FNT Mission:** The FNT has the mission of financing work to improve connectivity by overcoming isolation in rural areas, concerning telecommunication and programmes and projects in the public sector relating to information and communication technologies.

**2.3 Innovative FNT strategy:** In its funding campaigns, the FNT is guided by two principles:

- investments to set up shared infrastructure
- subsidization for the operation of existing networks in rural areas.

With a shared infrastructure in place, the following results are expected:

- a common infrastructure shared by fixed and mobile operators, thereby contributing to the protection of the environment (in the absence of such an infrastructure, the other operators would be obliged to set up a separate, parallel infrastructure to provide service to the same rural areas);
- incentives for service providers to offer their services in rural areas, thanks to judicious dimensioning of transport network routes;
- installation of broadband access networks throughout the country;

- ultimately, the provision of a variety of services, in particular high traffic-density services, via those broadband networks, fuelling growth of operator revenues and thereby broadening the charging base for the FNT contribution.

With regard to the subsidization of the operation of existing networks, it is intended that, once the shared infrastructure has been set up in a rural area, FNT will designate an operator responsible for implementing the local loop for connecting villagers and other subscribers in that area.

The fund will be used to cover the operating deficit that the designated operator incurs in providing service to a rural area. The operating deficit will be taken as the difference between the cost of operating the access network and the income from providing services in a rural area. After FNT has approved the size of the deficit, operators may receive the funds in either of two ways: either by direct payment, or in the form of a credit against the fee due for the following year.

### **3. Other regulatory principles**

#### **3.1 Free-trade zone for biotechnology and information and communication technologies:**

Law 2004-429 of 30 August 2004, creating a free-trade zone for biotechnology and information and communication technologies, put in place a strategy and an environment conducive to the development of information and communication technologies. Those companies that choose to base themselves in this zone will benefit from tax and customs incentives. The free-trade zone will help boost synergy between industry and skilled labour, contributing to improved access to electronic communication services for a large part of the population.

**3.2 Policy harmonization at the sub-region level:** In the framework of the important project for integrating policies and markets within the Economic Community of West African States (CEDEAO), of which Côte d'Ivoire is a member, additional acts supplementing the CEDEAO Treaty have been adopted for the harmonization of policy and regulatory frameworks in the telecommunication and ICT domain in this west African sub-region.

The additional act, relating to universal access/universal service, defines the minimum content of universal service for the countries of the west African sub-region: an affordable telecommunication service of good quality, accessible public telephone booths, free handling of emergency calls, a directory enquiries service, a subscriber directory in print or electronic form, and special measures for certain groups in society. Furthermore, the act specifies that the member countries must also put in place an operator action policy with a view to making telecommunication services available in rural areas. This provision is currently being implemented at the national level.

**3.3 Revision of the current telecommunications law:** Currently, the government of Côte d'Ivoire is examining the regulatory framework so as to adapt it to the information society environment, taking into account network convergence and technology neutrality.

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