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Closing the final link in the Eastern Africa Submarine Cable System

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The Eastern Africa Submarine Cable System (EASSy) is a fiber-optic cable project to connect 21 African countries to each other and the rest of the world with internet. The EASSy cable system will improve access for over 250 million Africans. EASSy will bring about substantial bandwidth cost reductions.

The EASSy cable will run 10,500 kilometers from the southern tip to the African horn, connecting South Africa, Mozambique, Madagascar, Comoros, Mayotte, Tanzania, Kenya, Somalia, Djibouti, and Sudan. The EASSy cable will be extended to the Comoros Archipelago at Grand Comoro and Mayotte. A further 13 adjoining, land locked countries will be linked to the system as terrestrial backbone networks are completed in Botswana, Burundi, the Central African Republic, the Democratic Republic of Congo, Chad, Ethiopia, Lesotho, Malawi, Rwanda, Swaziland, Uganda, Zambia and Zimbabwe.

On 14 Mar 2008 EASSy project achieved financial close to prepare for the construction of the cable system.

The financial closure ensures that the full project funds of USD248 Million are in place and fully committed. This enabled EASSy to release its required down payment to the system contractor, Alcatel – Lucent, for the construction of the cable system. Cable construction started on 20 Mar 2008.

The commencement of EASSy's submarine cable construction heralds a momentous, much awaited, milestone to creating a state of art, high speed, and wideband ICT infrastructure. EASSy will provide cost effective, competitive, affordable access continentally from the eastern half of northern Africa right down to all of southern Africa. EASSy will enable access provisioning to the hinterlands and land locked countries of our continent, and indeed provide access beyond the rest of the African continent and to the world. EASSy achieves this global access/connectivity by interconnecting and integrating in to a larger global network of existing and planned cable systems submarine cables systems.

The ownership structure of EASSy is a "hybrid consortium" of which one member is the West Indian Ocean Cable Company Limited, a specially created investment company owned by Djibouti Telecom (Djibouti), Dalkom (Somalia), Telkom Kenya (Kenya), Uganda Telecom (Uganda), Zanzibar Telecom (Tanzania), ONATEL (Burundi), UCOM (Burundi), Gilat (Nigeria), Botswana Telecom (Botswana), Telecomunicacões de Mocambique - TDM (Mozambique) And Lesotho

Telecommunications Authority (Lesotho).

West Indian Ocean Cable Company equity contributions was USD20 Million, plus they secured a syndicated loan of USD70.7 Million from international developmental financial institutions comprising the African Development Bank, the development bank of France, the European Investment Bank, Germany's development bank and International Finance Corporation.

The balance of EASSy's USD248 Million project cost not covered by WIOCC's funding, is provided from direct capital investments from all its other parties.

The other EASSy parties comprise of Mauritius Telecom, Comoros Telecom, Sudan Telecom (Sudatel), Botswana Telecommunications Corporation, MTN Group, Neotel – South Africa, Tanzania Telecommunications Company (TTCL), Telecom Malagasy, Telkom South Africa/Vodacom Group and Zambia Telecommunications Company.

We promised EASSy to the eastern and southern African Governments, communities and other stakeholders. EASSy will be ready for commercial service in the first half of 2010.

Press release from EASSy Project Secretariat

IFC and Kenya internet access

East Africa Submarine Cable System

Consumers along the east coast of Africa typically pay between USD200 and USD300 a month for internet access. These prices are some of the world's highest. Estimates suggest that reducing the price of international communications by 10% will benefit consumers in the region by over USD2.5 billion.

To help improve connectivity and reduce costs, IFC's Board in August 2007 approved an investment of up to USD32.7 million in the Eastern African Submarine Cable System.

The cable will improve access for 250 million Africans and substantially reduces costs for consumers and businesses.

IFC expects prices for international connectivity to drop by two-thirds at the outset of the project, and the number of internet subscribers to triple. Because the project gives open access to service providers, prices will fall as volume and competition increase.

To expand the cable's benefits and stimulate traffic, the World Bank is financing a complementary system of terrestrial backhaul and backbone networks through the Regional Communications Infrastructure Program. www.worldbank.org/rcip.

Press release from International Finance Corporation (IFC)