

Research ICT Africa!
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Leased lines

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Introduction

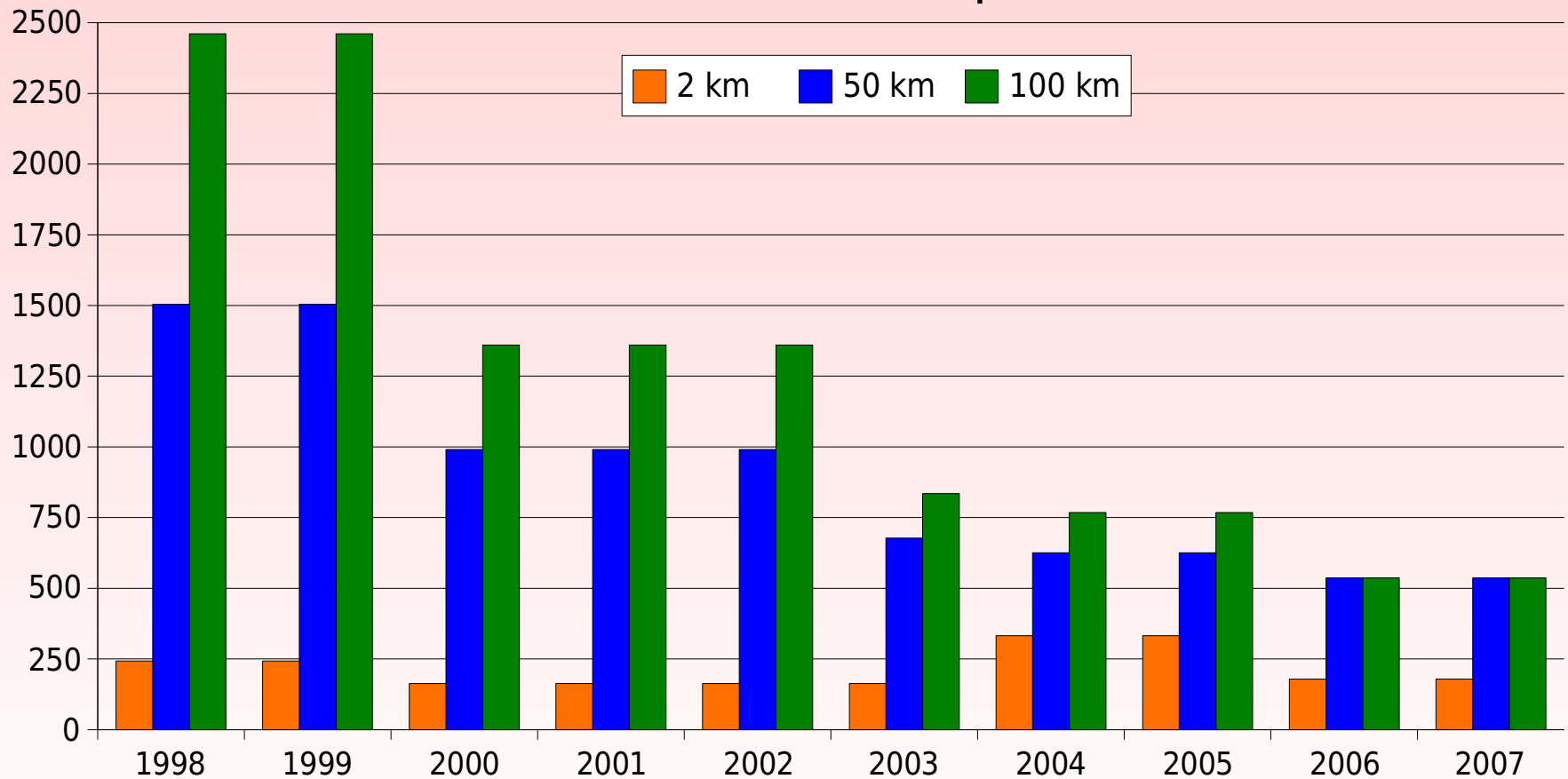
- Importance
- A very old issue:
 - long record of regulatory practice
 - years of statistics
- OECD leased line basket is the standard measure
- Conclusion

Importance

- Input to downstream competitive markets:
 - corporate networks & network service providers
 - call centres and BPO
 - Internet Service Providers
 - alternative fixed voice operators
 - mobile network operators
- Only the incumbent can reach most places
- In Africa, the alternative is satellite

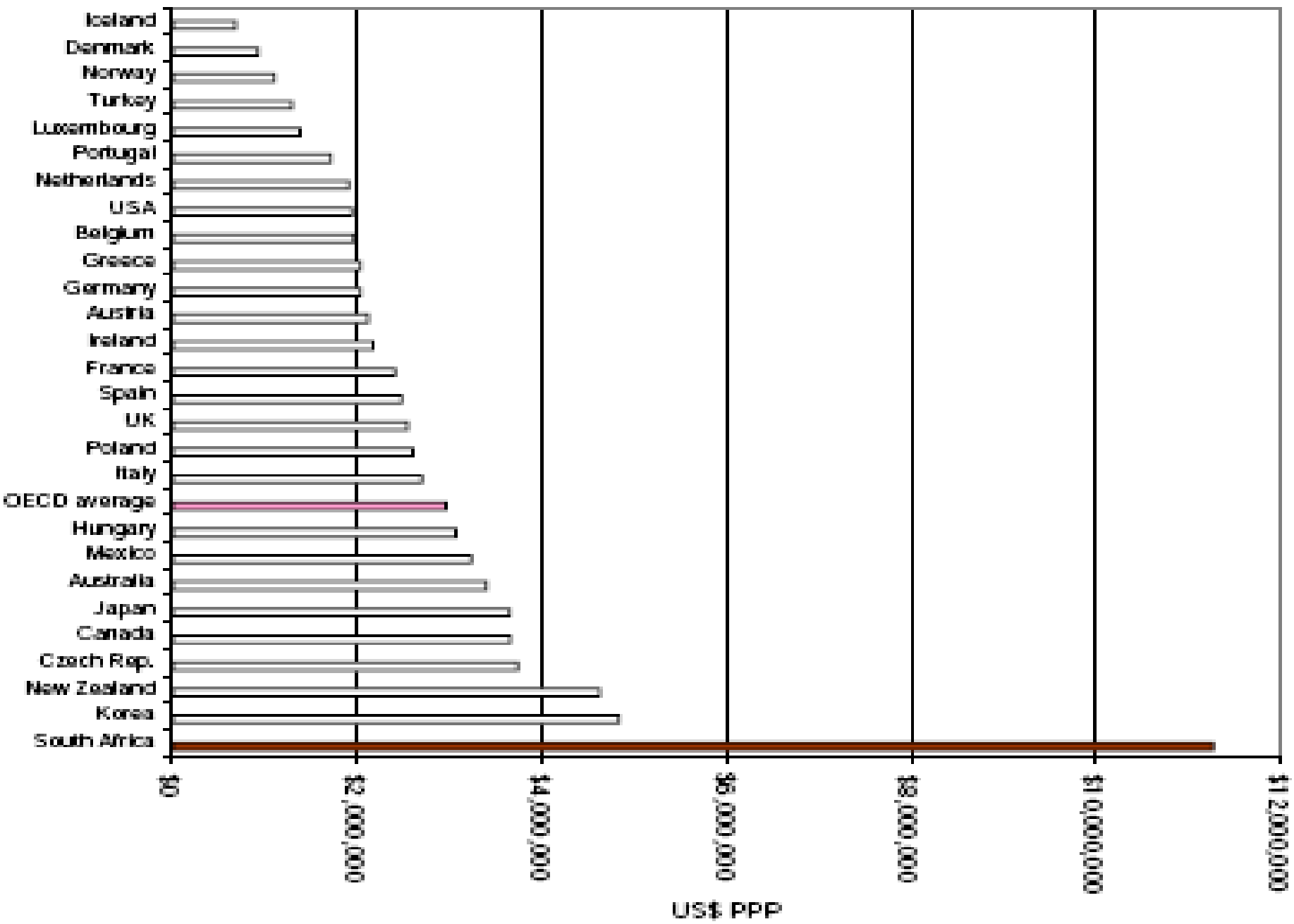
EC – Teligen study

Denmark 2 Mbps



OECD Basket Methodology

- Revised in DSTI/ICCP/CISP(2006)1
- Prices from the incumbent operator
- Annual charges only (excluding VAT)
- 3 speeds: 64 kbps, 2 Mbps and 34 Mbps
- Each line has a 2 km tail at each end (except 2 km circuit)
- Weighted average of different lengths:
2 km (35%), 20 km (20%), 50 km (15%),
100 km (20%), 200 km (5%), 500 km (5%)



Conclusions

- OECD methodology is well established
 - used for the thirty member states
- Sold commercially by Teligen for more than just OECD countries
- Adopted by others for comparisons
- It is also necessary to consider:
 - discounting practices
 - discriminatory practices:
 - pricing
 - non-pricing

Thank you

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