

Address

BY

MR. C. M. LEKAUKAU

Executive Chairman – Botswana Telecommunications Authority

On the occasion of the official opening of the

Botswana Telecommunications Authority offices and

FIFTH ANNIVERSARY CELEBRATIONS

29 August 2002, Gaborone, Botswana

Director of Ceremonies

Your Excellency the President Mr. F. G. Mogae & Mrs.

Mogae

Honourable Minister of Works, Transport and
Communications

Mrs. T. Seretse, M.P.

Honourable Speaker of the National Assembly

Honourable Cabinet Ministers

Your Excellencies Members of the Diplomatic Corps

Secretary General of the International Telecommunication

Union (ITU) Mr. Yoshio Utsumi

BTA Board of Directors

Distinguished Guests

Ladies & Gentlemen

INTRODUCTION

I am grateful for the opportunity, on behalf of my Board, to give a vote of thanks on this wonderful day marking the official opening of the Botswana Telecommunications Authority (BTA) offices as well as celebrating the fifth anniversary of BTA's existence. I nevertheless will have to take a few moments of your precious time to reflect on some aspects of the sector reform process.

The process for the orderly restructuring of the telecommunications was crafted in 1995/96 with the promulgation of the telecommunications policy and the telecommunications Act. The spirit and letter of these instruments is to create BTA as an independent regulatory

agency. The government has underwritten these independence through this instruments and by action and if I may quote the then Hon. Minister of Works, Transport and Communications, Mr. D. N. Magang when opening the ITU Forum on Telecommunication Regulation in Africa here in October 2000 “BTA is independent from the Government and indeed from the telecommunications operators..... As I have said in the past and at different fora, I always want the potential investors to know that BTA is politically and financially independent and that its decisions are challengeable only in our High Court.” This is the language that potential investors would like to hear, as large investments are the order of the day in the telecommunications sector. Fortunately, our country has always cultivated a conducive environment for attracting investment in any sector of the economy because of its political stability and sound economic policies.

BTA satisfies the criteria which have been prescribed by the ITU as an acid test for the independence of a regulator as reflected in this year's ITU annual publication called "Trends in Telecommunications Reform-2002", which says that "ITU identifies a "Separate regulator" as being "independent" – in terms of finance, structure and decision making – **from the operator and the relevant government ministry**" (my emphasis). An effective regulator should therefore be independent from those it regulates, protected from political pressure and given the full ability to regulate the market by making policy and enforcement decisions.

However, there are some checks and balances so as not to abuse this independence. The Regulator should only act in accordance with a written policy and legislation and still be accountable to the government for producing compliance reports annually. The regulator should be transparent and fair in order to regulate in the public interest.

A regulator must avoid regulatory capture at all cost. Regulatory capture occurs when a regulator is influenced by the commercial interests of the parties it regulates rather than public interests. If this occurs the independence of the regulator is brought into question and it is not easily regained.

STAFFING & TRAINING

None of the regulatory functions and practices necessary to establish and maintain an effective regulatory authority can be performed or put into place without sufficient human resources. Therefore utilization of qualified staff is quite a critical part of the process of setting up an effective regulatory authority.

From the onset BTA committed itself to extensive training of staff to ensure that staff acquired the requisite

qualifications to help the organisation to meet the challenges of the complex regulatory environment. Almost all our regulatory staff have undergone training in core regulatory issues as well as attaining higher academic qualifications.

OFFICE ACCOMMODATION

After engaging staff, you now need to house them in reasonable accommodation so that their effectiveness is enhanced and it was found necessary to establish a permanent home as rented office accommodation was hard to come by. We then purchased plot 206 from the Bernard Keaikitse's family and subsequently plot 207 from the National Development Bank. This office building has cost just about P20 million and provides just over 2 500 square metres of office space and 63 basement parking bays. By the way we have also assisted government, as they are tenants in the other wing. We thank Debswana for rescuing

us for sometime and we had an enjoyable sojourn at Debswana House as tenants.

ACHIVEMENTS

Following its birth in 1996, BTA granted Botswana Telecommunications Corporation (BTC) a licence for fixed line voice services in accordance with the provisions of the 1996 Telecommunications Act. In addition, it granted Mascom Wireless (Pty) Ltd a 15-year cellular licence on 17 February 1998 followed by another license to Vista Cellular (Pty) Ltd ten days later on 27 February also for 15 years for mobile operations.

BTA has since licensed 11 Internet Service Providers (ISPs) and six international Data Gateway licensees that use very small aperture terminals (VSAT) for data transmission. This action has had a great effect on the level of Internet

penetration in Botswana. Today we estimate that around 40 000 Batswana have Internet access.

Furthermore, the organisation has licensed two commercial radio stations to date. However, BTA has since handed over its licensing powers with respect to broadcasting matters to the National Broadcasting Board established under the Broadcasting Act of 1998.

As a result of the sector reform programme Botswana telecommunications customer base has taken a quantum leap with the number of fixed lines more than doubling from 59 673 in 1996 to 144 142 at the end of July 2002 resulting in fixed line teledensity of 8.8% or almost 9 lines per 100 people whilst Sub Saharan Africa average is just about 1%. Similarly, the number of mobile subscribers shot from 0 in 1998 to 367 254 at the end of July 2002 reaching 22% of the population. Similarly, turnover in the sector has grown from

about P200 million (US \$33.1m) in 1997 to P800 million (US \$132.6m) as of now.

REGIONAL PERSPECTIVE

BTA has also been proactive in regional integration through the Telecommunications Regulatory Association of Southern Africa (TRASA), which is part of the Southern African Development Community (SADC) system. Botswana is a founder member of TRASA and also hosts its Secretariat. TRASA has matured to the extent that other ITU regions have sought for advice from it on how to organise a regional body. TRASA also owes gratitude to the generous assistance that was extended to it by ITU in a number of respects particularly the funding of the first Programme Manager who spent a year with us here.

CHALLENGES

Although liberalisation of the telecommunication sector and establishment of BTA have brought about positive effects, however, it is not the time to rest on our laurels yet. The future still holds a lot of challenges. We have been engaged in institutional building so far and we now need to move to the guidance of the telecommunications market place. In that respect, we have now started promulgating a number of guidelines which will govern the different areas of the sector and we are also strengthening our consumer monitoring alertness.

We should start acquiring the spectrum monitoring equipment from early next year to enable us to plan and administer the spectrum efficiently so as to mitigate the present interference among the allocated frequencies. Paramount among all challenges is the need to bridge the digital divide and ensure that Information and

Communication Technologies (ICTs) benefit every Motswana wherever he/she is. To this end, BTA is currently developing a Universal Service and Access Strategy aimed at bridging the gap that exist in the provision of information and communication services between cities and rural areas, as well as between the poor and the rich in Botswana.

We are eagerly awaiting the new Ministry of Communications, Science and Technology which is to bring all ICT functions under one roof for better co-ordination of the ICTs.

Your Excellency, let me thank you and Mme Mma-Nametso heartedly for spending this evening with us, particularly during this busy week in which you have had to host both the Secretary General of United Nations and now Mr. Utsumi our guest of honour tonight. We are very

thankful of your support. Re moko o thata fa lo le teng
Batsadi.

It will be remiss of me not to thank our guest of honour Mr Yoshio Utsumi for sharing this day with us and delivering words of wisdom that will be a source of inspiration and encouragement for us Batswana. Mr. Secretary General, may you accept on behalf of ITU our heart felt gratitude for the recognition that you have always bestowed on Botswana by being requested to host a number of ITU activities and to be Chairperson and Vice Chairpersons of various ITU Committees and conferences such as the opportunity to chair the first Global Forum for Regulators that brought together telecommunications and/or broadcasting regulators from the entire globe to Geneva, Switzerland for the first time. We were also honoured to be appointed one of the Vice Chairpersons of the Telecommunications Development Advisory Group (T-DAG) over the last four years to

represent the African continent on regulatory issues, a recognition that we did not expect as an emerging regulatory body.

As a further gesture of recognition, Botswana was afforded the opportunity in October 2000, to host the first Forum on Telecommunications Regulation in Africa which had brought together regulators from the whole of Africa to chart the future for the telecommunications regulation for the entire continent. After the meeting we were elected to chair a task group of member states and our report was accepted last year resulting in the formation of the African Telecommunications Regulators' Network. As recently as July of this year, Botswana was yet accorded an opportunity to host a historic ITU seminar (from Mr. Zhao's closing remarks); on Standardization for Sub-Saharan countries where regulators and operators exchanged views and shared ideas on vexing issues of coming up with appropriate

telecommunications standards for our region including type approval and equipment certification in order to improve quality of service.

Last year ITU financed and conducted a case study on BTA with respect to “Effective Regulation” where Botswana was identified as a model for best practice on regulatory independence and effectiveness.

I would like to thank our various consultants and the contractor who were involved in the construction of this office building led by Paledi Morrison Partnership. Our gratitude also goes to the friendly countries that assisted the BTA at formation and also continue to do so namely Sweden, United States and United Kingdom.

Last but certainly not the least, I would like to thank all distinguished guests in your respective capacities for honouring our invitation.

Finally I would like to thank the Staff of BTA and the organising consultants, Horizon Ogilvy Mather for an outstanding work done to make this occasion a success.

Le kamoso Bagaetsho!

PULA!!!

PULA!!!

PULA!!!