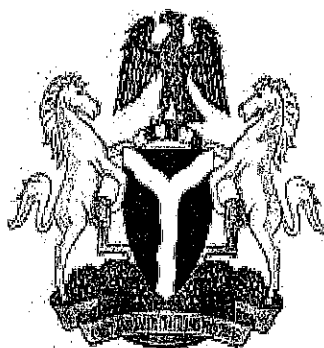




# **THE SENATE**

**FEDERAL REPUBLIC OF NIGERIA**

**REPORT OF THE COMMITTEE ON  
COMMUNICATIONS ON THE NIGERIAN  
COMMUNICATIONS COMMISSION (NCC)  
BUDGET PROPOSAL FOR THE YEAR ENDING  
31ST DECEMBER 2018**

**2019**



**THE SENATE**  
**FEDERAL REPUBLIC OF NIGERIA**  
**Committee on Communications**

*National Assembly Complex*

*Three Arms Zone,*

*P.M.B. 141. Garki Abuja.*

**1. INTRODUCTION**

Mr. President, Distinguished Senators,

The Nigerian Communications Commission is the independent National Regulatory Authority for the telecommunications industry in Nigeria. It is statutorily charged with the regulatory and oversight responsibilities of the industry. The Commission operating like a quasi-judicial and legislative body uses its powers to modulate price caps and terms of service, or otherwise resolves issues relating to an individual operator or certain group of operators. The Commission issues licenses to providers of telecommunications products and services and ensures that these products and services are provided to consumers at reasonable and affordable rates.

**2. SUMMARY OF THE NIGERIAN COMMUNICATIONS COMMISSION BUDGET 2018**

In accordance with Section 19(1) of the Nigerian Communications Act (2003), and Section 21 (Schedule) of the Fiscal Responsibility Act (2007), the Nigerian Communications Commission (NCC) projects an income of N161.7 billion out of which Recurrent Expenditure is N36 billion and Capital Expenditure is N30 billion. The sum of N15.2 billion is for Special Projects while the sum of N9 billion and N56.8 billion will be transferred to the Universal Service Provision Fund (USPF) and the Federal Government of Nigeria respectively.

## **SUMMARY OF NCC BUDGET 2018**

### **A. REVENUE PROFILE**

|                             | <b>N'000</b>       |
|-----------------------------|--------------------|
| LICENSING FEES .....        | 2,860,085          |
| ANNUAL OPERATING LEVY ..... | 30,100,000         |
| SPECTRUM FEES .....         | 14,987,757         |
| NUMBERING PLAN .....        | 3,300,000          |
| ADMIN CHARGES .....         | 286,008            |
| TYPE APPROVAL FEES .....    |                    |
| 220,000SANCTION FEES .....  | 110,000,000        |
| SUNDRY INCOME .....         | 22,000             |
| <b>TOTAL REVENUE .....</b>  | <b>161,775,850</b> |

### **B. EXPENDITURES**

#### **RECURRENT EXPENDITURE**

|                                    |                   |
|------------------------------------|-------------------|
| ESTABLISHMENT COSTS                | 506,149           |
| STAFF COSTS                        | 17,181,397        |
| TRAVEL COSTS                       | 4,340,754         |
| OPERATIONAL COSTS                  | 11,391,411        |
| ADMINISTRATION COSTS               | 2,636,557         |
| <b>TOTAL RECURRENT EXPENDITURE</b> | <b>36,056,268</b> |

#### **CAPITAL EXPENDITURE**

|                                  |                   |
|----------------------------------|-------------------|
| INTERNAL PROJECTS                | 10,475,012        |
| SCHOOL SUPPORT PROGRAMME         | 17,917,825        |
| CONSULTANCIES                    | 2,031,306         |
| <b>TOTAL CAPITAL EXPENDITURE</b> | <b>30,424,143</b> |

#### **SPECIAL PROJECTS**

|                                        |                   |
|----------------------------------------|-------------------|
| EMERGENCY COMMUNICATIONS CENTRES       | 3,036,228         |
| ICT PARKS                              | 3,229,950         |
| SUBSCRIBERS DATABASE MANAGEMENT        | 1,814,468         |
| STATE ACCELERATED BROADBAND INITIATIVE | 5,610,646         |
| GSM & CDMA NETWORKS QoS DRIVING AND    |                   |
| ONLINE MONITORING                      | 1,543,966         |
| <b>TOTAL SPECIAL PROJECTS</b>          | <b>15,235,258</b> |

#### **TRANSFER TO FEDERAL GOVT.**

**56,832,464**

#### **TRANSFER TO USPF**

**9,030,000**

#### **TOTAL BUDGETED EXPENDITURE**

**147,578,134**

#### **SURPLUS**

**14,197,716**

### 3. FINDINGS:

The Management of the Nigerian Communications Commission led by its Executive Vice Chairman appeared before the Committee to defend the Commission's Y2018 Budget proposal on Thursday, December 13, 2018. After exhaustive deliberations, the Committee observes as follows:

- i. The Commission's Revenue of N161.7 billion consists of Annual Licensing Fees (N2.8billion); Annual Operating Levy (N30.1billion); Spectrum Fees (N14.9billion); Numbering Plan (N3.3billion); Admin. Charges (N286million); Type Approval Fees (N220million); Sanction Fees (N110billion); and Sundry Income (N22million).
- ii. The Commission's Total Expenditure of N147.6 billion consists of Total Recurrent Expenditure (N36.0billion); Total Capital Expenditure (N30billion); and Total Special Projects (N15.2billion). Transfer to the Federal Government stands at N56.8billion while Transfer to the Universal Service Provision Fund is N9.0billion.
- iii. While the Commission's Total Budgeted Revenue is N161.7 billion, its Total Budgeted Expenditure for Y2018 is N147.6 billion with a budget surplus of N14.1 billion.

### 4. RECOMMENDATIONS:

It is hereby recommended that a sum of **N161,775,850,000 (One Hundred and Sixty One Billion, Seven Hundred and Seventy Five Million, Eight Hundred and Fifty Thousand Naira only)** be approved as the Nigerian Communications Commission's Y2018 Budget.

### 5. PRAYER

That the Senate do approve the recommendation of the Committee.



**SENATOR (PRINCE) GILBERT NNAJI**  
**CHAIRMAN**

## 2018 RECURRENT EXPENDITURE

|                                     | BUDGET 2017       | BUDGET 2018       | COMM. RECOMM.     |
|-------------------------------------|-------------------|-------------------|-------------------|
|                                     | N'000             | N'000             | N'000             |
| <b>ESTABLISHMENT COSTS</b>          |                   |                   |                   |
| Rents & Rates                       | 41,000            | 122,000           | 122,000           |
| Insurance                           | 524,223           | 363,624           | 363,624           |
| Recruitment Expenses                | 15,250            | 20,525            | 20,525            |
| <b>TOTAL</b>                        | <b>580,473</b>    | <b>506,149</b>    | <b>506,149</b>    |
| <b>STAFF COSTS</b>                  |                   |                   |                   |
| Salaries & Wages                    | 10,394,664        | 13,368,941        | 13,368,941        |
| Welfare Costs                       | 481,532           | 426,647           | 426,647           |
| Medical Expenses                    | 865,289           | 777,855           | 777,855           |
| Pension & Gratuity                  | 1,012,988         | 1,000,000         | 1,000,000         |
| Training & Developments             | 1,379,124         | 1,607,955         | 1,607,955         |
| <b>TOTAL</b>                        | <b>14,113,597</b> | <b>17,181,397</b> | <b>17,181,397</b> |
| <b>TRAVEL COSTS</b>                 |                   |                   |                   |
| Transport & Travelling- Foreign     | 2,447,510         | 3,100,370         | 3,100,370         |
| Transport & Travelling- Local       | 895,453           | 1,162,687         | 1,162,687         |
| Vehicle Running Expenses            | 55,365            | 63,670            | 63,670            |
| Relocation Allowance                | 12,000            | 14,027            | 14,027            |
| <b>TOTAL</b>                        | <b>3,410,328</b>  | <b>4,340,754</b>  | <b>4,340,754</b>  |
| <b>OPERATIONAL COSTS</b>            |                   |                   |                   |
| Printing & Stationery               | 83,800            | 36,211            | 36,211            |
| Postage & Courier Services          | 37,254            | 40,182            | 40,182            |
| Advertisements                      | 1,239,247         | 1,500,000         | 1,500,000         |
| Forum, Conf & Seminars              | 3,025,635         | 4,318,148         | 4,318,148         |
| Protocol & Public Relation Expenses | 68,591            | 75,100            | 75,100            |
| Subscription and Donations          | -                 | 15,000            | 15,000            |
| Miscellaneous Expenses              | 13,719            | -                 | -                 |
| Dues to Int. Organisations          | 284,160           | 357,000           | 357,000           |
| IT Expenses                         | 826,399           | 1,206,525         | 1,206,525         |
| Studies/Research                    | 904,933           | 1,248,447         | 1,248,447         |
| Regulatory/Enforcement Expenses     | 826,562           | 2,594,798         | 2,594,798         |
| <b>TOTAL</b>                        | <b>7,310,300</b>  | <b>11,391,411</b> | <b>11,391,411</b> |
| <b>ADMINISTRATION COSTS</b>         |                   |                   |                   |
| Maintenance of Building & Equipment | 172,027           | 515,275           | 515,275           |
| Fuel & Diesel Expenses              | 91,000            | 75,586            | 75,586            |
| Utilities                           | 80,280            | 263,078           | 263,078           |
| Entertainment                       | 15,844            | 18,211            | 18,211            |
| Legal & Professional Fees           | 488,448           | 578,408           | 578,408           |
| General Office Expenses             | 152,440           | 204,500           | 204,500           |
| Security Expenses                   | 104,448           | 199,410           | 199,410           |
| Audit Fees & Accountancy Fees       | 25,000            | 50,000            | 50,000            |
| Management Expenses                 | 498,077           | 627,319           | 627,319           |
| Museum Expenses                     | 20,781            | 104,760           | 104,760           |
| <b>TOTAL</b>                        | <b>1,648,345</b>  | <b>2,636,557</b>  | <b>2,636,557</b>  |
| Bank Charges                        | -                 | -                 | -                 |
| <b>TOTAL RECURRENT</b>              | <b>27,063,043</b> | <b>36,056,268</b> | <b>36,056,268</b> |

## 2018 CAPITAL EXPENDITURE INTERNAL PROJECTS

| NO                                                        | DESCRIPTION                                                                                            | BUDGET 2017<br>N     | BUDGET 2018<br>N     | COMM. REC.<br>N      |
|-----------------------------------------------------------|--------------------------------------------------------------------------------------------------------|----------------------|----------------------|----------------------|
| <b>BUILDINGS</b>                                          |                                                                                                        |                      |                      |                      |
| 1                                                         | Supply and installation of Service Lift in the Commission                                              | -                    | 260,000,000          | 260,000,000          |
| Lot                                                       | Facility Management of Digital Bridge Institute Campuses                                               | 300,000,000          | -                    | -                    |
|                                                           | Completion works DBI Mboru                                                                             | -                    | 750,000,000          | 750,000,000          |
|                                                           | Conversion of DBI Hostel Facility to NCC Annex, to solve the office space constraint in the Commission | -                    | 250,000,000          | 250,000,000          |
|                                                           |                                                                                                        | 320,000,000          | 250,000,000          | 250,000,000          |
|                                                           | Provision of Parking Space, Infrastructure/Facility for the Staff                                      | -                    | 500,000,000          | 500,000,000          |
|                                                           | Supply and Installation of Cradle Equipment                                                            | -                    | 20,000,000           | 20,000,000           |
| Lot                                                       | Supply and Install Retrofitted Automatic Fire Sprinkler System in the Head Office Building             | -                    | 60,000,000           | 60,000,000           |
| 1                                                         | Construction of Proposed Yola Zonal Office                                                             | 104,800,000          | 100,000,000          | 100,000,000          |
| 1                                                         | Construction of Lagos Communications House                                                             | 500,693,000          | 1,114,309,520        | 1,114,309,520        |
| <b>UPGRADE AND IMPROVEMENT WORKS ON HO INFRASTRUCTURE</b> |                                                                                                        |                      |                      |                      |
|                                                           | Rehabilitation of the Commission Head Office infrastructure                                            | 20,000,000           | -                    | -                    |
|                                                           | Installation of centralized inverter System                                                            | 30,000,000           | -                    | -                    |
|                                                           | Automated/access controlled aluminium doors in all common areas                                        | 32,000,000           | -                    | -                    |
|                                                           | Overhaul of water treatment system                                                                     | 18,000,000           | -                    | -                    |
|                                                           | Facelift of Commission's reception and entrance foyer                                                  | 25,000,000           | 25,000,000           | 25,000,000           |
|                                                           | Reconstruction of Access Ramp                                                                          | -                    | 5,000,000            | 5,000,000            |
|                                                           | Removal of existing aluminium roof cover and dam proof and reroof with optimum gauge aluminium roof    | -                    | 20,000,000           | 20,000,000           |
|                                                           | Establishment of Admin Call Centre                                                                     | 50,000,000           | -                    | -                    |
|                                                           | Rehabilitation of Facilities at the DBI Kano Campus                                                    | 20,000,000           | -                    | -                    |
|                                                           | <b>TOTAL BUILDINGS</b>                                                                                 | <b>1,420,493,000</b> | <b>3,354,309,520</b> | <b>3,354,309,520</b> |
| <b>PLANT AND MACHINERY</b>                                |                                                                                                        |                      |                      |                      |
|                                                           | Synchronisation of the three (3) Head Office Generator sets                                            | -                    | 65,000,000           | 65,000,000           |
| 22                                                        | Provision of 60KVA Generators for the Zonal Offices and other locations                                | -                    | 150,000,000          | 150,000,000          |
|                                                           | High Altitude Platform Simulation Lab                                                                  | -                    | 60,000,000           | 60,000,000           |
|                                                           | VSAT Location Detection System                                                                         | -                    | 347,918,630          | 347,918,630          |
|                                                           | Supply and Installation of Monitoring Tools and Lab Equipments                                         | -                    | 74,127,310           | 74,127,310           |
|                                                           | Supply and Installation of LS Telecoms Smart Spectrum Management System                                | -                    | 243,000,000          | 243,000,000          |

|     |                                                                                                                     |                    |                    |                    |
|-----|---------------------------------------------------------------------------------------------------------------------|--------------------|--------------------|--------------------|
|     | Purchase of N9910X875DC Charger for Handheld AglientAnalyser                                                        | 1,092,960          | -                  | -                  |
|     | Purchase of N9910X875DC extra battery for Handheld AglientAnalyser                                                  | 818,400            | -                  | -                  |
|     | Spectrum Simulation tools                                                                                           | 40,000,000         | -                  | -                  |
| 1   | Spectrum Management Software for developing Countries (SMS4DC) upgraded version 4.1 including Training (10 Users)   | -                  | 18,886,262         | 18,886,262         |
| Lot | Monitoring Tools and Accessories including RFP-1 preamplifier, with freq. range: 40 GHz to 60GHz Gain: +18 to +23dB | 45,550,000         | -                  | -                  |
| Lot | Annual Maintenance of the Spectrum Monitoring System                                                                | 25,000,000         | -                  | -                  |
|     | <b>TOTAL PLANT &amp;EQUIPMENT</b>                                                                                   | <b>112,461,360</b> | <b>958,932,202</b> | <b>958,932,202</b> |
|     | <b>FURNITURE, FITTINGS AND EQUIPMENT</b>                                                                            |                    |                    |                    |
| Lot | Procurement of Office Furniture for Head Office and Zonal Offices                                                   | 100,000,000        | 135,000,000        | 135,000,000        |
| 15  | Supply and Installation of Photocopy Machines                                                                       | 75,000,000         | 57,750,000         | 57,750,000         |
|     | Supply and Installation of Gym Equipment                                                                            | 20,000,000         | -                  | -                  |
|     | Upgrade of obsolete fire fighting equipment/installations and firedrills                                            | 65,000,000         | -                  | -                  |
|     | Supply and Installation of Secured Key management System                                                            | 35,000,000         | -                  | -                  |
|     | Automated secured Key management system                                                                             | -                  | 35,000,000         | 35,000,000         |
| 5   | CCTV and Security Cameras for Head and Zonal Offices – IP Based                                                     | 29,000,000         | -                  | -                  |
| 1   | Cash Counting machine                                                                                               | 600,000            | -                  | -                  |
|     | Other Office Equipment and sustainable energy systems                                                               | -                  | 130,000,000        | 130,000,000        |
| 3   | Fire Proof safe and Cabinet                                                                                         | 750,000            | -                  | -                  |
| 3   | Large Photocopying Machine                                                                                          | 72,000,000         | -                  | -                  |
|     | A3 Laserjet Printers                                                                                                | 1,400,000          | -                  | -                  |
| Lot | Kitchen Equipment                                                                                                   | 10,000,000         | 20,000,000         | 20,000,000         |
|     | <b>TOTAL INTERNAL FURNITURE AND FITTINGS</b>                                                                        | <b>408,750,000</b> | <b>377,750,000</b> | <b>377,750,000</b> |
|     | <b>MOTOR VEHICLES</b>                                                                                               |                    |                    |                    |
| 25  | Pool Vehicles                                                                                                       | 45,000,000         | 625,000,000        | 625,000,000        |
| 1   | Operational Vehicle                                                                                                 | 9,100,000          | -                  | -                  |
|     | <b>TOTAL MOTOR VEHICLES</b>                                                                                         | <b>54,100,000</b>  | <b>625,000,000</b> | <b>625,000,000</b> |
|     | <b>ICT INFRASTRUCTURE AND SOLUTIONS</b>                                                                             |                    |                    |                    |
| 1   | Upgrade of the Commission's network Perimeter Security – Firewall and Web Shield                                    | 35,000,000         | -                  | -                  |
| Lot | Document Management Solutions                                                                                       | 57,500,000         | -                  | -                  |
|     | Relocation of the Commission's Data centre to the Ground Floor                                                      | 26,000,000         | -                  | -                  |
|     | Upgrade of Software Licenses for Network Operation Center (NOC) Servers                                             | 29,624,064         | -                  | -                  |

|   |                                                                                                                                         |             |               |               |
|---|-----------------------------------------------------------------------------------------------------------------------------------------|-------------|---------------|---------------|
|   | Development of Enterprise Risk Application                                                                                              | 14,646,000  | -             | -             |
| 5 | Additional Disk Enclosures HP SAS Drive Enclosure (with 12X 2TB Hard Drive)                                                             | 36,000,000  | -             | -             |
|   | Upgrade of Zonal Offices Mitel PBX System                                                                                               | 25,000,000  | -             | -             |
|   | Document Digitalization and Archiving System                                                                                            | 2,000,000   | -             | -             |
|   | Renovation of CSIRT building to NCC standard                                                                                            | 250,000,000 | 150,000,000   | 150,000,000   |
|   | Establishment and implementation of the telecommunications sector Computer Security Incident Response Team (CSIRT) co-ordination centre | 473,593,612 | 571,000,000   | 571,000,000   |
|   | Connection of CSIRT data centre to telecommunication exchange points and installation                                                   | 110,000,000 | 110,000,000   | 110,000,000   |
|   | Vendor specific workshop for the Telecommunications Sector Computer Security Incident Response Team (CSIRT) Co-ordination centre        | -           | 99,600,000    | 99,600,000    |
|   | Upgrade and Installation of the Telecommunications Computer Security Incident Response Team (CSIRT)                                     | -           | 271,925,000   | 271,925,000   |
|   | Internet Measurement/Infrastructure Survey and Mapping                                                                                  | -           | 120,000,000   | 120,000,000   |
|   | Integration of Microsoft Great Plains to REMITA                                                                                         | 28,000,000  | 60,000,000    | 60,000,000    |
| 1 | Revenue Assurance/Monitoring Software                                                                                                   | 380,000,000 | 1,425,000,000 | 1,425,000,000 |
| 1 | Budget and Vote Book Management System                                                                                                  | -           | 45,000,000    | 45,000,000    |
| 1 | Finance Process & Operations Review                                                                                                     | 25,000,000  | -             | -             |
|   | Ethical Hacking and Forensic Investigation of the Commission's Security Network                                                         | 30,000,000  | -             | -             |
|   | Electronic Display (LED Screen)                                                                                                         | -           | 20,000,000    | 20,000,000    |
|   | Installation and deployment of Upgradeable Catalyst Switches                                                                            | -           | 88,000,000    | 88,000,000    |
|   | Deployment of Network Access Control Solution (LAN Security)                                                                            | -           | 34,000,000    | 34,000,000    |
|   | Expansion of existing Commission's Server Farm                                                                                          | -           | 66,456,460    | 66,456,460    |
|   | Deployment of Direct Attached Storage system for Zones                                                                                  | -           | 41,500,000    | 41,500,000    |
|   | Deployment of Network Monitoring and Management Tools in the HQ and NCC Zonal Offices                                                   | -           | 41,040,000    | 41,040,000    |
|   | Replacement of Power Backup Systems for SIM Card Registration Data Center                                                               | -           | 41,000,000    | 41,000,000    |
|   | Upgrade of the existing Power backup System for the Commission's ICT Backend Infrastructure                                             | -           | 57,010,000    | 57,010,000    |
|   | Expansion of the Commission's Disaster Recovery Site                                                                                    | -           | 59,824,000    | 59,824,000    |
|   | Deployment of Video Conferencing Solution for EVC's Office in Kano Zonal Office                                                         | -           | 13,000,000    | 13,000,000    |
|   | Upgrade of the Existing Internet Bandwidth for the 5 Zonal Offices                                                                      | -           | 45,000,000    | 45,000,000    |
|   | Deployment of Test Environment for Staging Server Application for SIM Card Registration                                                 | -           | 50,000,000    | 50,000,000    |
|   | Supply and Installation of Solar Panels                                                                                                 | -           | 27,000,000    | 27,000,000    |

|     |                                                                                                                                                                           |                      |                       |                       |
|-----|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|-----------------------|-----------------------|
|     | Server Hardware Consumables (Hard Drives and Memory Modules)                                                                                                              | -                    | 19,040,000            | 19,040,000            |
|     | ICT Support for SIM Registration Backend                                                                                                                                  | -                    | 151,082,177           | 151,082,177           |
|     | Annual Maintenance and servicing of ICT Network Equipment                                                                                                                 | -                    | 56,498,046            | 56,498,046            |
|     | Purchase of ID Card printing Solution and Accessories                                                                                                                     | -                    | 5,813,984             | 5,813,984             |
|     | Annual Oracle License Renewal fee for SIM Registration Project                                                                                                            | -                    | 26,000,000            | 26,000,000            |
|     | Upgrade of Commission's Network – Internal firewall                                                                                                                       | -                    | 26,000,000            | 26,000,000            |
|     | Annual QuickScore Maintenance Fee                                                                                                                                         | -                    | 30,630,350            | 30,630,350            |
|     | Supply and Installation of Crash Bollard at Zonal Offices and NCC Annex, Abuja                                                                                            | 55,038,000           | 230,000,000           | 230,000,000           |
|     | Handheld Bomb Sniffers for the Zonal Offices and NCC annex, Abuja                                                                                                         | 21,500,000           | 120,000,000           | 120,000,000           |
|     | Supply and Installation of Real-time CCTV Camera to link the Zonal Offices                                                                                                | 25,000,000           | 100,000,000           | 100,000,000           |
|     | Deployment of under-Vehicle Inspection System                                                                                                                             | -                    | 47,100,000            | 47,100,000            |
|     | Supply and Installation of Baggage Scanner for the Annex Office                                                                                                           | -                    | 30,000,000            | 30,000,000            |
|     | Walk-through Scanner for the NCC Annex, Abuja                                                                                                                             | -                    | 50,000,000            | 50,000,000            |
|     | Construction of Security Observation Tower and Perimeter Fence Lighting                                                                                                   | -                    | 28,000,000            | 28,000,000            |
|     | Supply and Installation of Electric fencing with Solar Power Solution                                                                                                     | -                    | 14,000,000            | 14,000,000            |
| 100 | Procurement of New ICT Tools and Accessories                                                                                                                              | 89,625,000           | 159,000,000           | 159,000,000           |
| Lot | Incorporation of Biometric System features into the Current Access Control System (60 points) Microsoft GP Solution (Web Based Portal) for Zones including implementation | 6,000,000            | -                     | -                     |
| 2   | Anritsu High Performance Handheld Spectrum Analyser MS2720T with training for ten engineers                                                                               | -                    | 100,000,000           | 100,000,000           |
|     | Procurement of Anritsu MS2760A Ultra Frequency Conference Test Platform and relevant staff training at OEMS site                                                          | -                    | 150,000,000           | 150,000,000           |
|     | Purchase of critically required laboratory equipments for the TSNI laboratory                                                                                             | -                    | 19,500,744            | 19,500,744            |
|     | Digital Archival Information Management (DAIS)                                                                                                                            | -                    | 50,000,000            | 50,000,000            |
|     | <b>TOTAL ICT INFRASTRUCTURE AND SOLUTIONS</b>                                                                                                                             | <b>1,718,526,676</b> | <b>5,159,020,761</b>  | <b>5,159,020,761</b>  |
|     | <b>TOTAL INTERNAL PROJECTS</b>                                                                                                                                            | <b>3,714,331,036</b> | <b>10,475,012,483</b> | <b>10,475,012,483</b> |

**2018 CAPITAL EXPENDITURE  
CONSULTANCY & PROFESSIONAL EXPENSES**

| <b>BREAKDOWN OF CONSULTANCY &amp; PROFESSIONAL EXPENSES</b>                                                                                                         | <b>Amount<br/>N</b> | <b>Amount<br/>N</b> | <b>Amount<br/>N</b> |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|---------------------|---------------------|
| <b>Item</b>                                                                                                                                                         | <b>BUDGET 2017</b>  | <b>BUDGET 2018</b>  | <b>COMM. REC.</b>   |
| Upgrade of e-HR Software                                                                                                                                            | -                   | 84,386,866          | 84,386,866          |
| Consultancy to Review and Design Secretariat Processes and Procedure Guidelines                                                                                     | -                   | 35,000,000          | 35,000,000          |
| NCC Stakeholders Forum                                                                                                                                              | -                   | 30,398,000          | 30,398,000          |
| Development of Portal for monitoring of Commissionwide Calendar                                                                                                     | -                   | 5,000,000           | 5,000,000           |
| Deployment of Software for monitoring EVC's Approvals                                                                                                               | -                   | 5,000,000           | 5,000,000           |
| Consultancy of the procurement of maintenance of TAMSYS against system crash, hacking and to modify TAMSYS based on user experience and new regulatory requirements | -                   | 25,000,000          | 25,000,000          |
| Consultancy to Identify and Incorporate the outcome of WRC-2015 into National Table of Frequency Allocation                                                         | 5,000,000           | -                   | -                   |
| Review of Current Frequency Licenses                                                                                                                                | 15,000,000          | -                   | -                   |
| Development of Communications Infrastructure Risk Management Plan                                                                                                   | 60,000,000          | -                   | -                   |
| Deployment of Enterprise Risk Management Software, including user training                                                                                          | 90,000,000          | -                   | -                   |
| Digitisation of Stakeholder Engagement Interface (Consumers)                                                                                                        | -                   | 50,000,000          | 50,000,000          |
| Digitisation of Stakeholder Engagement Interface (other Stakeholders)                                                                                               | -                   | 50,000,000          | 50,000,000          |
| Compliance review and implementation of the Corporate Governance Code                                                                                               | -                   | 36,000,000          | 36,000,000          |
| Review of Service Providers' Consumer Code of Practice to include Compensation schemes to compensate consumers and thereby discourage future faults                 | -                   | 20,000,000          | 20,000,000          |
| Engage consultant to undertake filing and archiving of avalanche of license documents in the various registries for proper documentation                            | -                   | 35,000,000          | 35,000,000          |
| Development of Tariff Transparency Portal for end users access                                                                                                      | 66,000,000          | -                   | -                   |
| Development of Project Supervisory and Supply Management Portal                                                                                                     | 23,800,000          | -                   | -                   |
| Development of Local Content Policy/Guideline for the Telecom Industry                                                                                              | 20,000,000          | -                   | -                   |
| Impact of OTT services on Quality of Service                                                                                                                        | 12,500,000          | -                   | -                   |
| Consultancy for Unmanned Aerial Vehicles (UAVs) in 2.4 GHz and 5GHz unlicensed band                                                                                 | -                   | 5,000,000           | 5,000,000           |
| Consultancy on Guidelines for the use of 60GHz unlicensed                                                                                                           | -                   | 5,000,000           | 5,000,000           |

|                                                                                                                  |            |             |             |
|------------------------------------------------------------------------------------------------------------------|------------|-------------|-------------|
| Spectrum Band                                                                                                    |            |             |             |
| Review of NCC Procurement Activities from 2015 and 2016                                                          | -          | 48,000,000  | 48,000,000  |
| Document Reduction system (Upgrade)                                                                              | -          | 15,000,000  | 15,000,000  |
| Operational Review of Finance Department process for better efficiency                                           | -          | 80,000,000  | 80,000,000  |
| Engagement of a Credit Control Consultant to produce up-to-date credit control manual for the Commission         | -          | 50,000,000  | 50,000,000  |
| Consultancy for LTE QoS Performance Metric Determination                                                         | 32,214,272 | -           | -           |
| Determination of Regional Baseline Statistics for Data access of mobile subscribers                              | 15,000,000 | -           | -           |
| Consultancy on OTT Services and Framework Development                                                            | 23,750,000 | -           | -           |
| Consultancy to work with TSNi Engineers on ICNIRP benchmarking in 3 regions of Nigeria                           | 20,000,000 | -           | -           |
| Consultancy on Consumer Sensitization on Do-Not-Disturb List                                                     | 5,000,000  | -           | -           |
| Automation of NCC second Level Support (SLS) Ticketing System, Call Center Application and Outbound Dialing      | 34,000,000 | -           | -           |
| Consumer Web Portal Development and Management                                                                   | 7,500,000  | -           | -           |
| Engagement of Consultant for MVNO                                                                                | 18,000,000 | -           | -           |
| Engagement of a proficient and seasoned Tax consultant to handle the tax obligations of the Commission           | -          | 60,000,000  | 60,000,000  |
| Review of the existing Accounting manual to reflect the changes associated with IPSAS adoption                   | -          | 25,000,000  | 25,000,000  |
| Consultancy for External Liaison with Stakeholders                                                               | -          | 100,000,000 | 100,000,000 |
| Development of PCEA Automated Central Database                                                                   | -          | 158,500,000 | 158,500,000 |
| Consultancy study on the Determination of Causes of Non-Performance in various Telecommunications Market segment | -          | 68,810,000  | 68,810,000  |
| Financial performance Analysis of the Nigerian Telecoms Operators for the past 5 years (2012-2016)               | -          | 60,000,000  | 60,000,000  |
| Local Content Policy/Guideline for the Telecom Industry                                                          | 12,000,000 | -           | -           |
| Review of NCC Procurement Activities 2010-2014                                                                   | 20,000,000 | -           | -           |
| Upgrade of Vendor Risk and Document Management System                                                            | 16,000,000 | -           | -           |
| Development of Code of Practice for External Inspectors                                                          | 9,500,000  | -           | -           |
| Development of 2016 Annual Report                                                                                | 10,000,000 | -           | -           |
| Mid-Term Review of the NCC Strategic Management Plan                                                             | 20,880,000 | -           | -           |
| Development and Execution of Change Management Strategy                                                          | 26,185,250 | -           | -           |
| Review of NCC Performance Scorecard                                                                              | 12,889,550 | -           | -           |
| Development of Data Privacy rules for the Telecoms industry                                                      | 10,000,000 | -           | -           |
| Consultancy Study on the Determination of Cost Based Pricing for retail Broadband and Data Services in Nigeria   | -          | 93,200,080  | 93,200,080  |
| Development of an automated Consumer Complaint Management                                                        | -          | 273,750,000 | 273,750,000 |
| Consultancy for Business Process Management knowledge Transfer (Lean Six Sigma)                                  | -          | 51,770,000  | 51,770,000  |
| Development of Board Charter                                                                                     | -          | 10,000,000  | 10,000,000  |

|                                                                    |   |                    |                      |
|--------------------------------------------------------------------|---|--------------------|----------------------|
| Child Online Protection Initiative                                 | - | 153,500,000        | 153,500,000          |
| Nigerian Internet Governance Forum (NIGF)                          | - | 16,300,000         | 16,300,000           |
| Process Mapping and upgrade of standard operating procedures       | - | 50,000,000         | 50,000,000           |
| Review the Strategic Management plan/8-points agenda               | - | 95,334,700         | 95,334,700           |
| Engagement of consultant to review Standard Operating Manual (SOP) | - | 30,000,000         | 30,000,000           |
| Strategic Partnering for Economic Growth                           | - | 63,141,750         | 63,141,750           |
| Communicating and managing transition to current strategy          | - | 14,900,000         | 14,900,000           |
| <b>TOTAL</b>                                                       |   | <b>585,219,072</b> | <b>2,031,306,096</b> |

**SCHOOL SUPPORT PROGRAMME**

| QTY.<br>2017                                                                | DESCRIPTION                                                                                                                                                                 | 2017 BUDGET   | QTY.<br>2018 | 2018 BUDGET   | COMM. REC.    |
|-----------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|--------------|---------------|---------------|
|                                                                             |                                                                                                                                                                             | N             |              | N             | N             |
| 500                                                                         | Computers (Intel Core 2 Duo E8600 2.40GHZ with MS Windows 7) License MS Office Professional                                                                                 | 175,000,000   | 1700         | 595,000,000   | 595,000,000   |
| 25                                                                          | Servers 8100 Intel Core i5-660 Processor (3.30GHZ, 4MB and MS WIN 7) -20 User License                                                                                       | 10,937,500    | 35           | 15,312,500    | 15,312,500    |
| <b>LAN INFRASTRUCTURE:</b>                                                  |                                                                                                                                                                             |               |              |               |               |
| 25                                                                          | Local Area Network (Material + Installation)                                                                                                                                | 93,750,000    | 35           | 131,250,000   | 131,250,000   |
| 25                                                                          | VSAT High Power Broadband with 12 mths Subscription                                                                                                                         | 112,500,000   | 35           | 157,500,000   | 157,500,000   |
| 25                                                                          | HP Scan Jet                                                                                                                                                                 | 3,850,000     | 35           | 5,250,000     | 5,250,000     |
| 500                                                                         | UPS 650VA Pro                                                                                                                                                               | 12,500,000    | 735          | 18,375,000    | 18,375,000    |
| 25                                                                          | UPS 1400 VA Pro                                                                                                                                                             | 1,093,750     | 35           | 1,531,250     | 1,531,250     |
| 60                                                                          | HP Laser Jet 2015 Printers                                                                                                                                                  | 7,500,000     | 100          | 12,500,000    | 12,500,000    |
| 50                                                                          | HP Deskjet 1280 Printers                                                                                                                                                    | 5,312,500     | 70           | 7,437,500     | 7,437,500     |
| 1260                                                                        | Computer Tables and Chairs                                                                                                                                                  | 50,000,000    | 735          | 73,500,000    | 73,500,000    |
| 25                                                                          | Training of DAP Beneficiaries                                                                                                                                               | 2,187,500     | 35           | 3,062,500     | 3,062,500     |
| -                                                                           | Engagement of Consultant for Technical Audit of sites                                                                                                                       | -             | 6            | 150,000,000   | 150,000,000   |
|                                                                             | Bandwidth Renewal/Reactivation of Existing DAP Sites                                                                                                                        | 187,500,000   | -            | -             | -             |
| <b>DIGITAL AWARENESS PROGRAMME CIVIL WORKS:</b>                             |                                                                                                                                                                             |               |              |               |               |
| 30                                                                          | Construction of Computer Laboratory 8mX10m floor space comprising of hall, Manager's Office, Server Room and 2 nos WC                                                       | 262,500,000   | 35           | 306,250,000   | 306,250,000   |
| 120                                                                         | Airconditioners for DAP                                                                                                                                                     | 22,500,000    | 210          | 39,375,000    | 39,375,000    |
| 300                                                                         | Branded Window Blinds @ 10 nos per site                                                                                                                                     | 6,750,000     | 350          | 7,875,000     | 7,875,000     |
| 30                                                                          | Generators 20.5KVA Sound Proof plus installation costs inclusive of construction of concrete base, armoured cable, change over switch, generator house, transportation, etc | 1,125,000     | 35           | 152,324,991   | 152,324,991   |
| 30                                                                          | DAP Location Signage                                                                                                                                                        | 131,250,000   | 35           | 1,312,500     | 1,312,500     |
| 30                                                                          | Monitoring and Commissioning of Civil Works                                                                                                                                 | 112,500,000   | 1            | 30,000,000    | 30,000,000    |
| 30                                                                          | Drawing and Supervision Fees                                                                                                                                                | 106,031,250   | 35           | 113,394,540   | 113,394,540   |
| <b>ADVANCED DIGITAL ACCESS PROGRAMME FOR TERTIARY INSTITUTIONS (ADAPTI)</b> |                                                                                                                                                                             |               |              |               |               |
| 2300                                                                        | 110 nos of Laptop Computer each for Tertiary Institutions in the 6 Geopolitical Zones and Teaching Hospitals in the North and South                                         | 1,144,250,000 | 3300         | 1,625,250,000 | 1,625,250,000 |
| -                                                                           | e-Learning Suite                                                                                                                                                            | -             | 3300         | 33,000,000    | 33,000,000    |
| -                                                                           | Monitoring and Commissioning                                                                                                                                                | -             | 30           | 75,000,000    | 75,000,000    |
| <b>WIRELESS INTERNET CLOUD</b>                                              |                                                                                                                                                                             |               |              |               |               |
| Lot                                                                         | Wireless Internet Cloud for Institutions + 1 year maintenance support in the 6 Geopolitical Zones                                                                           | 937,400,000   | 20           | 1,000,000,000 | 1,000,000,000 |

|      |                                                                                                                                                                                      |                      |        |                       |                       |
|------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|--------|-----------------------|-----------------------|
| 50   | Bandwidth Renewal for Existing Wireless Cloud                                                                                                                                        | 156,250,000          | 20     | 902,500,000           | 902,500,000           |
| 40   | Monitoring and Official Commissioning                                                                                                                                                | 50,000,000           | 20     | 30,000,000            | 30,000,000            |
|      | <b>Data Sharing and e-Learning Platform</b>                                                                                                                                          |                      |        |                       |                       |
| 4    | Data Sharing and e-health platform in six (6) University Teaching Hospitals in the Northern Zone (ASUU INTERVENTION)                                                                 | 583,360,000          | 2      | 291,666,666           | 291,666,666           |
| Lot  | Data Sharing and e-health platform in six (6) University Teaching Hospitals in the Southern Zone(ASUU INTERVENTION)                                                                  | 583,360,000          | 2      | 291,666,666           | 291,666,666           |
| -    | Data Sharing and e-learning platform in six (6) University Teaching Hospitals in the Northern Zone(ASUU INTERVENTION)                                                                | -                    | 2      | 291,666,666           | 291,666,666           |
| -    | Data Sharing and e-learning platform in six (6) University Teaching Hospitals in the Southern Zone(ASUU INTERVENTION)                                                                | -                    | 2      | 291,666,666           | 291,666,666           |
|      | <b>Implementation of Virtual Centers</b>                                                                                                                                             |                      |        |                       |                       |
| Lot  | Implementation of Virtual Aid Examination Centres in selected Schools in the Southern Zone                                                                                           | 200,000,000          | 1      | 270,000,000           | 270,000,000           |
| Lot  | Implementation of Virtual Aid Examination Centres in selected schools in the Northern Zone                                                                                           | 200,000,000          | 1      | 270,000,000           | 270,000,000           |
| -    | Provision of ICT tools and Local Area Network and internet infrastructure for the virtual Aid Exam centers in the Northern Zone                                                      | -                    | 1      | 270,000,000           | 270,000,000           |
| -    | Provision of ICT tools and Local Area Network and internet infrastructure for the virtual Aid Exam centers in the Northern Zone                                                      | -                    | 1      | 270,000,000           | 270,000,000           |
|      | <b>Digital access Empowerment Programme for Undergraduates (DAEP)</b>                                                                                                                |                      |        |                       |                       |
| 7500 | Advanced Digital Appreciation Programme for Tertiary Institutions (ADAPT-I-T)                                                                                                        | 753,225,000          | -      | 1,191,125,000         | 1,191,125,000         |
| Lot  | Supply, configuration and integration of 1000 units e-pad with internet access and other educational contents in Ten (10) selected tertiary institutions in the 6 geopolitical zones | 300,000,00           | 78,178 | 4,299,772,500         | 4,299,772,500         |
| -    | Telecom Book Donation to Tertiary Institutions                                                                                                                                       | -                    | Lot    | 93,765,976            | 93,765,976            |
| -    | Deployment of College cloud e-Platform                                                                                                                                               | -                    | Lot    | 418,000,000           | 418,000,000           |
| -    | Stakeholder meetings for provision of College Cloud E-Learning Platform                                                                                                              | -                    | Lot    | 204,000,000           | 204,000,000           |
| -    | Stakeholders Consultation on ICT Penetration                                                                                                                                         | -                    | Lot    | 241,000,000           | 241,000,000           |
|      | Construction of Mini ICT Squares for R&D in Tertiary Institutions and Installation of Equipment                                                                                      | -                    | -      | 2,163,780,000         | 2,163,780,000         |
|      | Supply and Installation of e-Pads with learning suites to selected Tertiary Institutions nationwide                                                                                  | -                    | -      | 1,572,714,000         | 1,572,714,000         |
|      | <b>TOTAL</b>                                                                                                                                                                         | <b>9,312,633,500</b> |        | <b>17,917,824,921</b> | <b>17,917,824,921</b> |

**2018 CAPITAL EXPENDITURE  
SPECIAL PROJECTS  
EMERGENCY COMMUNICATION CENTRES**

| NO.       | DESCRIPTION                                                                                                                 | 2017<br>BUDGET     | 2018 BUDGET          | COMM.<br>REC.        |
|-----------|-----------------------------------------------------------------------------------------------------------------------------|--------------------|----------------------|----------------------|
|           |                                                                                                                             | N                  | N                    | N                    |
|           | <b>EMERGENCY COMMUNICATION<br/>CENTERS (ECC)</b>                                                                            |                    |                      |                      |
| <b>37</b> | <b>COMMUNICATION INFRASTRUCTURE</b>                                                                                         |                    |                      |                      |
| 6         | Construction and Rehabilitation of all<br>completed ECC sites                                                               | -                  | 210,000,000          | 210,000,000          |
| 32        | Outsourced Security (Unarmed Security)                                                                                      | 100,000,000        | 160,000,000          | 160,000,000          |
| 32        | Security Management (Armed)                                                                                                 | 85,000,000         | 259,800,000          | 259,800,000          |
| 20        | Facility Management Services                                                                                                | -                  | 252,000,000          | 252,000,000          |
| Lot       | Digital Mapping Solution: Mapping<br>Application that display Location<br>Information, transmitted by Network<br>Operators. | -                  | 130,000,000          | 130,000,000          |
| 20        | Deployment/Management of<br>Communications Equipment and<br>Infrastructure to ECC Sites                                     | -                  | 584,000,000          | 584,000,000          |
| 12        | Managed Services/Business Process<br>Operations                                                                             | -                  | 850,227,500          | 850,227,500          |
| 17        | Stipends for ECC Dispatchers                                                                                                | -                  | 106,000,000          | 106,000,000          |
| 20        | Maintenance of Building and Equipment                                                                                       | 18,026,000         | -                    | -                    |
|           | Fuel, Diesel, Utilities and Telephone<br>Expenses.                                                                          | -                  | 252,000,000          | 252,000,000          |
|           | Tenement Rates                                                                                                              | -                  | 50,000,000           | 50,000,000           |
|           | Project Supervision                                                                                                         | -                  | 82,200,000           | 82,200,000           |
|           | Sensitisation Programme and Launch of<br>ECC Services at each Geopolitical Zone                                             | -                  | 100,000,000          | 100,000,000          |
|           | <b>TOTAL</b>                                                                                                                | <b>203,026,000</b> | <b>3,036,227,500</b> | <b>3,036,227,500</b> |

**SPECIAL PROJECTS (CONTD)**  
**QUALITY OF SERVICE**

| DESCRIPTION                                                                                                                      | 2018 BUDGET          | COMM. RECOMM.        |
|----------------------------------------------------------------------------------------------------------------------------------|----------------------|----------------------|
|                                                                                                                                  | N                    | N                    |
| Engagement, assessment and drive initiatives towards continual QoS improvement across the industry                               | 60,558,200           | 60,558,200           |
| Hardware repairs and spares, software patches and updates                                                                        | 50,000,000           | 50,000,000           |
| 1 <sup>st</sup> , 2 <sup>nd</sup> and 3 <sup>rd</sup> level O&M support and capacity building                                    |                      |                      |
| Hardware repairs and spares, software patches and updates                                                                        | 70,000,000           | 70,000,000           |
| 1 <sup>st</sup> , 2 <sup>nd</sup> and 3 <sup>rd</sup> level O&M support and report templates configuration and capacity building |                      |                      |
| Fibre transmission leased capacity                                                                                               |                      |                      |
| Upgrade of hardware and software components to support new functionalities                                                       | 108,000,000          | 108,000,000          |
| Carry out drive test in selected area across the country                                                                         | 200,200,000          | 200,200,000          |
| Industry Working Group Meetings (IWG)                                                                                            | 44,788,000           | 44,788,000           |
| End to end support and maintenance for the NNP software project                                                                  | 51,500,000           | 51,500,000           |
| Determine Tower overload                                                                                                         | 37,800,000           | 37,800,000           |
| Verify Tower torque                                                                                                              | 37,800,000           | 37,800,000           |
| Carry out Tower Modelling                                                                                                        | 37,800,000           | 37,800,000           |
| Determine Tower Structural Integrity                                                                                             | 37,800,000           | 37,800,000           |
| Certification of Tower                                                                                                           | 6,720,000            | 6,720,000            |
| Consultancy service for the Review of the Numbering Regulations 2008 to accommodate the newly developed NNP rules                | 25,000,000           | 25,000,000           |
| Consultancy Service for Fibre Rollout Framework                                                                                  | 36,000,000           | 36,000,000           |
| Updated Type Approval Regulations                                                                                                | 50,000,000           | 50,000,000           |
| Equipment Certification Benchmarking and Factory technical Visit/Audit                                                           | 60,000,000           | 60,000,000           |
| Combat Mobile Crime in Nigeria/Deployment of Device Management Solution                                                          | 150,000,000          | 150,000,000          |
| Decommissioning of abandoned Masts/towers in the country                                                                         | 425,000,000          | 425,000,000          |
| Multiple Taxation & Regulation (MTR) lobby                                                                                       | 55,000,000           | 55,000,000           |
| <b>TOTAL SPECIAL PROJECTS</b>                                                                                                    | <b>1,543,966,200</b> | <b>1,543,966,200</b> |

## SPECIAL PROJECTS (CONTD)

|                                                    | DESCRIPTION                                                                                                             | 2017 BUDGET          | 2018 BUDGET           | COMM. REC.            |
|----------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|----------------------|-----------------------|-----------------------|
|                                                    |                                                                                                                         | N                    | N                     | N                     |
| <b>SUBSCRIBER DATABASE MANAGEMENT</b>              |                                                                                                                         |                      |                       |                       |
|                                                    | Central Data Centre Maintenance and Management: Maintenance & Management of the NSIM Card Registration Central Database | 708,386,600          | 1,814,468,198         | 1,814,468,198         |
|                                                    | AFIS Software License Fees: AFIS and workflow/identity Software License fees for 60M records                            | 780,000,000          | -                     | -                     |
| <b>TOTALSUBSCRIBER DATABASE MANAGEMENT</b>         |                                                                                                                         | <b>1,488,386,600</b> | <b>1,814,468,198</b>  | <b>1,814,468,198</b>  |
| <b>STATE ACCELERATED BROADBAND INITIATIVE</b>      |                                                                                                                         |                      |                       |                       |
|                                                    | Subsidy for Broadband deployment Phase 1&2 (INFRACOS)                                                                   | 2,100,000,000        | 5,279,489,600         | 5,279,489,600         |
|                                                    | Fibre Deployment Study and Framework                                                                                    | 15,000,000           | -                     | -                     |
|                                                    | Consultancy for Broadband Parliament and Monitoring                                                                     | -                    | 331,156,882           | 331,156,882           |
|                                                    | Broadband Stakeholders Engagement Forum                                                                                 | 53,000,000           | -                     | -                     |
|                                                    | Consultancy for Broadband Parliament and Monitoring                                                                     | 49,592,882           | -                     | -                     |
| <b>TOTALSTATE ACCELERATED BROADBAND INITIATIVE</b> |                                                                                                                         | <b>2,217,592,882</b> | <b>5,610,646,482</b>  | <b>5,610,646,482</b>  |
|                                                    | GSM & CDMA Networks QoS Driving and Online Monitoring                                                                   | 862,486,736          | -                     | -                     |
|                                                    | ICT Parks                                                                                                               | -                    | 3,229,950,290         | 3,229,950,290         |
| <b>TOTAL SPECIAL PROJECTS</b>                      |                                                                                                                         | <b>4,451,491,482</b> | <b>13,691,292,470</b> | <b>13,691,292,470</b> |

## SUMMARY OF 2018 CAPITAL EXPENDITURE

| CATEGORIES                                            | 2017 BUDGET           | 2018 BUDGET           | COMM. REC.            |
|-------------------------------------------------------|-----------------------|-----------------------|-----------------------|
|                                                       | N                     | N                     | N                     |
| INTERNAL PROJECTS                                     | 3,714,331,036         | 10,475,012,483        | 10,475,012,483        |
| SCHOOL SUPPORT PROGRAMME                              | 9,312,633,500         | 17,917,824,921        | 17,917,824,921        |
| CONSULTANCIES                                         | 585,219,072           | 2,031,306,096         | 2,031,306,096         |
| <b>TOTAL CAPITAL EXPENDITURE</b>                      | <b>13,612,183,608</b> | <b>30,424,143,500</b> | <b>30,424,143,500</b> |
| <b>SPECIAL PROJECTS</b>                               |                       |                       |                       |
| EMERGENCY COMMUNICATIONS CENTRES (ECC)                | 203,026,000           | 3,036,227,500         | 3,036,227,500         |
| SUBSCRIBERS DATABASE MANAGEMENT                       | 1,488,386,600         | 1,814,468,198         | 1,814,468,198         |
| STATE ACCELERATED BROADBAND INITIATIVE                | 2,217,592,882         | 5,610,646,482         | 5,610,646,482         |
| GSM & CDMA NETWORKS QoS DRIVING AND ONLINE MONITORING | 542,486,000           | 1,543,966,200         | 1,543,966,200         |
| ICT PARKS                                             | -                     | 3,229,950,290         | 3,229,950,290         |
| <b>TOTAL SPECIAL PROJECTS</b>                         | <b>4,451,491,482</b>  | <b>15,235,258,610</b> | <b>15,235,258,670</b> |
| <b>TOTAL CAPITAL &amp; SPECIAL PROJECTS</b>           | <b>18,063,675,090</b> | <b>45,659,402,170</b> | <b>45,659,402,170</b> |

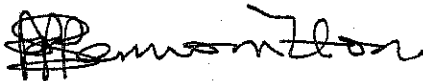
**NIGERIAN COMMUNICATIONS COMMISSION Y2013 BUDGET REPORT**  
**ENDORSEMENT SHEET**



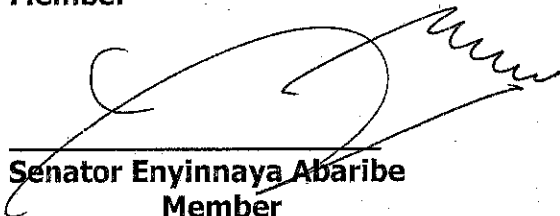
**Senator Gilbert Nhaji**  
**Chairman**



**Senator Ademola N. Adeleke**  
**Vice Chairman**

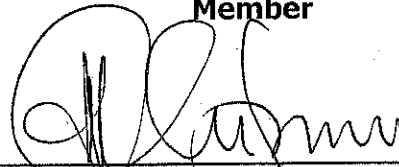


**Senator Phillip Aduda**  
**Member**

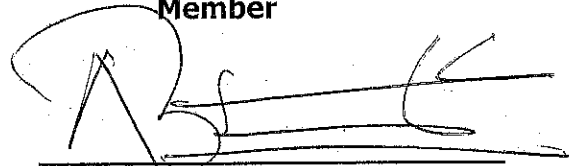


**Senator Enyinnaya Abaribe**  
**Member**

**Senator Abu Ibrahim**  
**Member**



**Senator Biodun Olujimi**  
**Member**

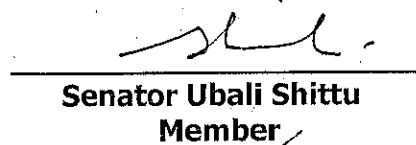


**Solomon A. Olamilekan**  
**Member**

**Senator Joshua Dariye FCA**  
**Member**



**Senator Isa Hama**  
**Member**



**Senator Ubali Shittu**  
**Member**



**Senator Gbolahan Dada**  
**Member**



**Senator Abdul-aziz Nyako**  
**Member**



**Senator Osinakachukwu Ideozu**  
**Member**



**Kolawole E. Kayode**  
**Committee Clerk**



**NIGERIAN COMMUNICATIONS COMMISSION**

# **BUDGET PROPOSALS**

**FOR THE PERIOD ENDING  
DECEMBER 31, 2018**

## INTRODUCTION

The Nigerian Communications Commission (NCC) is the independent national regulatory authority for the telecommunications industry in Nigeria. The Commission is responsible for creating an enabling environment for competition among operators in the industry as well as ensuring the provision of qualitative and efficient telecommunication services throughout the country. The Commission's mandate as detailed in the Nigerian Communications Act 2003 include the following broad policy objectives among others:

- To assure qualitative and reliable ICT services at reasonable rates
- To foster effective competition in Nigeria's telecommunications market
- Ensure effective legal framework for the industry and enhance enforcement activities and consumer protection.

The Commission has over the years stimulated the market for growth through forward looking regulation and full liberalization, such that at the moment we do not only have fibre optics cable running across the country, we actually now have submarine cables by Nigerian companies running into the country from Europe and the Americas, with Nigerian companies now in a position to offer services to quite a number of countries in the continent.

The Nigerian Telecoms industry has continued to record sustained growth trend, further affirming the country as a leading mobile market in Africa and one of the fastest growing in the world. From less than 500,000 active telephone lines, mostly fixed lines as at mid-2001, the total number of connected lines has grown to over 178.6 million with total active lines put at 143.06 million as at June, 2017. The Teledensity has also risen to 102.2%, calculated based on a national population of 140 million, according to 2006 population census figure.

In the course of its regulatory role, the Commission has liberalized the telecoms market by the successful licensing of five Digital Mobile operators, Fixed Wireless operators and the Second National operator and has commenced the process of licensing Infrastructure Companies (INFRACOs) for the deployment of Fibre Transmission Network infrastructure for Broadband services.

To further improve competition in the industry, the Commission introduced the Unified Access Service License for both fixed and mobile operators and the Mobile Number Portability service. The increase in market share of the new entrants in the industry is an indication of the competitive health of the telecoms industry.

It has been widely established that the economic development of a nation can be accelerated by improvements in the country's ICT infrastructure; and no modern economy can exist without integral information and communications technology infrastructure: this is because ICT provides a veritable platform for development across the social, economic and other sectors of an economy if well managed.

The Commission realising the importance of ICT infrastructure to the economy will continue to leverage on the experience and goodwill it has earned over the years to issue policies and guidelines that would enable operators improve on the Quality of telecommunication Services provided to consumers.

Protection and empowerment of consumers is an important aspect of the Commission's responsibilities. As communications networks become more complex and essential to daily lives of an average Nigerian, the Commission must be a vigilant watchdog for the consumer. Thus, the Commission is improving on its enforcement and regulatory activities through among others the provision and strengthening of the customer complaints call centres, the consumer parliament, regulations and standards especially in the area of quality of service and roll-out of investment and competition enhancing policies.

In funding the Universal Access Provision Fund, the Commission will ensure the viability of the Fund to ensure access for consumers in rural and underserved or unserved areas, provision of ICT to schools and rural communities.

The Commission in year 2008 developed a 3 year strategic plan which was to "Ensure Acceptable Quality of Service whilst facilitating access, within a 5km radius, to affordable ICT services for all consumers by 2010".

While remarkable progress was made towards achieving quality of service and access within a 5km radius by 2010, the Commission did not meet all of the goals. The Commission is nonetheless committed to ensuring its new strategic focus for the year 2014-2018 is fully actualized. Fully cognizant of the fact that all MDAs are mandated to ensure that their individual organizational strategic focus ties in with Nigeria's Economic Recovery and Growth Plan (ERGP) and in the medium term, with the Change/Transparent Initiatives of the Federal Government of Nigeria, the Commissions will focus on the following SMP initiatives which are in consonance with the 8-Point agenda of the Executive Management:

1. Consolidation and Integration of Mobile Services
2. Broadband Deployment for national development
3. Enhanced competitive market, enhanced choices for the consumer
4. Vigorous Compliance Monitoring and Enforcement of Regulations and Directions
5. National Connectivity for Accelerated Growth
6. Enhanced International Relations

Enhanced competition in the market is for the best interest of all consumers. The NCC is determined that cost of calls and data continues to drop, and become very affordable. To that end, we may license more operators, and carry out projects and programmes to foster competition. The success of the Mobile Number Portability project which has deepened competition and will ultimately bring down prices.

The Commission as part of its functions ensures enforcement of non-interference rules and guarantees that licensees operate within the conditions of their licenses. Moreover, it has a mandate to promote and ensure the universal availability of basic telephone services as well as protect and inform consumers of their rights.

A key part of regulation is ensuring compliance by Service Providers/Operators to regulations or directions issued by the Commission. We are therefore working vigorously to ensure adequate sanctions are in place to compel adherence, by carrying out reviews to our various regulations and compliance and enforcement activities in order to address the issue of quality of service.

Among the KPIs in the measurement of the attainment of the vision statement of the Commission is the reduction of distance to access to telecommunications services for every Nigerian. The Commission aims to achieve national connectivity by the deployment of fibre rings across the nation. The fibre optic programmes and projects being implemented by the Commission and the Universal Service Provision Fund such as the State Accelerated Broadband Initiative (SABI) and Rural Broadband Initiative (RUBI) will form the bedrock for the broad national objective.

As part of its regulatory objective of bringing telecommunications services to underserved and unserved areas in the villages and local communities, and ensuring they are not isolated or deprived of the benefits of information and communications technology and in accordance with the Nigerian Communications Act 2003, the Universal Service Provision Fund (USPF) was set up to promote the provision of telecommunications services in rural and underserved areas.

The NCC is focused on ensuring the attraction of local and foreign direct investments into the telecommunications sector, as well as developing skills in modern world class technologies. As such, improved strategic partnerships and participation with the international telecommunications decision making bodies and organizations need to be enhanced. We will therefore reconstruct our approach to international telecommunications relations with a view to sharpening our visibility and playing in the main stream of international relations for the benefit of the Commission and the country.

## **Major Initiatives**

The Nigerian Communications Commission (NCC) adopted a number of initiatives in order to carry out its mandates and to address the initial challenges encountered by the industry. Some of these are discussed below;

### **Unified Access Licence**

The NCC took key steps in encouraging network rollout by issuing Unified Licenses. During the initial licensing of telecommunication operators, the NCC emphasized separate license for each telecom service. In doing so, the Commission differentiated between mobile service providers and providers of fixed wire/wireless services. There was also exclusivity period to protect Digital Mobile Service (DMS) operators. However, when it was clear that DMS providers were well established while exclusivity period has expired, the Commission introduced Unified Access License (UAL).

The UAL regime enabled the license holders to provide all services as against discriminatory services which hitherto was applicable to the single service license. This was done to deepen competition in the industry and to take advantage of the convergence in telecom facilities.

### **Interconnection**

One major initiative taken by the Commission is the issuing of interconnectivity exchange licenses to operators. At the initial stage of liberalization of the telecom industry, the Commission observed that the incumbents were unwilling to interconnect with the incoming operators in order to prevent expected competition. The practice led to development of lopsided interconnectivity agreements by the incumbents to frustrate new telecom service providers. Where the interconnectivity agreement was eventually signed among operators, there were cases of arbitrary disconnection. The industry also witnessed multiple interconnectivity agreements and huge interconnectivity indebtedness with respect to charges due for payments. However, the Commission intervened in order to forestall these problems by issuing interconnectivity licenses, which serve as hub for connectivity for all operators. It also serves as interconnectivity clearing house for the purpose of settling interconnectivity charges among operators. In addition, interconnect price determination was also completed and instituted by NCC.

**Infrastructure Sharing**

The NCC initiated and implemented infrastructure sharing policy to facilitate quick deployment of telecom services in an efficient manner by the new entrants. The policy also addressed concerns arising from multiple fees, taxation and proliferation of communications infrastructure amongst others. Under the new regime, operators are now able to share facilities such as base stations sites, fibre ducts, fibre swamps and power to cut overhead costs. The Commission introduced the infrastructure sharing and collocation services license which enabled the emergence of operators that provide shared infrastructure to telcos. The uptake of the collocations services has been quite phenomenal as it has proven to be cost efficient for the telcos, most of which are patronizing their services.

**SIM Registration**

The NCC introduced this legislation in May 2010, which required all mobile phone subscribers to register their SIM cards with their respective mobile network operators. The Subscriber Identity Module (SIM) registration initiative was designed to capture the identity of mobile phone subscribers for identity and security management. The exercise involved massive campaign by the NCC across cities and rural areas of the country, and despite the challenges, it has been adjudged a huge success. The registration exercise of old SIM cards was officially concluded by the NCC on June 30, 2013 while that of new SIM continues.

**Mobile Number Portability**

In furtherance of its efforts to promote competition, improve quality of service and ensure that consumers continue to enjoy good experience on the mobile networks, the NCC launched mobile number portability (MNP) service for GSM subscribers in April 2013. The MNP enables consumers to switch networks without losing their cellular phone numbers. For effective implementation of the scheme, the Commission issued a license to a consortium of three companies (Interconnect Ltd, Saab Grinteck and Telecordia) in January 2012 to act as the Number Portability Clearing House (NPCH) for the industry.

**Broadband Plan**

In order to further deepen ICT penetration and reduce the cost of internet services, the Ministry of Communications Technology finalized and presented the draft copy of the national ICT policy document in line with National Broadband Plan (NBP) in January 2012.

The National Broadband Plan was submitted by the presidential committee on broadband and the document was approved by the President for implementation.

**NOTES TO BUDGET 2018 PROPOSAL**

The Nigerian National broadband plan was designed to promote pervasive broadband deployment, increase broadband adoption, and usage and ensure availability of broadband services at affordable prices with the long-term objectives of maximizing the socio political and economic benefits of broadband to the people.

To this end, the NCC intensified consultation and awareness campaign with different stakeholders on the objectives of the Open Access Model which underpins the supply aspect of the NBP. The successful auction of one slot 30MHZ bandwidth in the 2.3GHZ band for the provision of wholesale broadband services in Nigeria is in consonance to achieving the objectives of the Open Access Model in Nigeria. The Commission plans to issue relevant operating licenses as well as frequencies to actualize the National goal of broadband penetration in the Country.

Without doubt, the implementation of the above initiatives yielded great achievements which the Commission can be proud of.

**Achievements**

The percentage of Nigeria's population living within range of a GSM signal has expanded rapidly reaching about 94 per cent in 2017 and with the expansion of Nigeria's telecommunication industry, Nigeria has attracted over \$25 billion in private capital that has gone into the development of new mobile phone networks across the country. It is estimated that capital investments in mobile networks and operations since 2001 have accounted for 80 per cent of total telecommunications foreign capital investments. The telecoms/ICT sector continues to contribute significantly to Nigeria's Gross Domestic Product (GDP) such that in 2001, it was less than 1%, but rose to 1.91% in 2006, 8.9% in 2010, 8.6% in 2011, 7.7% in 2012, 7.4% in 2013 and 7.6% in 2014. As at the fourth quarter of 2016 the telecoms contribution to the GDP increased to 9.1%, according to official statistics from NBS.

The financial sector is one of the greatest beneficiaries of the expansion of the telecommunication sector. The application of new telecommunication technologies in banking services has increased the volume of financial transactions. Electronic banking facilities such as ATM services, online financial transactions, international credit and debit card facilities, and airline reservations and ticketing are some of the numerous ways that telecommunication technology has aided growth in the financial sector. It has also caused improvements in the investment portfolio of Nigerian banks. In March 2011, eight Nigerian banks provided a syndicated loan of \$650 million to Etisalat now known as 9Mobile Nigeria, one of the country's leading mobile operators.

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By liberalizing the telecommunication market, Nigeria has attracted substantial private sector investment in the area, leading to the development of a solid backbone network connecting its major cities. Multiple cables have been laid on the highest-traffic routes, which has resulted in intense competition and a decrease in costs. These cables are gradually being extended to smaller towns and rural areas to deepen penetration. BTS sites has increased dramatically from virtually non-existent as at 2001 to over 30,000 in 2014

Since 2003, not only have Nigeria's major mobile operators: MTN, Airtel, Globacom and 9Mobile undergone a technological evolution moving from 2G. 2.5G to 3G technologies and are currently making investments for migration to Long-Term Evolution (LTE) technology, but have also elevated the bar on infrastructure development by turning their attention to investing heavily in submarine cable infrastructure systems, which comes with huge capacity and speed. Nigeria currently has access to four undersea cables along the West Coast of Africa – GLO-1, MainOne, SAT-3/WASC and WASC – providing more than 19Tbps of combined capacity. In spite of the huge success the industry achieved, it has been bedeviled with many challenges.

**Challenges Facing the Industry**

In spite of the achievements and success recorded by the telecommunications sector, some visible problems are critical for the telecommunication service providers. There is inadequate infrastructural capacity, including insufficient network backbone to carry call traffic, as well as the problem of regular power outages. Since 2001, GSM operators have embarked on the construction of their own networks beginning with base transceiver stations (BTS), mobile switching centres (MSCs), network Operating centres (NOC) to connect through very small aperture terminals (VSAT) and microwave radio and wireless backhubs. Telecommunication service providers have had to struggle with the cost of renting or buying land, fees to local and state governments, Rights of Way fees, hiring security agents to secure their base stations and the purchase of diesel to power generators in the stations. The major service providers (MTN, Globacom, Airtel and 9Mobile) power their over 30,000 base transceiver stations with generators.

Another critical challenge to telecommunication service providers in Nigeria has been the multiple tax regimes imposed by federal, state and local authorities. The cost of extending telecom facilities, multiple taxation and infrastructure constraints inflate the overhead costs for telecommunication service providers. This limits network rollout, expansion of facilities and undermine quality of service.

Telecommunication service providers in Nigeria have blamed the difficult operational environment in the country for the poor quality of their services. Service problems

**NOTES TO BUDGET 2018 PROPOSAL**

include congested networks, challenges of completion rates, inadequate network coverage and poor signals, especially outside the country's main towns and cities.

The challenges notwithstanding, Nigeria remains the largest mobile market in Africa and the Middle East, with over 178.5 million subscriptions as at the end of 2016. The competitive landscape of the Nigerian telecom sector has compelled operators to roll out new infrastructure to improve coverage and quality. The major mobile operators are investing billions of dollars to improve their services to reach the underserved regions of the country. This growth trend is strongly supported by several initiatives and projects of the Universal Service Provision to leverage and promote telecommunications penetration in rural and underserved areas of the country. The sector is expected to benefit from these investments with mobile revenue increasing at a rate in excess of 4.5%. The National Broadband Plan is expected to unleash pervasive investments in fibre infrastructure and last mile access with active collaboration of the private sector. The NCC expects to achieve this by creating regulations that would lower the cost of infrastructure development.

It is in the light of these that the Commission will vigorously continue its special projects aimed at improving the ICT infrastructure and technical expertise in the sector, improve quality of service as well as enhance emergency response and national security.

**QUALITY OF SERVICE:**

In spite of the gains in the telecommunications sector the issue of quality of service remains a challenge. This has been further compounded by vandalism of operators' equipment and sites security among others. In order to address this issue, the Commission has undertaken various programmes to ensure the improvement in quality of service by the operators. The Commission has provided for GSM and CDMA on Line Monitoring of Quality of Service parameters to ensure that operators provide services within the standards set by the Commission.

The Spectrum Management and Monitoring Systems in the Commission will also be upgraded to ensure there is no interference among networks which may affect the quality of service. Efforts are also being made to liaise with other government agencies to reduce the bottlenecks hampering the deployment of relevant infrastructure necessary to improve the services of the operators.

In spite of the efforts being made by the Commission to improve quality of service with some of the operators being sanctioned for non-adherence to the quality of service parameters set by the commission, there are still challenges being faced by the Commission on the improvement in quality of service.

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Other projects embarked on by the Commission to improve basic infrastructure and thus enhance the quality of service include the State Accelerated Broadband Initiative (SABI) and the Wire Nigeria Project (WIN):

**STATE ACCELERATED BROADBAND INITIATIVE (SABI)**

The core mandate of the Commission as stipulated by section 1(c) of the Nigerian Communications Act NCA 2003 is to "Promote the provision of modern, universal, efficient, reliable, affordable and easily assessable communications services and widest range thereof throughout Nigeria". Based on this, the Commission embarked on the State Accelerated Broadband Initiative (SABI) which was approved by the Federal Government as a public-private initiative with a view to applying the Open Access Model (OAM) of infrastructure development.

SABI offers government support and incentives to facilitate an enabling environment that will encourage the private sector to build and run a broadband infrastructure in all state capitals and selected major cities across the country. OAM is designed to bridge the gaps in capacity allocation through central deployment to mid and small sized operators at cost-based or subsidized pricing, thus providing services to all operators on a non-discriminatory basis and at the lowest prices to end users.

**DIGITAL BRIDGE INSTITUTES (DBI) – ABUJA, KANO, ENUGU, ASABA, YOLA AND LAGOS CAMPUSES**

The rapid expansion in the telecommunications industry has led to general shortage of experienced technical and managerial manpower across networks. In order to address the manpower needs of the fast expanding ICT sector, the Commission established the Digital Bridge Institute (DBI) as a centre of excellence for capacity building in the telecommunications sector in Nigeria. DBI was established in 2006 with a governing board made up mostly of industry leaders. The Institute has been training ICT professionals since 2008 as evidenced in the ratio of foreign to local expertise in the telecoms companies. The NITEL Engineering and Technical Training Centres which had long been abandoned and run down were excised from NITEL by the Federal Government before the on-going privatization exercise and were later ceded to NCC to renovate, refurbish, reactivate, Upgrade and integrate with the Digital Bridge Institute as a full scale modern ICT educational institution. These centres have since become campuses of the DBI and the Commission will continue to support the Institute as it establishes ICT learning centres in three geo political zones of the country to complement the campuses.

## EMERGENCY COMMUNICATIONS CENTRES (ECC)

The establishment of the Emergency Communications Centres is in consonance with statutory function of the Commission as stipulated in section 107(3) (a) and (b) of the NCA 2003 requiring the facilitation of the provision of Emergency Communications Centres by the Commission.

The objective is to establish Emergency Communications Centres in all the 36 states and the FCT in Nigeria to help in the protection of lives and property of Nigerians. The Federal Government charged the Commission with fostering the establishment of the Emergency Communications Centres in all the 36 states and FCT in Nigeria, provide a 3-digit code and thereafter handover the centres to the states.

The ECC's are designed to enable the response agencies receive emergency calls, through a dedicated 3-digit toll free number being made from any of the national telecommunications networks. The call will be received by any operator (call agent) in any of the centres who will then alert the appropriate Response Agency (Fire Service, Ambulance, Police etc) for prompt assistance. In this budget, provision has been made for the continued operation of the centres that have gone live while the remaining ones will be equipped to meet the challenges.

### • SCHOOL SUPPORT PROGRAMME

The school support programme is a capacity building initiative of the Commission in accordance with Section 4(1) (q) of the NCA, 2003 which obligates the Commission to prepare and implement programmes and plans that promote and ensure the development of the communications industry and the provision of communications services in Nigeria. The motivation is to create skilled ICT professionals in Nigerian Tertiary institutions in view of the growing implications of ICT on different sectors of the economy. In the years ahead, NCC will continue to collaborate with Nigerian Universities and their Teaching Hospitals in data sharing, e-Learning and e-Health as part of the Federal Government-ASUU intervention programmes.

Thus the school support programme is designed:

- To facilitate the ICT capacity building needs of the nation, through training and supply of ICT tools to lecturers and professors in Nigerian tertiary institutions to support research.
- To create skilled ICT professionals in Nigeria's tertiary institutions and in turn create ICT knowledgeable and proficient graduates and workforce.
- To reduce the wide gap in ICT awareness and use in the educational sector of the knowledge economy.

**NOTES TO BUDGET 2018 PROPOSAL**

- To close the digital information knowledge gap in the country by exposing schools and colleges to ICT awareness, usage and applications by facilitating access to ICT tools.

**BUDGET PERFORMANCE 2016 – 2017**

In last two years, we have maintained a budget policy trust that reflects the 8-point agenda of the Chief Executive Office in line with the priority programmes of the Federal Government of Nigeria. On the consolidation of the progress made in the Telecommunications Industry prior to 2015, Teledensity has increased from 93.7% in 2010 to 102.2% in 2017. Subscribers base from 88 million in 2010 to over 178million, resulting in over 70% improvement in six years.

The contribution of the industry to the GDP grew from 5% in 2010 to 9.1% as at end of 2016. The Foreign Direct Investment in the Telecommunications industry on the other hand has increased from \$18 billion in 2010 to more than \$32 billion today, thereby creating stable jobs in the economy.

In the area of Regulation, we have used the budget to introduce regulatory interventions that foster healthy competition, making sure the dominant operators do everything right by rolling out Mobile Number Portability (MNP); this deepens competition and provides diversified choice for telecommunications consumers. As a result of our regulatory interventions, prices have reduced significantly.

Nigeria's presence in international arena has improved with our participation in major International Telecommunications Union (ITU) conferences where we have continued to share the success story of the developments in the sector.

In the past two years, high attention has been paid to the issue of Broadband penetration as a flagship of the 8-point Agenda. This is in recognition of the fact that in many ways some of the other items of the Commission's agenda are either dependent on the success of the broadband penetration or interwoven with it. The set-up of the Broadband Commission by ITU and UNESCO in 2010 underscores the importance of broadband as key to accelerating progress towards national and international development targets. Most of the projects initiated and being executed revolve around ICT/Broadband Penetration as a catalyst to national socio-economic development.

The policy thrust of the Commission for the 2018 budget is still derived from the Strategic focus of the Commission 2014-2018 as marshalled out in the 8-point agenda of the chief Executive stated below:

- Facilitation of Broadband Penetration
- Improvement in Quality of Service (QoS)

## NOTES TO BUDGET 2018 PROPOSAL

- Optimization of benefits of Spectrum
- Promotion of ICT innovations and Investment opportunities
- Facilitation of Strategic collaboration and partnership
- Consumer protection and Empowerment
- Promotion of fair Competition and inclusive Growth
- Regulatory Excellence and Operational Efficiency

## COMMENTS AND ASSUMPTIONS

The Nigerian Communications Commission (NCC) is projecting Revenue of N161.7 billion out of which the following expenditure will be incurred: Recurrent Expenditure N36.05 billion, Capital Expenditure of N30.42 billion, Special Intervention Projects of N15.23 billion; while the sum of N9.03 billion will be transferred to the Universal Service Provision Fund and N56.8 billion representing Operating Surplus and Spectrum fees will be transferred to the Federal Government of Nigeria.

The above expenditure will be geared towards meeting the commission's objectives of creating and managing a competitive telecommunications market by facilitating the evolution of a seamless national network and efficient telecommunications infrastructure with improved service delivery at reasonable costs and providing subscribers with services comparable to international standards.

The 2018 Budget has been prepared to reflect the resources necessary for the Commission to keep abreast of industry changes and set rational regulatory goals consistent with its statutory mandate.

In arriving at the budget estimates adequate attention was paid to the macroeconomic indices prevalent in the economy, that is the rate of inflation, the Federal Government directive on Treasury Single Account (TSA), MPR, the Economic Recovery and Growth Plan (ERGP) and the seeming stabilization of the exchange rates; Rate for dollar transactions was predicated at N370.00 to 1USD.

With a significant shortage of infrastructure development in the telecommunications sector which has impacted on the quality of service and the provision of fixed lines, the Commission's policy thrust for 2018 is to continue to address these issues, hence emphasis is placed on using the Telecommunications initiatives to continue to improve the socio-economic development of the nation, manage the Security challenges as well as give the teeming consumers choice in quality telecoms service. Hence, the Commission will place emphasis on the Licensing of INFRACOS and development of regulatory framework for broadband penetration, Emergency Communications Project, collaboration with Operators on the GSM and CDMA Quality of Service driving and on line monitoring.

1. Revenue is made up of the following major sub heads:

a) **Annual Operating Levy**

Annual Operating Levy is projected at N30.10B and accounts for 19% of expected revenue in 2018. The figure represents a decrease of 35% compared with 2017. This is due to the anticipated reduction in revenue of the operators as a result of the activities of OTT and the effect of the change of ownership structure of one of the major operators. From the expected AOL revenue, the sum of 9.03 billion has been provided in the budget to be transferred to the Universal Service Provision Fund.

b) **Spectrum Fees**

Spectrum revenue is expected to accrue majorly from renewals as provided in the Spectrum Administration's budget. The sum of N14.9 billion is expected to be generated from this revenue head in 2018. The renewals are expected from the following bands: 800MHz, 1800MHz, 850MHz, 1900MHz, 2.2GHz, 3.5GHz, 5.4GHz, 10.5GHz and 26GHz bands.

c) **Numbering Plan**

The market has stabilized after the growth in subscriber base following the entrance of new operators between 2009 and 2010. The successful implementation of the MNP has further limited request for additional number blocs. It is projected that the interplay will reduce income from the head to N3.3B from N3.9B in 2017.

d) **License Fees**

The sum of N2.86B is estimated to accrue from licensing renewals in 2018.

## 2. Recurrent Expenditure

### a) Staff Cost

In accordance with section 16 of the National Communications Act, the Commission shall develop and implement appropriate staff conditions of service for its staff with particular regards to remuneration sufficient to attract and retain quality and high calibre manpower.

With the rapid changes in telecommunications technologies, keeping abreast of developments in the sector poses enormous regulatory challenges. To respond to these challenges, the Commission shall sustain efforts at attracting and retaining a talented workforce with requisite technical expertise through competitive remuneration and training for effective regulation of the industry.

In order to achieve this strategic goal of an empowered workforce, the Commission shall continue to provide intensive training in order to equip them for the challenges of a dynamic, restructured telecoms industry.

- b) **International Representation of the FGN** include local and overseas travels for the staff of the Commission which are expected due to increased activities of ITU, CTO, ATU, PDT and other collaborating partners. The monitoring and oversight activities of the Commission will be stepped up, following rise in subscriber base and by extension poor Quality of Service across the networks. Surveillance of the sector is expected to be on the rise to ensure operators comply with their license conditions, regulations and provide reliable and efficient services to consumers.

### c) Administrative and Coordination Costs –

Administrative and Coordination costs include Establishment, Operational legal and professional fees, maintenance expenses, utilities and audit expenses. As part of the Commission's strategic plan for the establishment of an effective arbitration process, facilitating market entry, promoting competition and fair interconnection policies, the budget for legal fees will address the numerous legal challenges by the operators against the commission's regulatory activities and the increased public action law suits against the commission. It also takes into consideration the setting up of the trade dispute machinery and the arbitrators to handle the new dispute resolution concept being articulated by the commission.

### 3. Special Projects

- a) The Commission budgets the sum of N15.23 billion to cater for special intervention projects aimed at deepening the industry and providing needed telecommunications infrastructure. Consequently, N5.6 billion has been provided for the State Accelerated Broadband Projects, N3.03 billion for Emergency Communications Centre Project and N1.8 B for Subscribers Database Management System.
- b) In keeping with the Strategic Management Plan (SMP) and the 8- point agenda, a new project has been introduced to promote ICT innovation and investment opportunities. The sum of N3.2 billion was earmarked to create ICT Parks in selected cities across the nation to stimulate research and development.

**2018 REVENUE, CAPITAL AND RECURRENT EXPENDITURE BUDGET**  
**SUMMARY OF NCC REVENUE, CAPITAL AND RECURRENT EXPENDITURE**

|                                        | BUDGET 2017        | BUDGET 2018        |
|----------------------------------------|--------------------|--------------------|
|                                        | =N='000            | =N='000            |
| <b>A. Revenue Profile</b>              |                    |                    |
| <b>Total Revenue</b>                   | <b>204,800,718</b> | <b>161,775,850</b> |
| <b>B. Expenditures</b>                 |                    |                    |
| <b>Recurrent Expenditures</b>          |                    |                    |
| Establishment Costs                    | 580,473            | 506,149            |
| Staff & Other Costs                    | 14,113,597         | 17,181,397         |
| Travel Costs                           | 3,410,328          | 4,340,754          |
| Operational Costs                      | 7,310,299          | 11,391,411         |
| Administration Costs                   | 1,648,345          | 2,636,557          |
| <b>Total Recurrent Expenditure</b>     | <b>27,063,042</b>  | <b>36,056,268</b>  |
| <b>Capital Expenditures</b>            |                    |                    |
| Internal Projects                      | 3,714,331          | 10,475,012         |
| School Support Programme               | 9,312,634          | 17,917,825         |
| Consultancies                          | 585,219            | 2,031,306          |
| <b>Total Capital Expenditure</b>       | <b>13,612,184</b>  | <b>30,424,144</b>  |
| <b>Special Projects</b>                |                    |                    |
| Emergency Communications Centres (ECC) | 203,026            | 3,036,227.50       |
| State Accelerated Broadband Initiative | 2,217,593          | 5,610,646.48       |
| GSM and CDMA Networks QoS              | 542,486            | 1,543,966.20       |
| Subscribers Database Management        | 1,488,387          | 1,814,468.20       |
| ICT Parks                              | -                  | 3,229,950.29       |
| <b>Total Special Projects</b>          | <b>4,451,491</b>   | <b>15,235,259</b>  |
| <b>Total Capital Projects</b>          | <b>18,063,676</b>  | <b>45,659,403</b>  |
| <b>Transfer to USPF</b>                | <b>13,928,700</b>  | <b>9,030,000</b>   |
| <b>Transfer to Federal Government</b>  | <b>145,745,300</b> | <b>56,832,464</b>  |
| <b>Surplus/(Deficit)</b>               |                    | <b>14,197,716</b>  |

## RECEIPTS AND PAYMENT

| DESCRIPTION                                           | BUDGET 2017        | BUDGET 2018          |
|-------------------------------------------------------|--------------------|----------------------|
|                                                       | N'000              | N'000                |
| <b>REVENUE</b>                                        |                    |                      |
| LICENSING FEES                                        | 1,792,705          | 2,860,085            |
| ANNUAL OPERATING LEVY                                 | 46,429,000         | 30,100,000           |
| SPECTRUM FEES                                         | 122,416,745        | 14,987,757           |
| NUMBERING PLAN                                        | 3,900,000          | 3,300,000            |
| ADMIN CHARGES                                         | 2,250              | 286,008              |
| TYPE APPROVAL FEES                                    | 214,500            | 220,000              |
| SANCTION FEES                                         | 30,000,000         | 110,000,000          |
| SUNDRY INCOME                                         | 45,518             | 22,000               |
| <b>TOTAL REVENUE</b>                                  | <b>204,800,718</b> | <b>161,775,850</b>   |
| <b>TRANSFERS</b>                                      |                    |                      |
| <b>TOTAL FUNDS AVAILABLE</b>                          | <b>204,800,718</b> | <b>161,775,850</b>   |
| <b>RECURRENT EXPENDITURE</b>                          |                    |                      |
| ESTABLISHMENT COSTS                                   | 580,473            | 506,149              |
| STAFF COSTS                                           | 14,113,597         | 17,181,397           |
| TRAVEL COSTS                                          | 3,410,328          | 4,340,754            |
| OPERATIONAL COSTS                                     | 7,310,299          | 11,391,411           |
| ADMINISTRATION COSTS                                  | 1,648,345          | 2,636,557            |
| BANK CHARGES                                          | 0                  | -                    |
| <b>TOTAL RECURRENT EXPENDITURE</b>                    | <b>27,063,042</b>  | <b>36,056,268</b>    |
| <b>CAPITAL EXPENDITURE</b>                            |                    |                      |
| INTERNAL PROJECTS                                     | 3,714,331          | 10,475,012           |
| SCHOOL SUPPORT PROGRAMME                              | 9,312,634          | 17,917,825           |
| CONSULTANCIES                                         | 585,219            | 2,031,306            |
| <b>CAPITAL EXPENDITURE</b>                            | <b>13,612,184</b>  | <b>30,424,144</b>    |
| <b>SPECIAL PROJECTS</b>                               |                    |                      |
| EMERGENCY COMMUNICATION CENTERS                       | 203,026            | 3,036,228            |
| ICT Parks                                             |                    | 3,229,950            |
| SUBSCRIBERS DATABASE MANAGEMENT                       | 1,488,387          | 1,814,468            |
| STATE ACCELERATED BROADBAND INITIATIVE                | 2,217,593          | 5,610,646            |
| GSM & CDMA Networks QoS Driving and Online Monitoring | 542,486            | 1,543,966            |
| <b>SPECIAL PROJECTS</b>                               | <b>4,451,491</b>   | <b>15,235,259</b>    |
| <b>TOTAL CAPITAL AND SPECIAL PROJECTS</b>             | <b>18,063,675</b>  | <b>45,659,402</b>    |
| <b>TOTAL EXPENSES</b>                                 | <b>45,126,717</b>  | <b>81,715,671</b>    |
| <b>TRANSFER TO FEDERAL GOVT OF NIGERIA</b>            | <b>145,745,300</b> | <b>56,832,464</b>    |
| <b>TRANSFER TO UNIVERSAL SERVICE FUND</b>             | <b>13,928,700</b>  | <b>9,030,000</b>     |
| <b>SURPLUS/(DEFICIT)</b>                              |                    | <b>14,197,715.61</b> |

## RECURRENT EXPENDITURE

|                                       | BUDGET<br>2017    | BUDGET 2018       |
|---------------------------------------|-------------------|-------------------|
|                                       | N'000             | N'000             |
| <b>ESTABLISHMENT COSTS</b>            |                   |                   |
| Rent & Rates                          | 41,000            | 122,000           |
| Insurance                             | 524,223           | 363,624           |
| Recruitment Expenses                  | 15,250            | 20,525            |
| <b>TOTAL</b>                          | <b>580,473</b>    | <b>506,149</b>    |
| <b>STAFF COSTS</b>                    |                   |                   |
| Salaries & Wages                      | 10,394,664        | 13,368,941        |
| <del>Welfare Costs</del>              | 461,532           | 426,647           |
| Medical Expenses                      | 865,289           | 777,855           |
| Pension and Gratuity                  | 1,012,988         | 1,000,000         |
| Training & Developments               | 1,379,124         | 1,607,955         |
| <b>TOTAL</b>                          | <b>14,113,597</b> | <b>17,181,397</b> |
| <b>TRAVEL COSTS</b>                   |                   |                   |
| Transport & Travelling - Foreign      | 2,447,510         | 3,100,370         |
| Transport & Travelling - Local        | 895,453           | 1,162,687         |
| Vehicle Running Expenses              | 55,365            | 63,670            |
| Relocation Allowance                  | 12,000            | 14,027            |
| <b>TOTAL</b>                          | <b>3,410,328</b>  | <b>4,340,754</b>  |
| <b>OPERATIONAL COSTS</b>              |                   |                   |
| Printing & Stationery                 | 83,800            | 36,211            |
| Postage & Courier Services            | 37,254            | 40,182            |
| Advertisements                        | 1,239,247         | 1,500,000         |
| Forum, Conf & Seminars                | 3,025,635         | 4,318,148         |
| Protocol & Public Relation Expenses   | 68,591            | 75,100            |
| Subscriptions and Donations           | 13,719            | 15,000            |
| Due to Int. Organisations             | 284,160           | 357,000           |
| IT Expenses                           | 826,399           | 1,206,525         |
| Studies/Research                      | 904,933           | 1,248,447         |
| Regulatory/Enforcement Expenses       | 826,561           | 2,594,798         |
| <b>TOTAL</b>                          | <b>7,310,299</b>  | <b>11,391,411</b> |
| <b>ADMINISTRATION COSTS</b>           |                   |                   |
| Maintenance of Building and Equipment | 172,027           | 515,275           |
| Fuel and Diesel Expenses              | 91,000            | 75,586            |
| Utilities                             | 80,280            | 263,078           |
| Entertainment                         | 15,844            | 18,221            |
| Legal & Professional Fees             | 488,448           | 578,408           |
| General Office Exps                   | 152,440           | 204,500           |
| Security Expenses                     | 104,448           | 199,410           |
| Audit Fees & Accountancy Fees         | 25,000            | 50,000            |
| Museum Expenses                       | 20,781            | 104,760           |
| Board Expenses                        | 498,077           | 627,319           |
| <b>TOTAL</b>                          | <b>1,648,345</b>  | <b>2,636,557</b>  |
| Bank Charges                          | -                 | -                 |
| <b>TOTAL RECURRENT EXPENSES</b>       | <b>27,063,042</b> | <b>36,056,268</b> |

## REVENUE ANALYSIS BY LOCATION



|                       | LAGOS | KANO  | ABUJA       | PH    | ENUGU | IBADAN | TOTAL       |
|-----------------------|-------|-------|-------------|-------|-------|--------|-------------|
|                       | N'000 | N'000 | N'000       | N'000 | N'000 | N'000  | N'000       |
| REVENUE               |       |       |             |       |       |        |             |
| LICENSING FEES        | 0     | 0     | 2,860,085   | 0     | 0     | 0      | 2,860,085   |
| ANNUAL OPERATING LEVY | 0     | 0     | 30,100,000  | 0     |       |        | 30,100,000  |
| SPECTRUM FEES         | 0     |       | 14,987,757  |       |       |        | 14,987,757  |
| NUMBERING PLAN        |       | 0     | 3,300,000   |       |       |        | 3,300,000   |
| ADMIN CHARGES         | 0     | 0     | 286,008     |       | 0     | 0      | 286,008     |
| TYPE APPROVAL FEES    | 0     | 0     | 220,000     | 0     | 0     | 0      | 220,000     |
| SANCTION FEE          |       |       | 110,000,000 |       |       |        | 110,000,000 |
| OTHER INCOME          | 0     |       | 22,000      |       |       |        | 22,000      |
| TOTAL REVENUE         | 0     | 0     | 161,775,850 | 0     | 0     | 0      | 161,775,850 |

| SPECTRUM FEES ANALYSIS OF EXPECTED RENEWALS |            |         |               |                | N'000          |
|---------------------------------------------|------------|---------|---------------|----------------|----------------|
|                                             | NEW ASSIGN | RENEWAL |               |                | TOTAL          |
| 450MHZ                                      |            |         |               |                |                |
| 800MHZ                                      |            |         |               | 2,100,000      | 2,100,000      |
| 850MHZ                                      |            |         |               |                |                |
| 1800MHZ                                     |            |         |               | 1,256,335,370  | 1,256,335,370  |
| 1800 MHz - TDD                              |            |         | 114,000,000   |                | 114,000,000    |
| 1900MHZ                                     |            |         | 399,000,000   |                | 399,000,000    |
| 2.1GHZ                                      |            |         |               |                | 0              |
| 2.2GHZ                                      |            |         | 944,370,000   | 146,160,000    | 1,090,530,000  |
| 2.3GHZ                                      |            |         | 306,000,000   | 684,000,000    | 990,000,000    |
| 2.5GHZ                                      |            |         | 513,000,000   |                | 513,000,000    |
| 3.5GHZ                                      |            |         | 499,500,000   | 1,790,450,000  | 2,289,950,000  |
| 5.4GHZ                                      |            |         |               | 141,450,000    | 141,450,000    |
| 10.5GHZ                                     |            |         | 149,688,000   | 1,058,072,400  | 1,207,760,400  |
| 26GHZ                                       |            |         | 1,436,400,000 | 191,520,000    | 1,627,920,000  |
| 70/80GHZ                                    |            |         | 53,280,000    |                | 53,280,000     |
| Microwave                                   |            |         | 15,000,000    | 6,035,178,930  | 6,050,178,930  |
| Spectrum Expenses                           |            |         | (747,747,510) |                | -747,747,510   |
| TOTAL                                       |            |         | 3,682,490,490 | 11,305,265,700 | 14,987,757,190 |

| INTERNAL PROJECTS                                         |                                                                                                        |           |               |               |                                                                                                                                                                                                                                                                               |
|-----------------------------------------------------------|--------------------------------------------------------------------------------------------------------|-----------|---------------|---------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| NO                                                        | DESCRIPTION                                                                                            | DIR/DE P. | 2017 BUDGET   | 2018 BUDGET   | JUSTIFICATION                                                                                                                                                                                                                                                                 |
| <b>BUILDINGS</b>                                          |                                                                                                        |           |               |               |                                                                                                                                                                                                                                                                               |
| 1                                                         | Supply and Installation of Service Lift In the Commission                                              | ADM       |               | 260,000,000   | Provision of Service Lift is required for the carriage of heavy items within the HO Building to reduce overload and breakdown of the passenger Lift.                                                                                                                          |
| Lot                                                       | Facility Management of Digital Bridge Institute Campuses                                               |           | 300,000,000   |               | Engage a Facility Management firms to manage the Transformed DBI Learning Centers in Kano, Lagos and Abuja. DBI is designed and optimised to deliver first class Telecom and Management courses, and there is need to allow the Institution to focus on their core competence |
|                                                           | Completion works DBI Mbor                                                                              |           |               | 750,000,000   |                                                                                                                                                                                                                                                                               |
|                                                           | Conversion of DBI Hostel Facility to NCC Annex, to solve the office space constraint in the Commission |           |               | 250,000,000   | Rehabilitation works                                                                                                                                                                                                                                                          |
|                                                           |                                                                                                        |           | 320,000,000   | 250,000,000   | Upgrade/ Furnishing of DBI Utako                                                                                                                                                                                                                                              |
|                                                           | Provision of Parking Space, Infrastructure/Facility for the Staff                                      | ADM       |               | 500,000,000   | Acquisition of land and construction of Multilevel carpark, to mitigate the challenges associated with current Parking arrangement occasioned by the Security concerns in the country.                                                                                        |
|                                                           | Supply and Installation of Cradle Equipment                                                            | ADM       |               | 20,000,000    | For safe and effective cleaning of the glazed curtain walls of the Head Office building and necessary repairs                                                                                                                                                                 |
| Lot                                                       | Supply and Install Retrofitted Automatic Fire Sprinkler System in the Head Office Building             | ADM       |               | 60,000,000    | To comply with building codes which require High Rise Buildings to be fitted with automatic Fire Sprinklers Systems                                                                                                                                                           |
| 1                                                         | Construction of Proposed Yola Zonal Office                                                             |           | 104,800,000   | 100,000,000   | Completion works at the Yola Zonal Office.                                                                                                                                                                                                                                    |
| 1                                                         | Construction of Lagos Communications House                                                             | HCIG      | 500,693,000   | 1,114,309,520 | Completion works at the Lagos Zonal Office.                                                                                                                                                                                                                                   |
| <b>UPGRADE AND IMPROVEMENT WORKS ON HO INFRASTRUCTURE</b> |                                                                                                        |           |               |               |                                                                                                                                                                                                                                                                               |
|                                                           | Other Improvement Works on the Head Office Building                                                    | ADM       | 20,000,000    |               | Rehabilitation of the Commission Head Office infrastructure                                                                                                                                                                                                                   |
|                                                           |                                                                                                        |           | 30,000,000    |               | Installation of Centralised Inverter system                                                                                                                                                                                                                                   |
|                                                           |                                                                                                        |           | 32,000,000    |               | Automated/access controlled aluminium doors in all common areas                                                                                                                                                                                                               |
|                                                           |                                                                                                        |           | 18,000,000    |               | Overhaul of water treatment system                                                                                                                                                                                                                                            |
|                                                           |                                                                                                        |           | 25,000,000    | 25,000,000    | Facelift of Commission's reception and entrance foyer                                                                                                                                                                                                                         |
|                                                           |                                                                                                        |           |               | 5,000,000     | Reconstruction of Access Ramp                                                                                                                                                                                                                                                 |
|                                                           |                                                                                                        |           |               | 20,000,000    | Removal of Existing aluminum roof cover and damp proof and reroof with optimum guage aluminium roof                                                                                                                                                                           |
|                                                           | Establishment of Admin Call Centre                                                                     |           | 50,000,000    |               |                                                                                                                                                                                                                                                                               |
|                                                           | Rehabilitation of Facilities at the DBI Kano Campus                                                    | ADM       | 20,000,000    |               |                                                                                                                                                                                                                                                                               |
|                                                           |                                                                                                        |           | 1,420,493,000 | 3,551,309,520 |                                                                                                                                                                                                                                                                               |

| INTERNAL PROJECTS          |                                                                                                                      |              |                      |                    |                                                                                                                    |
|----------------------------|----------------------------------------------------------------------------------------------------------------------|--------------|----------------------|--------------------|--------------------------------------------------------------------------------------------------------------------|
| NO.                        | DESCRIPTION                                                                                                          | DIR/DE<br>P. | 2017 BUDGET          | 2018 BUDGET        | JUSTIFICATION                                                                                                      |
| <b>PLANT AND MACHINERY</b> |                                                                                                                      |              |                      |                    |                                                                                                                    |
|                            | Synchronisation of the three (3) Head Office Generator sets                                                          | ADM          |                      | 65,000,000         |                                                                                                                    |
| 22                         | Provision of 60KVA Generators for the Zonal Offices and other locations                                              | AMIN         |                      | 150,000,000        | Replacement of unserviceable Generator at the Enugu, Kano & Lagos Zonal Office.                                    |
|                            | Engineering tools                                                                                                    | SA           |                      | 60,000,000         | High Altitude Platform Simulation Lab                                                                              |
|                            |                                                                                                                      | SA           |                      | 347,918,630        | VSAT Location Detection System                                                                                     |
|                            |                                                                                                                      | SA           |                      | 74,127,310         | Supply and Installation of Monitoring Tools and Lab Equipments                                                     |
|                            |                                                                                                                      | SA           |                      | 243,000,000        | Supply and installation of LS Telecoms Smart Spectrum Management System                                            |
|                            | Purchase of N9910X875DC Charger for Handheld Agilent Analyser                                                        |              | 1,092,960            |                    |                                                                                                                    |
|                            | Purchase of N9910X875DC extra Battery for Handheld Agilent Analyser                                                  |              | 818,400              |                    |                                                                                                                    |
|                            | Spectrum Simulation Tools                                                                                            |              | 40,000,000           |                    |                                                                                                                    |
| 1                          | Spectrum Management software for Developing countries (SMS4DC) upgraded version 4.1 including Training (10 Users)    | SA           |                      | 18,886,262         | Spectrum Management software for Developing countries (SMS4DC) upgraded version 4.1 including Training (10 Users). |
| Lot                        | Monitoring Tools and Accessories including RFP-1 preamplifier, with freq. range: 40 GHz to 60 GHz Gain: +18 to +23dB | SA           | 45,550,000           |                    |                                                                                                                    |
| Lot                        | Annual Maintenance of the Spectrum Monitoring System                                                                 | SA           | 25,000,000           |                    | One year TCI support and maintenance of the Spectrum Monitoring Equipment acquired in 2013                         |
|                            | <b>TOTAL PLANT &amp; EQUIPMENT</b>                                                                                   |              | <b>1,131,101,500</b> | <b>753,072,202</b> |                                                                                                                    |
|                            | <b>SUB TOTAL CARRIED FORWARD</b>                                                                                     |              | <b>1,131,101,500</b> | <b>753,072,202</b> |                                                                                                                    |

| NO.                                      | DESCRIPTION                                                               | 2017 BUDGET          | 2018 BUDGET          | JUSTIFICATION                                                                                                                  |
|------------------------------------------|---------------------------------------------------------------------------|----------------------|----------------------|--------------------------------------------------------------------------------------------------------------------------------|
|                                          |                                                                           | 1,532,954,360        | 2,313,241,722        |                                                                                                                                |
| <b>FURNITURE, FITTINGS AND EQUIPMENT</b> |                                                                           |                      |                      |                                                                                                                                |
| Lot                                      | Procurement of Office Furniture for Head Office and Zonal Offices         | 100,000,000          | 135,000,000          | Introduction of a prototype smart workstation table as a replacement to the existing ones. To improve Office space management. |
| 15                                       | Supply and Installation of Photocopy Machines                             | 75,000,000           | 57,750,000           | Replacement of aged photocopiers for departments in the Head Office and provision for the Zonal Offices.                       |
|                                          | Supply and Installation of Gym Equipment                                  | 20,000,000           |                      | Replacement of obsolete Gym Equipment                                                                                          |
|                                          | Upgrade of obsolete fire fighting equipment/installations and fire drills | 65,000,000           |                      |                                                                                                                                |
|                                          | Supply and Installation of Secured Key Management System                  | 35,000,000           |                      |                                                                                                                                |
|                                          | Automated secured Key management system                                   |                      | 35,000,000           |                                                                                                                                |
| 5                                        | CCTV and Security Cameras for Head and Zonal Offices - IP Based           | 29,000,000           |                      | To ensure full security coverage of the Zonal Offices.                                                                         |
| 1                                        | Cash Counting Machine                                                     | 600,000              |                      | To improve service efficiency and reduced turn around time.                                                                    |
|                                          | Other Office Equipment and sustainable energy systems                     |                      | 130,000,000          |                                                                                                                                |
| 3                                        | Fire Proof Safe and Cabinet                                               | 750,000              |                      | To safeguard relevant and confidential documents in Finance.                                                                   |
| 3                                        | Large Photocopying Machine                                                | 72,000,000           |                      | Replacement of Obsolete Finance Dept. Copiers                                                                                  |
|                                          | A3 Laserjet Printer                                                       | 1,400,000            |                      |                                                                                                                                |
| Lot                                      | Kitchen Equipment                                                         | 10,000,000           | 20,000,000           | Replacement of old Kitchen equipment installed in 2006, which are constantly breaking down and procurement of additional ones  |
|                                          | <b>TOTAL INTERNAL FURNITURE &amp; FITTINGS</b>                            | <b>488,750,000</b>   | <b>377,750,000</b>   |                                                                                                                                |
| <b>MOTOR VEHICLES</b>                    |                                                                           |                      |                      |                                                                                                                                |
| 25                                       | Pool Vehicles                                                             | 45,000,000           | 625,000,000          | Replacement of old Operational /Project Vehicles that are 5 years and above including Zonal Offices surveillance vehicles.     |
| 1                                        | Operations Vehicle                                                        | 9,100,000            |                      | Operational Vehicle for market survey, price intelligence, liaison tasks and procurement performance monitoring                |
|                                          | <b>TOTAL MOTOR VEHICLES</b>                                               | <b>54,100,000</b>    | <b>625,000,000</b>   |                                                                                                                                |
|                                          | <b>SUB TOTAL INTERNAL PROJECTS</b>                                        | <b>1,995,804,360</b> | <b>5,315,991,722</b> |                                                                                                                                |

| INTERNAL PROJECTS                       |                                                                                  |              |               |               |                                                                                                                                                                                                                     |
|-----------------------------------------|----------------------------------------------------------------------------------|--------------|---------------|---------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| NO.                                     | DESCRIPTION                                                                      | D.R.D<br>SP. | 2017 BUDGET   | 2018 BUDGET   | JUSTIFICATION                                                                                                                                                                                                       |
|                                         | Brought Forward                                                                  |              | 1,995,803,860 | 5,315,991,722 |                                                                                                                                                                                                                     |
| <b>ICT INFRASTRUCTURE AND SOLUTIONS</b> |                                                                                  |              |               |               |                                                                                                                                                                                                                     |
| 1                                       | Upgrade of the Commission's Network Perimeter Security - Firewall and Web shield | IT           | 35,000,000    |               |                                                                                                                                                                                                                     |
|                                         | Relocation of the Commission's Data Centre to the Ground Floor                   | IT           | 25,000,000    |               |                                                                                                                                                                                                                     |
| Lot                                     | Document Management Solutions                                                    | ALL          | 57,500,000    |               | Implementation of Document Management Service within the Commission for additional departments, including Software, Customisation of solution, training and adoption post deployment.                               |
|                                         | Upgrade of Software Licenses for Network Operation Centre (NOC) Servers          | IT           | 29,624,064    |               | Cost to cater for Software Server Licenses, alongside relevant CALS, for solution deployed in the Commission.                                                                                                       |
|                                         | Development of Enterprise Risk Application                                       | CPS          | 14,646,000    |               | For the implementation of Enterprise Content Management Solution, Dokmee, deployed by Finance and Procurement. Roll out will be based on feedback from departments.                                                 |
| 5                                       | Additional Disk Enclosure HP SAS Drive Enclosure (with 12X 2TB Hard Drive)       | IT           | 36,000,000    |               | Additional storage for existing SIM REG Storage Area Network (SAN) Infrastructure.                                                                                                                                  |
|                                         | Upgrade of Zonal Offices Mitel PBX System                                        | IT           | 25,000,000    |               |                                                                                                                                                                                                                     |
|                                         | Document Digitalisation and Archiving System                                     | SA           | 2,000,000     |               | The project is aimed at procuring equipment and services to improve data management and facilitate the organisation and provision of reliable information for decision making.                                      |
|                                         | Computer Security Incident Response Team (CSIRT)                                 | NMIS         | 250,000,000   | 150,000,000   | Renovation of CSIRT building to NCC standard                                                                                                                                                                        |
|                                         |                                                                                  | NMIS         | 473,593,612   | 571,000,000   | Establishment and Implementation of the telecommunications sector Computer Security Incident Response Team (CSIRT) co-ordination center                                                                             |
|                                         |                                                                                  | NMIS         | 110,000,000   | 110,000,000   | Connection of CSIRT data centre to telecommunications exchange points and installation of                                                                                                                           |
|                                         |                                                                                  | NMIS         |               | 99,600,000    | Vendor specific workshop for the Telecommunications Sector Computer Security Incident Response Team (CSIRT) Co-ordination Center.                                                                                   |
|                                         |                                                                                  | NMIS         |               | 271,925,000   | Upgrade and maintenance of telecommunications sector Computer Security Incident Response Team (CSIRT)                                                                                                               |
|                                         |                                                                                  | NMIS         |               |               |                                                                                                                                                                                                                     |
|                                         | Internet Measurement/Infrastructure survey and mapping                           | NMIS         |               | 120,000,000   | Consultancy to carryout survey in six geopolitical zone. Internet Access Mapping using ARCGIS to graphically describe the development in coverage and uptake of internet services by consumers in Nigeria.          |
|                                         | Integration of Microsoft Great Plains to REMITA                                  | FIN          | 28,000,000    | 60,000,000    | The integration will ensure an efficient flow of the accounting process. It will provide a robust platform for the payment process, data entry, posting to the general ledger and reconciliation of the accounts.   |
|                                         | Integration of Payroll to REMITA                                                 | FIN          |               | 60,000,000    | The Integration will ensure a smooth handshake between payroll and REMITA for functional payment process and efficient reconciliation of accounts.                                                                  |
| 1                                       | Revenue Assurance/Monitoring Software                                            | FIN          | 380,000,000   | 1,425,000,000 | Revenue Assurance Software is required to interface with Telecommunications Operators systems with a bid to improve the integrity of returns rendered by the operators and enhance the revenue accruing to the FGN. |
| 1                                       | Budget and Vote book Management System                                           | FIN          |               | 45,000,000    | To manage implementation of fiscal Appropriations                                                                                                                                                                   |
|                                         | Finance Processes and Operations Review                                          |              | 25,000,000    |               |                                                                                                                                                                                                                     |

| INTERNAL PROJECTS |                                                                                         | 2017 BUDGET |             | 2018 BUDGET | JUSTIFICATION                                                                                                                                                                                                                                            |
|-------------------|-----------------------------------------------------------------------------------------|-------------|-------------|-------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| NO.               | DESCRIPTION                                                                             | DIR/D EP.   | 2017 BUDGET | 2018 BUDGET |                                                                                                                                                                                                                                                          |
|                   | Ethical Hacking and Forensic Investigation of the Commission's Security Network         |             | 30,000,000  |             | The integration will ensure an holistic flow of the accounting process. It will provide a robust platform for the payment process, data entry, posting to the general ledger and reconciliation of the accounts                                          |
|                   | Electronic Display (LED Screen)                                                         | CA          |             | 20,000,000  | Consumer Information Dissemination for Lagos Zone                                                                                                                                                                                                        |
|                   | Installation and Deployment of upgradeable Catalyst Switches                            | IT          |             | 88,000,000  | With the deployment of additional Servers and Client system over the years, there is need to compliment this growth with adequate network expansion. Thus this proposed project to install additional network catalyst switches on the Commission's LAN. |
|                   | Deployment of Network Access Control Solution (LAN Security)                            | IT          |             | 34,000,000  |                                                                                                                                                                                                                                                          |
|                   | Expansion of Existing Commission's Server Farm                                          | IT          |             | 66,456,460  | This is due to the continuous growth of the Commission's Staff and services rendered to internal stakeholders, the need to expand the Server Farm for improved ICT service delivery and effective data management.                                       |
|                   | Deployment of Direct Attached Storage System for Zones                                  | IT          |             | 41,500,000  | The Server deployed in our Zonal office are currently without a robust data storage solution, Hence the need to install a mid-level data storage system in the zones to effectively cater for the secure storage of staff files and data                 |
|                   | Deployment of Network Monitoring and Management Tools in the HQ and NCC Zonal Offices.  | IT          |             | 41,040,000  | The network infrastructure deployed in the Zonal Offices is increasing. Thus, in order to ensure continuous availability and functionality, the installation of Cyberoam Appliances for effective monitoring and management of network traffic           |
|                   | Replacement of Power Backup Systems for SIM Card Registration Datacenter                | IT          |             | 41,000,000  | To ensure continuous online availability of SIM Card Registration ICT Services for the external stakeholders (e.g. NSA, NIMC and MNOs) with provision of up to 3-Hours Backup Time                                                                       |
|                   | Upgrade of the existing Power Backup System for the Commission's ICT Backend            | IT          |             | 57,010,000  |                                                                                                                                                                                                                                                          |
|                   | Expansion of the Commission's Disaster Recovery Site                                    | IT          |             | 59,824,000  | This is to upgrade the ICT services at the remote DR site to a more robust one, in order to accommodate more ICT infrastructure and to ensure complete fallover                                                                                          |
|                   | Deployment of Video Conferencing Solution for EVC's Office in Kano Zonal Office         | IT          |             | 13,000,000  | This is to establish video conference meetings from Kano Zonal Office to either Head Office or Lagos Zonal Office.                                                                                                                                       |
|                   | Upgrade of the existing Internet Bandwidth for the 5 Zonal Offices                      | IT          |             | 45,000,000  |                                                                                                                                                                                                                                                          |
|                   | Deployment of Test Environment for Staging Server Application for SIM Card Registration | IT          |             | 50,000,000  | This deployment is for testing of new features introduced into the SIM Card Registration Staging Server application before deploying into the production environment.                                                                                    |
|                   | Supply and Installation of Solar Pannels                                                | IT          |             | 27,000,000  | Supply and Installation of Solar Panels for four(4) Zonal Offices: (Enugu, Ibadan, Lagos and Port Harcourt)                                                                                                                                              |
|                   | Server Hardware Consumables (Hard Drives and Memory Modules)                            | IT          |             | 19,040,000  |                                                                                                                                                                                                                                                          |
|                   | ICT Support for SIM Registration Backend                                                | IT          |             | 151,082,177 | ICT Support for SIM Registration Backend Maintained                                                                                                                                                                                                      |
|                   | Annual Maintenance and Servicing of ICT Network Equipment                               | IT          |             | *56,498,046 | Maintenance and Serviced ICT Network Equipment                                                                                                                                                                                                           |
|                   | Purchase of ID Card Printing Solution and Accessories                                   | IT          |             | 5,813,984   |                                                                                                                                                                                                                                                          |
|                   | Annual Oracle License Renewal fee for SIM Registration Project.                         | IT          |             | 26,000,000  | Annual Oracle License Renewal fee for SIM Registration backend Database.                                                                                                                                                                                 |
|                   | Upgrade of Commission's Network - Internal Firewall                                     | IT          |             | 26,000,000  | This project is necessary to ensure the Commission's internal network resources is adequately secure from External security threats. The projects involves the purchase and installation of reliable internal firewall security appliance.               |
|                   | Annual QuickScore Maintenance Fee                                                       | CP          |             | 30,630,350  | Facilitate payment of the QuickScore Performance Management Software Fee                                                                                                                                                                                 |

2018 CAPITAL EXPENDITURE - 3

| INTERNAL PROJECTS |                                                                                                                                                                           | 2017 BUDGET |               | 2018 BUDGET    | JUSTIFICATION                                                                                                                                                                                    |
|-------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|---------------|----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| NO                | DESCRIPTION                                                                                                                                                               | DRD EP      | 2017 BUDGET   | 2018 BUDGET    |                                                                                                                                                                                                  |
|                   | Security Hardware                                                                                                                                                         | EXE C       | 55,038,000    | 230,000,000    | Supply and Installation of Crash Bollard at Zonal Offices and NCC Annex, Abuja                                                                                                                   |
|                   |                                                                                                                                                                           | EXE C       | 21,500,000    | 120,000,000    | Handheld Bomb Sniffers for the Zonal Offices and NCC Annex, Abuja                                                                                                                                |
|                   |                                                                                                                                                                           | EXE C       | 25,000,000    | 100,000,000    | Supply and Installation of Real-time CCTV camera to link the Zonal Offices                                                                                                                       |
|                   |                                                                                                                                                                           | EXE C       |               | 47,100,000     | Deployment of Under-Vehicle Inspection System                                                                                                                                                    |
|                   |                                                                                                                                                                           | EXE C       |               | 30,000,000     | Supply & Installation of Baggage Scanner for the Annex Office                                                                                                                                    |
|                   |                                                                                                                                                                           | EXE C       |               | 50,000,000     | Walk-through Scanner for the NCC Annex, Abuja                                                                                                                                                    |
|                   |                                                                                                                                                                           | EXE C       |               | 28,000,000     | Construction of Security Observation Tower and Perimetre Fence Lighting                                                                                                                          |
|                   |                                                                                                                                                                           | EXE C       |               | 14,000,000     | Supply and installation of Electric fencing with Solar Power Solution.                                                                                                                           |
| 100               | Procurement of New ICT Tools and Accessories                                                                                                                              | IT          | 89,625,000    | 159,000,000    | Proposed new acquisition of Computers and its accessories to cater for the projected increase in staff in 2016.                                                                                  |
| Lot               | Incorporation of Biometric System features into the Current Access Control System (60 points) Microsoft GP Solution (Web Based Portal) for Zones including implementation | IT          | 6,000,000     |                |                                                                                                                                                                                                  |
| 2                 | Anritsu High Performance Handheld Spectrum Analyser MS2720T with training for ten Engineers                                                                               | TS          |               | 100,000,000    | Useful for the measurement of Field Strength, Electromagnetic force etc. It has the capacity to analyse interference and also useful for EMC integrated test system for GSM, LTE GPRS, CDMA etc. |
|                   | Procurement of Anritsu MS2760A Ultra Frequency Conference Test Platform and relevant staff training at OEM site                                                           | TS          |               | 150,000,000    | Hardware, Software, Integration services and Commissioning                                                                                                                                       |
|                   | Purchase of critically required laboratory equipments for the TSNI laboratory                                                                                             | TS          |               | 19,500,744     | High resolution Cameras, Earth Ground resistance Test Kits etc                                                                                                                                   |
|                   | Digital Archival Information Management (DAIS)                                                                                                                            | TS          |               | 50,000,000     | Digital archiving of type approval documents abd drive test documents for excellent E-Office Management                                                                                          |
|                   | <b>TOTAL ICT INFRASTRUCTURE &amp; SOLUTIONS</b>                                                                                                                           |             | 1,748,526,678 | 5,159,020,761  |                                                                                                                                                                                                  |
|                   | <b>TOTAL INTERNAL PROJECTS</b>                                                                                                                                            |             | 3,741,531,056 | 10,473,012,433 |                                                                                                                                                                                                  |

| BREAKDOWN OF CONSULTANCY & PROFESSIONAL EXPENSES |                                                                                                                                                                 | BUDGET 2018          |
|--------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|
|                                                  | Item                                                                                                                                                            | N                    |
| 1                                                | Upgrade of e-HR Software                                                                                                                                        | 84,386,866           |
| 2                                                | Consultancy to Review and Design Secretariat Processes and Procedure Guidelines                                                                                 | 35,000,000           |
| 3                                                | NCC Stakeholders Forum                                                                                                                                          | 30,398,000           |
| 4                                                | Development of Portal for monitoring of Commissionwide Calendar                                                                                                 | 5,000,000            |
| 5                                                | Deployment of Software for monitoring EVC's Approvals                                                                                                           | 5,000,000            |
| 6                                                | Consultancy of the procurement of maintenance of TAMS against system crash, hacking and to modify TAMS based on user experience and new regulatory requirements | 25,000,000           |
| 7                                                | Digitisation of Stakeholder Engagement Interface (consumers)                                                                                                    | 50,000,000           |
| 8                                                | Digitisation of Stakeholder Engagement Interface (other stakeholders)                                                                                           | 50,000,000           |
| 9                                                | Compliance review and implementation of the Corporate Governance Code                                                                                           | 36,000,000           |
| 10                                               | Review of Service Providers' Consumer Code of Practice to include Compensation Schemes to compensate consumers and thereby discourage future faults             | 20,000,000           |
| 11                                               | Engage consultant to undertake filing and archiving of avalanche of license documents in the various registries for proper documentation                        | 35,000,000           |
| 12                                               | Consultancy for Unmanned Aerial Vehicles (UAVs) in 2.4 GHz and 5 GHz unlicensed band                                                                            | 5,000,000            |
| 13                                               | Consultancy on Guidelines for the use of 60 GHz unlicensed Spectrum Band                                                                                        | 5,000,000            |
| 14                                               | Review of NCC Procurement Activities from 2015 and 2016                                                                                                         | 48,000,000           |
| 15                                               | Document Reduction System (Upgrade)                                                                                                                             | 15,000,000           |
| 16                                               | Operational Review of Finance Department process for better Efficiency                                                                                          | 80,000,000           |
| 17                                               | Engagement of a Credit Control Consultant to produce up-to-date credit control manual for the Commission                                                        | 50,000,000           |
| 18                                               | Engagement of a Proficient and seasoned Tax Consultant to handle the tax obligations of the Commission                                                          | 60,000,000           |
| 19                                               | Review of the Existing Accounting Manual to reflect the changes associated with IPSAS adoption.                                                                 | 25,000,000           |
| 20                                               | Consultancy for External Liaison with Stakeholders                                                                                                              | 100,000,000          |
| 21                                               | Development of PCEA Automated Central Database                                                                                                                  | 158,500,000          |
| 22                                               | Consultancy Study on the Determination of Causes of Non-Performance in Various Telecommunications Market Segment                                                | 68,810,000           |
| 23                                               | Financial Performance Analysis of the Nigerian Telcoms Operators for the past 5 years (2012 to 2016)                                                            | 60,000,000           |
| 24                                               | Consultancy Study on the Determination of Cost Based Pricing for Retail Broadband and Data Services in Nigeria                                                  | 93,200,080           |
| 25                                               | Development of an automated Consumer Complaint Management                                                                                                       | 273,750,000          |
| 26                                               | Consultancy for Business Process Management Knowledge Transfer (Lean Six Sigma)                                                                                 | 51,770,000           |
| 27                                               | Development of Board Charter                                                                                                                                    | 10,000,000           |
| 28                                               | Child Online Protection Initiative                                                                                                                              | 153,500,000          |
| 29                                               | Nigerian Internet Governance Forum (NIGF)                                                                                                                       | 16,300,000           |
| 30                                               | Process Mapping and upgrade of standard operating procedures                                                                                                    | 50,000,000           |
| 31                                               | Review the Strategic Management Plan/8-points agenda                                                                                                            | 95,334,700           |
| 32                                               | Engagement of Consultant to review Standard Operating Manual (SOP)                                                                                              | 30,000,000           |
| 33                                               | Strategic Partnering for Economic Growth                                                                                                                        | 63,141,750           |
| 34                                               | Communicating and managing transition to current strategy                                                                                                       | 14,900,000           |
|                                                  | <b>TOTAL</b>                                                                                                                                                    | <b>2,031,306,096</b> |

## SCHOOL SUPPORT PROGRAMME



| QTY  | DESCRIPTION                                                                                                                                                                  | DIR/DE<br>P | 2017 BUDGET   | 2018 ACTUAL   | NOTES                           |
|------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|---------------|---------------|---------------------------------|
| 1700 | Computers (Intel Core 2 Duo E8600 2.40GHZ with MS Windows 7) License MS Office Professional                                                                                  | HCIG        | 175,000,000   | 595,000,000   | For DAP                         |
| 35   | Servers 8100 Intel Core i5-660 Processor (3.330GHZ, 4MB and MS WIN 7) - 20 User License                                                                                      | HCIG        | 10,937,500    | 15,312,500    | For DAP                         |
| 35   | Local Area Network (Material + Installation                                                                                                                                  |             | 93,750,000    | 131,250,000   |                                 |
| 35   | VSAT high Power Broadband with 12 months subscription                                                                                                                        | HCIG        | 112,500,000   | 157,500,000   | For DAP                         |
| 35   | HP Scan Jet                                                                                                                                                                  | HCIG        | 3,850,000     | 5,250,000     | For DAP                         |
| 735  | UPS 650 VA Pro                                                                                                                                                               | HCIG        | 12,500,000    | 18,375,000    | For DAP                         |
| 35   | UPS 1400 VA Pro                                                                                                                                                              | HCIG        | 1,093,750     | 1,531,250     | For DAP                         |
| 100  | HP Laser Jet 2015 Printers                                                                                                                                                   | HCIG        | 7,500,000     | 12,500,000    | For DAP                         |
| 70   | HP Desk Jet 1280 Printers                                                                                                                                                    | HCIG        | 5,312,500     | 7,437,500     | For DAP                         |
| 735  | Computer Tables and Chairs                                                                                                                                                   | HCIG        | 50,000,000    | 73,500,000    | For DAP                         |
| 35   | Training of DAP Beneficiaries                                                                                                                                                | HCIG        | 2,187,500     | 3,062,500     |                                 |
| 6    | Engagement of Consultant for Technical Audit of sites                                                                                                                        | HCIG        |               | 150,000,000   |                                 |
|      | Bandwidth Renewal/ Reactivation of Existing Digital Awareness Project Sites                                                                                                  | HCIG        | 187,500,000   |               |                                 |
|      | <b>Digital Awareness Programme Civil Works</b>                                                                                                                               |             |               |               |                                 |
| 35   | Construction of Computer Laboratory 8mX10m floor space comprising of hall, Manager's Office, Server room and 2nos WC                                                         | HCIG        | 262,500,000   | 306,250,000   |                                 |
| 210  | Airconditioners                                                                                                                                                              | HCIG        | 22,500,000    | 39,375,000    | For Digital Awareness Programme |
| 350  | Branded Window Blinds @ 10 nos per site                                                                                                                                      | HCIG        | 6,850,000     | 7,875,000     |                                 |
| 35   | DAP Location Signage                                                                                                                                                         | HCIG        | 1,125,000     | 1,312,500     |                                 |
| 1    | Monitoring and Commissioning of Civil Works                                                                                                                                  | HCIG        | 112,400,000   | 30,000,000    |                                 |
| 35   | Generators 20.5 KVA Sound Proof plus installation costs inclusive of construction of concrete base, armoured cable, change over switch, generator house, transportation, etc | HCIG        | 131,250,000   | 152,324,991   | For Digital Awareness Programme |
| 35   | Drawing & Supervision fees                                                                                                                                                   |             | 106,031,250   | 113,394,540   |                                 |
|      | <b>Advanced Digital Access Programme for Tertiary Institutions (ADAPTI)</b>                                                                                                  |             |               |               |                                 |
| 3300 | 110 nos of Laptop Computer each for Tertiary Institutions in the 6 Geopolitical Zones and Teaching Hospitals in the North and South                                          |             | 4,244,251,000 | 1,625,250,000 |                                 |
| 3300 | e-Learning Suite                                                                                                                                                             |             |               | 33,000,000    |                                 |
| 30   | Monitoring and Commissioning                                                                                                                                                 |             |               | 75,000,000    |                                 |
|      | <b>Wireless Internet Cloud</b>                                                                                                                                               |             |               |               |                                 |
| 20   | Wireless Internet Cloud for Institutions + 1 year maintenance support in the 6 Geopolitical Zones                                                                            | HCIG        | 937,400,000   | 1,000,000,000 |                                 |
| 20   | Bandwidth Renewal for existing Wireless Cloud                                                                                                                                | HCIG        | 156,250,000   | 902,500,000   |                                 |
| 20   | Monitoring and Official Commissioning                                                                                                                                        | HCIG        | 50,000,000    | 30,000,000    |                                 |

| QTY    | DESCRIPTION                                                                                                                                                                      | DIR/DE<br>P | 2017 BUDGET   | 2018 ACTUAL    | NOTES |
|--------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|---------------|----------------|-------|
|        | Data Sharing and e-Learning Platform                                                                                                                                             |             |               |                |       |
| 2      | Data Sharing and e-health platform in 6 University Teaching Hospitals in the Northern Zone ( ASUU INTERVENTION)                                                                  | HCIG        | 583,360,000   | 291,666,666    |       |
| 2      | Data Sharing and e-health platform in 6 University Teaching Hospitals in the Southern Zone ( ASUU INTERVENTION)                                                                  | HCIG        | 583,360,000   | 291,666,666    |       |
| 2      | Data Sharing and e-learning platform 6 (Six) Universities in the Northern Zone of the Country (ASUU INTERVENTION)                                                                | HCIG        |               | 291,666,666    |       |
| 2      | Data Sharing and e-learning platform 6 (Six) Universities in the Southern Zone of the Country (ASUU INTERVENTION)                                                                | HCIG        |               | 291,666,666    |       |
|        | Implementation of Virtual Centers                                                                                                                                                |             |               |                |       |
| 1      | Implementation of Virtual Examination Centres in selected Schools in the Southern Zone                                                                                           | HCIG        | 200,000,000   | 270,000,000    |       |
| 1      | Implementation of Virtual Examination Centres in selected Schools in the Northern Zone                                                                                           | HCIG        | 200,000,000   | 270,000,000    |       |
| 1      | Provision of ICT tools and Local Area Network and Internet infrastructure for the virtual Aid Exam centers in the Southern Zone                                                  | HCIG        |               | 270,000,000    |       |
| 1      | Provision of ICT tools and Local Area Network and Internet infrastructure for the virtual Aid Exam centers in the Northern Zone                                                  | HCIG        |               | 270,000,000    |       |
|        | Digital Access Empowerment Programme for Undergraduates (DAEP)                                                                                                                   | HCIG        |               |                |       |
| 78,178 | Supply, configuration and integration of 1000 units e-pad with internet access and other educational contents in Ten (10) selected tertiary institutions in 6 geopolitical zones | HCIG        | 300,000,000   | 4,299,772,500  |       |
|        | Advanced Digital Appreciation Programme for Tertiary Institutions (ADAPTI - T)                                                                                                   |             | 753,225,000   | 1,191,125,000  |       |
| Lot    | Telecom Book Donation to Tertiary Institutions                                                                                                                                   | PD          |               | 93,765,976     |       |
| Lot    | Deployment of College Cloud e-Platform                                                                                                                                           | PD          |               | 418,000,000    |       |
| Lot    | Stakeholder Meetings for Provision of College Cloud E-Learning Platform                                                                                                          | PD          |               | 204,000,000    |       |
| Lot    | Stakeholders Consultation on ICT Penetration                                                                                                                                     | PD          |               | 241,000,000    |       |
|        | Construction of Mini ICT Squares for R&D in Tertiary Institutions and Installation of equipment                                                                                  | EXE         |               | 2,163,780,000  |       |
|        | Supply and installation of e-Pads with learning suites to selected Tertiary Institutions nationwide                                                                              | EXE         |               | 1,572,714,000  |       |
|        |                                                                                                                                                                                  |             | 9,312,633,500 | 17,917,824,921 |       |

| SPECIAL PROJECTS |                                                                                                                    |             |             |                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|------------------|--------------------------------------------------------------------------------------------------------------------|-------------|-------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| S/N              | DESCRIPTION                                                                                                        | 2017 BUDGET | 2018 ACTUAL | NOTES                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|                  |                                                                                                                    | ₦           | ₦           |                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|                  | EMERGENCY COMMUNICATION CENTERS (ECC)                                                                              |             |             |                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 37               | COMMUNICATION INFRASTRUCTURE                                                                                       |             |             |                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 6                | Construction and Rehabilitation of all completed ECC sites                                                         |             | 210,000,000 | Following the Board approval for the Comprehensive Programme to salvage the ECC sites, the budget is to take care of a Condition Survey, rehabilitation of Centres with common and specific defects; including: Civil works, reroofing, rewiring, drainage construction, connection to public water mains, sound proofing of call-taker rooms etc                                                                                         |
| 32               | Outsourced Security (Unarmed Security)                                                                             | 100,000,000 | 160,000,000 | Provision of Outsourced Security Services to 30 ECC completed sites including services and Admin charges. Provision of security equipment for 20 sites including but not limited to the following - Surveillance Cameras, Scanners and metal detectors, Bomb detectors etc                                                                                                                                                                |
| 32               | Security Management (Armed)                                                                                        | 85,000,000  | 259,800,000 | Proposed deployment of 192 Military personnel to three (3) additional ECC sites in the North in 2016. Deployment of 160 armed Nigerian Security and Civil Defence Corps (NSCDC) in 32 ECC sites. Outsourced Private Security in 32 ECC sites including Service and Admin charges.                                                                                                                                                         |
| 20               | Facility Management Services                                                                                       |             | 252,000,000 | Engagement for Facility Management Service companies for the management of completed centres. The amount will cover the following - Facility Mgt fees (Service & Admin Charges), Reimbursables for repairs & Replacements, quarterly fumigations, servicing of Generator Sets, Consumables etc                                                                                                                                            |
| Lot              | Digital Mapping Solution: Mapping Application that display Location Information, transmitted by Network Operators. |             | 130,000,000 | Telecom network operators have been directed to activate location based services in their networks. The ECC facilities need to be upgraded with mapping solutions that can display Caller Locations to the street level.                                                                                                                                                                                                                  |
| 20               | Deployment/Management of Communications Equipment and Infrastructure to ECC Sites                                  |             | 584,000,000 | Routine Maintenance of call Taking Equipment, replacement of 200 units of 100AH/12V Inverter batteries, replacement of communications equipment for sites affected by robbery, procurement of Ec call takers' high fidelity noise cancelling headsets, provision of 122 branded customised Android telephone hardware for VPN and Procurement and installation of 200KVA transformers for south south states and 10 states without power. |
| 12               | Managed Services/Business Process Operations                                                                       |             | 850,227,500 | Payment for Managed service and Business Process Operations for eleven (20) ECC sites, including Admin and service charges. Contract already running.                                                                                                                                                                                                                                                                                     |
| 17               | Stipends for ECC Dispatchers                                                                                       |             | 106,000,000 | Payment of Allowances to Dispatchers in 20 ECC sites (i.e. 15 Dispatchers in each Centre)                                                                                                                                                                                                                                                                                                                                                 |
| 20               | Maintenance of Building and Equipment                                                                              | 18,026,000  |             | Maintenance of Communications equipment. Post Warranty repairs, maintenance and replacement of faulty communications equipment and call taking systems in 20 ECC sites                                                                                                                                                                                                                                                                    |

| SPECIAL PROJECTS |                                                                              |             |             |
|------------------|------------------------------------------------------------------------------|-------------|-------------|
| ITEM             | DESCRIPTION                                                                  | 2017 BUDGET | 2018 ACTUAL |
|                  |                                                                              | ₦           | ₦           |
|                  | EMERGENCY COMMUNICATION CENTERS (ECC)                                        |             |             |
|                  | Fuel, Diesel, Utilities and Telephone Expenses.                              |             | 252,000,000 |
|                  | Tenement Rates                                                               |             | 50,000,000  |
|                  | Project Supervision                                                          |             | 82,200,000  |
|                  | Sensitisation Programme and Launch of ECC Services at each Geopolitical Zone |             | 100,000,000 |
|                  | TOTAL                                                                        |             |             |

| SPECIAL PROJECTS                                                                                                  |                      |                                                                                                                                                                                                       |
|-------------------------------------------------------------------------------------------------------------------|----------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| DESCRIPTION                                                                                                       | 2018 BUDGET          | NOTES                                                                                                                                                                                                 |
| QUALITY OF SERVICE                                                                                                |                      |                                                                                                                                                                                                       |
| BAL B/F                                                                                                           |                      |                                                                                                                                                                                                       |
| Engagement, assessment and drive test initiatives towards continual QoS improvement across the industry           | 60,558,200           | Recommendations from engagements, implementation of recommendations and noticeable QoS improvement across the industry                                                                                |
| Hardware repairs and spares, software patches and updates                                                         |                      |                                                                                                                                                                                                       |
| 1st, 2nd and 3rd level O&M support and capacity building                                                          | 50,000,000           | Availability of automatically collected and processed upto date QoS data from MNOs                                                                                                                    |
| Hardware repairs and spares, software patches and updates                                                         |                      |                                                                                                                                                                                                       |
| 1st, 2nd and 3rd level O&M support and report templates configuration and capacity building                       | 70,000,000           | provision of Hardware and software support, equipment spares, faulty equipment replacement, 1st, 2nd and 3rd level operations and maintenance of QoS Reporting and monitoring System                  |
| Fibre transmission leased capacity                                                                                |                      |                                                                                                                                                                                                       |
| Upgrade of hardware and software components to support new functionalities                                        | 108,000,000          | Hardware and software upgrade, data migration, testing and commissioning to enable support of new features and functionalities                                                                        |
| Carry out drive test in selected areas across the country                                                         | 200,200,000          | Measure Mean Opinion Score (MOS) and Call Setup Time (CST) of different operators as well as report on QoS issues in different areas as may be required                                               |
| Industry Working Group Meetings (IWG)                                                                             | 44,788,000           | 1. Industry Working Group on Short Codes Meetings. 2. Industry Working Group Meeting on MNP                                                                                                           |
| End to end support and maintenance for the NNP Software project                                                   | 51,500,000           | NNP Server Acquisition, Installation, Configuration and Testing for the newly acquired Numbering Management Software                                                                                  |
| Determine Tower overload                                                                                          | 37,800,000           |                                                                                                                                                                                                       |
| Verify Tower torque                                                                                               | 37,800,000           |                                                                                                                                                                                                       |
| Carry out Tower modelling                                                                                         | 37,800,000           |                                                                                                                                                                                                       |
| Determine Tower structural Integrity                                                                              | 37,800,000           |                                                                                                                                                                                                       |
| Certification of Telecommunication Towers                                                                         | 6,720,000            | Consultancy on Technical Certification of Mast and Tower, 70 sites in each of the six geopolitical zones                                                                                              |
| Consultancy service for the Review of the Numbering Regulations 2008 to accommodate the newly developed NNP rules | 25,000,000           |                                                                                                                                                                                                       |
| Consultancy Service for Fibre Rollout Framework                                                                   | 36,000,000           |                                                                                                                                                                                                       |
| Updated Type Approval Regulations                                                                                 | 50,000,000           | To carry out a review of the existing Type Approval Regulation and Guideline in line with current technology and environmental imperatives                                                            |
| Equipment Certification Benchmarking and Factory technical Visit/Audit                                            | 60,000,000           |                                                                                                                                                                                                       |
| Combat Mobile Crime in Nigeria/Deployment of Device Management Solution                                           | 150,000,000          | Review of best practice approach for deployment as submitted by solution providers                                                                                                                    |
| Decommissioning of abandoned Masts/Towers in the Country                                                          | 425,000,000          | Decommissioning of abandoned Masts/Towers in the Country                                                                                                                                              |
| Multiple Taxation & Regulation (MTR) Lobby                                                                        | 55,000,000           | Engagement with key stakeholders to minimise interference with critical telecoms infrastructure, establish effective escalation machineries and secure the seamless operation of the national network |
| <b>TOTAL SPECIAL PROJECTS</b>                                                                                     | <b>1,543,966,200</b> |                                                                                                                                                                                                       |

| SPECIAL PROJECTS                                                                                                       |                      |                       |                                                                                                                                                                                                                                                                                 |
|------------------------------------------------------------------------------------------------------------------------|----------------------|-----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| DESCRIPTION                                                                                                            | 2017 BUDGET          | 2018 BUDGET           | NOTES                                                                                                                                                                                                                                                                           |
| BAL B/F                                                                                                                | 203,026,000          | 3,036,227,500         |                                                                                                                                                                                                                                                                                 |
| <b>SUBSCRIBERS DATABASE MANGEMENT</b>                                                                                  |                      |                       |                                                                                                                                                                                                                                                                                 |
| Central Data Centre Maintenace and Management; Maintenance & Management of the NSIM Card Registration Central Database | 708,386,600          | 1,814,468,198         | 1. Maintenance of Hard and Software component of the Central Database and mgt of Subscribers Information.<br>2. Procurement of 60M Automated Fingerprint Identification System (AFIS) License.<br>3. Harmonisation of SIM Reg database with National Identity Mgt System (NIMS) |
| AFIS Software License Fees; AFIS and workflow/identity Software License fees for 60M records.                          | 780,000,000          |                       | Operators will continually send captured SIM data to the NCC, it is therefore necessary to procure an additional 60 million AFIS licenses to cover the volume of data transmitted.                                                                                              |
| <b>TOTAL SUBSCRIBERS DATABASE MANGEMENT</b>                                                                            | <b>1,488,386,600</b> | <b>1,814,468,198</b>  |                                                                                                                                                                                                                                                                                 |
| <b>State Accelerated Broad Band Initiative</b>                                                                         |                      |                       |                                                                                                                                                                                                                                                                                 |
| Subsidy for Broadband deployment Phase 1 & 2 (INFRACOS)                                                                | 2,100,000,000        | 5,279,489,600         | Subsidy payment for 7 zones (Lagos, NC, NE, NW, SW, SS, & SE)                                                                                                                                                                                                                   |
| Fibre Deployment Study and Framework                                                                                   | 15,000,000           |                       | Provision of assistive technologies for persons with special needs and disabilities, through the establishment of Multipurpose ICT Training Centers.                                                                                                                            |
| Consultancy for Broadband Parliament and Monitoring                                                                    |                      | 331,156,882           | Allow customers to migrate to the choice service provider, an intervention to provide network facility support in implementation of service interception                                                                                                                        |
| Broadband Stakeholders Engagement Forum                                                                                | 53,000,000           |                       |                                                                                                                                                                                                                                                                                 |
| Consultancy for Broadband Parliament and Monitoring                                                                    | 49,592,882           |                       | Allow customers to migrate to the choice service provider, an intervention to provide network facility support in implementation of service interception                                                                                                                        |
|                                                                                                                        | <b>2,217,592,882</b> | <b>5,610,646,482</b>  |                                                                                                                                                                                                                                                                                 |
| ICT Parks                                                                                                              |                      | 3,229,950,290         |                                                                                                                                                                                                                                                                                 |
| <b>SPECIAL PROJECTS</b>                                                                                                | <b>4,451,491,482</b> | <b>13,691,292,470</b> |                                                                                                                                                                                                                                                                                 |

## SUMMARY OF CAPITAL EXPENDITURE

| CATEGORIES                                            | 2017 BUDGET           | 2018 BUDGET           |
|-------------------------------------------------------|-----------------------|-----------------------|
|                                                       | ₦                     | ₦                     |
|                                                       |                       |                       |
| INTERNAL PROJECTS                                     | 3,714,331,036         | 10,475,012,483        |
| SCHOOL SUPPORT PROGRAMME                              | 9,312,633,500         | 17,917,824,921        |
| CONSULTANCIES                                         | 585,219,072           | 2,031,306,096         |
| <b>TOTAL CAPITAL EXPENDITURE</b>                      | <b>13,612,183,608</b> | <b>30,424,143,500</b> |
|                                                       |                       |                       |
| <b>SPECIAL PROJECTS</b>                               |                       |                       |
| EMERGENCY COMMUNICATIONS CENTRES (ECC)                | 203,026,000           | 3,036,227,500         |
| SUBSCRIBERS DATABASE MANAGEMENT                       | 1,488,386,600         | 1,814,468,198         |
|                                                       |                       |                       |
| STATE ACCELERATED BROAD BAND INITIATIVE               | 2,217,592,882         | 5,610,646,482         |
|                                                       |                       |                       |
| GSM & CDMA Networks QoS Driving and Online Monitoring | 542,486,000           | 1,543,966,200         |
| ICT Parks                                             |                       | 3,229,950,290         |
| <b>TOTAL SPECIAL PROJECTS</b>                         | <b>4,451,491,482</b>  | <b>15,235,258,670</b> |
| <b>TOTAL CAPITAL AND SPECIAL PROJECTS</b>             | <b>18,063,675,090</b> | <b>45,659,402,170</b> |
|                                                       |                       |                       |