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 2017

MARCH 2018

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 2017

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 N204.8 billion out of which Recurrent Expenditure is N27.0 billion and Capital Expenditure is N13.6 billion. The sum of N4.4 billion is for Special Projects while the sum of N13.9 billion and N145.7 billion will be transferred to the Universal Service Provision Fund (USPF) and the Federal Government of Nigeria respectively.

SUMMARY OF NCC BUDGET 2017

A. REVENUE PROFILE		**N'000**
LICENSING FEES	......	1,792,706
ANNUAL OPERATING LEVY	......	46,429,000
SPECTRUM FEES	......	122,416,745
NUMBERING PLAN	......	3,900,000
ADMIN CHARGES	......	2,250
TYPE APPROVAL FEES	.....	214,500
INVESTMENT INCOME	.....	30,000,000
SUNDRY INCOME	......	45,518
TOTAL REVENUE	**.....**	**204,800,719**
B. EXPENDITURES		
RECURRENT EXPENDITURES		
ESTABLISHMENT COSTS		580,473
STAFF COSTS		14,113,597
TRAVEL COSTS		3,410,328
OPERATIONAL COSTS		7,310,300
ADMINISTRATION COSTS		1,648,345
BANK CHARGES		0
TOTAL RECURRENT EXPENDITURE		**27,063,043**
CAPITAL EXPENDITURES		
INTERNAL PROJECTS		3,094,331
SCHOOL SUPPORT PROGRAMME		9,312,634
DIGITAL BRIDGE INSTITUTE		620,000
CONSULTANCIES		585,219
TOTAL CAPITAL EXPENDITURE		**13,612,183**
SPECIAL PROJECTS		
EMERGENCY COMMUNICATIONS CENTRES		203,026
STATE ACCELERATED BROADBAND INITIATIVE		2,217,592
GSM & CDMA NETWORKS QoS		542,486
SIM CARD REGISTRATION PROJECTS		1,488,387
ICT TRAINING PROGRAMME BY DBI		0
TOTAL SPECIAL PROJECTS		**4,451,491**
TRANSFER TO FEDERAL GOVT.		**145,745,300**
TRANSFER TO USPF		**13,928,700**
TOTAL BUDGETED EXPENDITURE		**204,800,719**

3. FINDINGS:

The Management of the Nigerian Communications Commission led by its Executive Vice Chairman appeared before the Committee to defend the Commission's Y2017 Budget proposal on Tuesday, February 20, 2018. After exhaustive deliberations, the Committee observes as follows:

i. The Commission's Revenue of N204.8 billion consists of Annual Licensing Fees (N1.7billion); Annual Operating Levy (N46.4billion); Spectrum Fees (N122.4billion); Numbering Plan (N3.9billion); Admin. Charges (N2.2million); Type Approval Fees (N214.5million); Investment Income (N30billion); and Sundry Income (N45.5million).

ii. The Commission's Total Expenditure of N204.8 billion consists of Total Recurrent Expenditure (N27.0billion); Total Capital Expenditure (N13.6billion); and Total Special Projects (N4.4billion). Transfer to the Federal Government stands at N145.7billion while Transfer to the Universal Service Provision Fund is N13.9billion.

iii. The Commission's Total Budgeted Revenue and Total Budgeted Expenditure for Y2017 remain the same at N204.8billion.

4. RECOMMENDATIONS:

a. It is hereby recommended that a sum of **N204,800,719,000 (Two Hundred and Four Billion, Eight Hundred Million, Seven Hundred and Nineteen Thousand Naira only)** be approved as the Nigerian Communications Commission's Y2017 Budget.

b. We also recommend that this Budget should be allowed to run till 30th June 2018.

5. PRAYER

That the Senate do approve the recommendations of the Committee.

SENATOR (PRINCE) GILBERT NNAJI
CHAIRMAN

2017 RECURRENT EXPENDITURE

	BUDGET 2016	BUDGET 2017	COMM. RECOMM.
	N'000	N'000	N'000
ESTABLISHMENT COSTS			
Rents & Rates	80,000	41,000	41,000
Insurance	160,000	524,223	524,223
Recruitment Expenses	40,000	15,250	15,250
TOTAL	**280,000**	**580,473**	**580,473**
STAFF COSTS	-		
Salaries & Wages	8,990,006	10,394,664	10,394,664
Welfare Costs	427,346	461,532	461,532
Medical Expenses	847,505	865,289	865,289
Pension & Gratuity	1,053,007	1,012,988	1,012,988
Training & Developments	2,632,498	1,379,124	1,379,124
TOTAL	**13,950,362**	**14,113,597**	**14,113,597**
TRAVEL COSTS	-		
Transport & Travelling-Foreign	744,214	2,447,510	2,447,510
Transport & Travelling- Local	1,162,687	895,453	895,453
Vehicle Running Expenses	70,000	55,365	55,365
Relocation Allowance	5,821	12,000	12,000
TOTAL	**1,982,722**	**3,410,328**	**3,410,328**
OPERATIONAL COSTS	-		
Printing & Stationery	97,090	83,800	83,800
Postage & Courier Services	43,419	37,254	37,254
Advertisements	630,400	1,239,247	1,239,247
Forum, Conf & Seminars	1,613,514	3,025,635	3,025,635
Protocol & Public Relation Expenses	30,000	68,591	68,591
Subscription and Donations	36,675	-	-
Miscellaneous Expenses	14,225	13,719	13,719
Dues to Int. Organisations	238,000	284,160	284,160
IT Expenses	325,433	826,399	826,399
Studies/Research	413,746	904,933	904,933
Regulatory/Enforcement Expenses	1,068,944	826,562	826,562
TOTAL	**4,511,486**	**7,310,300**	**7,310,300**
ADMINISRATION COSTS	-		
Maintenance of Building & Equipment	200,000	172,027	172,027
Fuel & Diesel Expenses	91,140	91,000	91,000
Utilities	60,420	80,280	80,280
Library Expenses	22,820	-	-
Entertainment	23,225	15,844	15,844
Consultancy & Professional Fees	300,000	488,448	488,448
General Office Expenses	98,262	152,440	152,440
Security Expenses	70,000	104,448	104,448
Audit Fees & Accountancy Fees	50,000	25,000	25,000
Management Expenses	545,750	498,077	498,077
Museum Expenses	10,000	20,781	20,781
TOTAL	**1,471,617**	**1,648,345**	**1,648,345**
Bank Charges	15,000	-	-
TOTAL RECURRENT	**22,211,186**	**27,063,043**	**27,063,043**

2017 CAPITAL EXPENDITURE
INTERNAL PROJECTS

NO.	DESCRIPTION	BUDGET 2016 ₦	BUDGET 2017 ₦	COMM. REC. ₦
BUILDINGS				
0	PROVISION OF ADDITIONAL INFRASTRUCTURE/FACILITY			
Lot	Design and construction of Centralized Off-Site Store/Warehouse/Archive for the Commission	10,000,000	-	-
	Provision of Public Address System	7,500,000	-	-
Lot	Introduction of Energy Saving Lighting Fittings in the Common Areas	30,000,000	-	-
	Supply and Installation of Cradle Equipment	70,000,000	-	-
1	Construction of Proposed Yola Zonal Office	30,000,000	104,800,000	104,800,000
	UPGRADE AND IMPROVEMENT WORKS ON HO INFRASTRUCTURE	-		
	Supply and Install a VRF/VRY (Variable Refrigerant flow/Volume) Air Condition System in the Common Areas	75,000,000	-	-
	Supply and Installation of Aluminium composite Cladding (Alucobond) on the external walls of HO Building	150,000,000	-	-
	Renovation of Staff canteen, including furnishing	60,000,000	-	-
	Rehabilitation of the Commission Head Office infrastructure	-	20,000,000	20,000,000
	Installation of centralized inverter System	-	30,000,000	30,000,000
	Construction of CBT Center	-	-	137,179,153
	Automated/access controlled aluminium doors in all common areas	-	32,000,000	32,000,000
	Provision of ICT for CBT Center	-	-	110,514,324
	Provision for Kano Zonal Office	-	-	253,000,000
	Overhaul of water treatment system	-	18,000,000	18,000,000
	Facelift of Commission's reception and entrance foyer	-	25,000,000	25,000,000
	Replace Aluminium Blinds with customized wooden blind	30,000,000	-	-
	Rehabilitation of Facilities at the DBI Kano campus	-	20,000,000	20,000,000
	Establishment of Admin Call center	-	50,000,000	50,000,000
	Supply and Installation of sectional Steel Ceiling in the corridors	50,000,000	-	-
	TOTAL BUILDINGS	**512,500,000**	**299,800,000**	**800,493,477**
PLANT AND MACHINERY				
1	Replacement of old Generators in the Commission HO Building	300,000,000	-	-
10	Provision of 60KVA Generators for the Zonal Offices	75,000,000	-	-

	Space Radio Monitoring System which include:			
2	***Monitoring and Geolocation Antenna***- SAT-C-ANT-76. 1 MOT-6. 1 Meter Earth Station Antenna, SAT –KU-ANT-3.7-MOT-3.7 Meter Earth Station Antenna	-	-	-
	SAT-ANT-TRACKING	159,236,874		
6	***SATID –OS-OPERATOR WORKSHOP***-satid 10 days operator workshop for up to 10 staff at OEM site including printed materials			
1	Purchase of N9910X875DC Charger for Handheld Aglient Analyser	-	1,092,960	1,092,960
	Purchase of N9910X875DC extra battery for Handheld Aglient Analyser	-	818,400	818,400
1	Spectrum Simulation tools	-	40,000,000	40,000,000
Lot	Procurement of Monitoring and Direction Finding Antennas for fixed monitoring stations (FMS PH, Kano and Ibadan)	180,000,000	-	-
Lot	Monitoring Tools and Accessories including RFP-1 preamplifier, with freq. range: 40 GHz to 60GHz Gain: +18 to +23dB	5,550,000	45,550,000	45,550,000
Lot	Installation and configuration of HF/VHFRadio Network	10,300,000	-	-
Lot	Annual Maintenance of the Spectrum Monitoring System	18,612,750	25,000,000	25,000,000
	TOTAL PLANT & MACHINERY	**748,699,624**	**112,461,360**	**112,461,360**
FURNITURE, FITTINGS AND EQUIPMENT		-	-	-
Lot	Procurement of Office Furniture for Head Office and Zonal Offices	100,000,000	100,000,000	100,000,000
19	Supply and Installation of Photocopy Machine	162,000,000	75,000,000	75,000,000
	Supply and Installation of Gym Equipment	20,000,000	20,000,000	20,000,000
1	Document Scanning Machine	80,000	-	-
Lot	Kitchen Equipment	20,000,000	10,000,000	10,000,000
	Upgrade of obsolete fire fighting equipment/installations and firedrills	-	65,000,000	65,000,000
	Supply and Installation of Secured Kay management System	-	35,000,000	35,000,000
5	CCTV and Security Cameras for Head and Zonal Offices – IP Based	-	29,000,000	29,000,000
1	Cash Counting machine	-	600,000	600,000
3	Fire Proof safe and Cabinet	-	750,000	750,000
3	Large Photocopying Machine	-	72,000,000	72,000,000
1	A3 Laserjet Printers	-	1,400,000	1,400,000
	TOTAL INTERNAL FURNITURE AND FITTINGS	**302,080,000**	**408,750,000**	**408,750,000**
	MOTOR VEHICLES	-	-	-
10	Pool Vehicles	130,000,000	-	-
5	Operational Vehicles	-	45,000,000	45,000,000
1	Operational Vehicle	-	9,100,000	9,100,000

	TOTAL MOTOR VEHICLES	130,000,000	54,100,000	54,100,000
ICT INFRASTRUCTURE AND SOLUTIONS				
	Procurement of Billing and Tariff Monitoring System/Training	500,000,000	-	-
	Establishment and Implementation of Telecommunications Sector Computer security Incident Responses Team (CSIRT) to be domiciled in the NCC	100,000,000	250,000,000	250,000,000
	Center Hardware and Furnishing		473,592,712	473,592,712
	Terminal Equipments		110,000,000	110,000,000
1	Upgrade of the Commission's network Perimeter Security – Firewall and Web Shield		35,000,000	35,000,000
	Supply and Installation of Crash Bollard at Zonal Offices		55,038,900	55,038,900
	Bomb Sniffers for the Zonal Offices		21,500,000	21,500,000
	Supply and Installation of Real-time CCTV Camera to link the Zonal Offices		25,000,000	25,000,000
Lot	Document Management Solutions	178,845,000	57,500,000	57,500,000
	Development of Enterprise Risk Application		14,646,000	14,646,000
1	Relocation of the Commission's Data centre to the Ground Floor		25,000,000	25,000,000
1	Additional Disk Enclosures and Hard Drivers for the HP P6500 Storage		36,000,000	36,000,000
	Upgrade of Zonal Offices Mitel PBX System		25,000,000	25,000,000
	Document Digitalization and Archiving System		2,000,000	2,000,000
	Ethical Hacking and Forensic Investigation of the Commission's Security Network		30,000,000	30,000,000
	Integration of Microsoft Great Plains to REMITA		28,000,000	28,000,000
1	Finance Operations & Process Review		25,000,000	25,000,000
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	6,000,000
5	Upgrade of Internet Service in the 5 Zonal Offices (Deployment of bandwidth from new ISP)	25,000,000	-	-
1	Installation of redundancy in the Commission's Network Core Switch	7,500,000	-	-
1	Provision of additional ICT Room in the Commission	10,000,000	-	-
1	Installation and Implementation of Network Monitoring and Management tool in NCC Zonal Offices	12,000,000	-	-
3	Remodelling of Server Rooms in Enugu, Port Harcourt and Kano Zonal Offices	15,000,000	-	-
1	Process Automation and Centralised Database for PCEA department	30,000,000	-	-
Lot	Document Management Solutions	178,845,000	-	-
Lot	Database Consolidation	50,000,000	-	-

	Additional AFIS Biometric Licenses (30,000,000)	232,500,000	-	-
	Upgrade of Software Licenses for Network Operation Center (NOC) Servers	120,000,000	29,624,064	29,624,064
5	HP SAS Drive Enclosure (with 12X 2TB Hard Drive)	7,253,750	-	-
32	Server Hardware Consumables	13,290,375	-	-
	Enterprise Content Management solution (Dokmee)	40,712,500	-	-
	Deployment/Test Environment for Staging Server Application	22,095,000	-	-
100	Upgrade of HR-Focus License	5,720,000	-	-
100	International Payroll License	1,900,000	-	-
1	Upgrade of NCC Vendor Risk Management Software	15,000,000	-	-
	Creation of GIS database of deployed Microwave and Base Stations in Nigeria	121,885,250	-	-
	Project Management System (Consultancy and Software Applications) including Training	25,000,000	-	-
1	Revenue Assurance/Monitoring Software	295,000,000	380,000,000	380,000,000
1	Tax Administration and Management	40,000,000	-	-
1	Update of Budget Control Software to meet the requirement of TSA	100,000,000	-	-
100	Procurement of New ICT Tools and Accessories	40,000,000	89,625,000	89,625,000
6	Procurement of HP Servers for Information Technology Service Manager (ITSM) Implementation	16,725,000	-	-
1	ACL GRC Software	50,000,000	-	-
Lot	Procurement of e-Admin Software	30,000,000	-	-
Lot	Acquisition of Number Management System (Software) & automation of the Numbering application processes	100,000,000	-	-
	Equipment Type Approval in Accredited Laboratories and Quality Assurance/Audit visit for both Terminal and Major Equipment Type Approval	30,000,000	-	-
2	Anritsu high Performance Handheld Spectrum Analyzer MS272OT with training for six Engineers	60,000,000	-	-
8	Calibration of Spectrum Analyzer and other Measuring Tools	10,000,000	-	-
	Upgrade of existing Qvoice equipment to Symphony	210,000,000	-	-
	Quality of Service tools infrastructure Systems Support	50,000,000	-	-
	Library books	20,000,000	-	-
	Books & Journals	15,000,000	-	-
	Documents on Regulation, Standards, recommendations, Authorizations etc, by ITU and other Standard and Regulatory Bodies	10,000,000	-	-
	Tariff Transparency Portal	100,000,000	-	-
	Project Supervisory and Supplier Management Portal	55,000,000	-	-

	License Renewal of Spectrum Management System for Developing Countries (SMSDC) upgraded to Version 4.1 including training	6,206,649	-	-
	Development of an Online Licensing System (OLS) Software for submission, Evaluation of Application Forms and Automated submissions of Network deployed data	50,000,000	-	-
	EMF Measuring Device; noise and Vibration Measuring Devices	6,000,000	-	-
Lot	Fixed Assets Management Software	30,000,000	-	-
	TOTAL ICT INFRASTRUCTURE AND SOLUTIONS	**2,857,633,524**	**1,718,526,676**	**1,718,526,676**
	TOTAL INTERNAL PROJECTS	**4,550,913,148**	**2,593,638,036**	**3,094,331,513**

2017 CAPITAL EXPENDITURE
CONSULTANCY & PROFESSIONAL EXPENSES

BREAKDOWN OF CONSULTANCY & PROFESSIONAL EXPENSES	Amount N	Amount N	COMM. REC. N
Item	BUDGET 2016	BUDGET 2017	BUDGET 2017
Consultancy to Identify and Incorporate the outcome of WRC-2015 into National Table of Frequency Allocation	-	5,000,000	5,000,000
Review of Current Frequency Licenses	-	15,000,000	15,000,000
Development of Communications Infrastructure Risk Management Plan	-	60,000,000	60,000,000
Deployment of Enterprise Risk Management Software, including user training	-	90,000,000	90,000,000
Development of Tariff Transparency Portal for end users access	-	66,000,000	66,000,000
Development of Project Supervisory and Supply Management Portal	-	23,800,000	23,800,000
Development of Local Content Policy/Guideline for the Telecom Industry	-	20,000,000	20,000,000
Impact of OTT services on Quality of Service	-	12,500,000	12,500,000
Consultancy for LTE QoS Performance Metric Determination	-	32,214,272	32,214,272
Determination of Regional Baseline Statistics for Data access of mobile subscribers	-	15,000,000	15,000,000
Consultancy on OTT Services and Framework Development	-	23,750,000	23,750,000
Consultancy to work with TSNI Engineers on ICNIRP benchmarking in 3 regions of Nigeria	-	20,000,000	20,000,000
Consultancy on Consumer Sensitization on Do-Not-Disturb List	-	5,000,000	5,000,000
Automation of NCC second Level Support (SLS) Ticketing System, Call Center Application and Outbound Dialing	-	34,000,000	34,000,000
Consumer Web Portal Development and Management	-	7,500,000	7,500,000
Engagement of Consultant for MVNO	-	18,000,000	18,000,000
Local Content Policy/Guideline for the Telecom Industry	-	12,000,000	12,000,000
Review of NCC Procurement Activities 20101-2014	-	20,000,000	20,000,000
Upgrade of Vendor Risk and Document Management System	-	16,000,000	16,000,000
Development of Code of Practice for External Inspectors	-	9,500,000	9,500,000
Development of 2016 Annual Report	-	10,000,000	10,000,000
Mid-Term Review of the NCC Strategic Management Plan	-	20,880,000	20,880,000
Development and Execution of Change Management Strategy	30,000,000	26,185,250	26,185,250
Review of NCC Performance Scorecard	-	12,889,550	12,889,550
Development of Data Privacy rules for the Telecos industry	-	10,000,000	10,000,000

Development and Publication of the CPS Newsletter "The Strategist"	10,000,000	-	-
Printing of Standard Operating Procedure Manuals for NCC	50,000,000	-	-
Consultancy on the Review & Development of New Numbering Plan	50,000,000	-	-
Legislative Relations	40,000,000	-	-
Consultancy on Restructuring of Zonal Operations	38,000,000	-	-
Development of Local Content in Procurement	40,000,000	-	-
Consultancy on Conversion from GAAP to IFRS	90,000,000	-	-
Electronic Archiving of Documents	28,000,000	-	-
Microsoft Dynamics GP upgrade to cater for Online Accounts Reconciliation	50,000,000	-	-
Consultancy to Re-package the Surveillance and Intelligent Gathering of the Commission	15,000,000	-	-
Consultancy for the Review and Design of the Commission Secretariat Processes	35,000,000	-	-
Stakeholders Engagement/Sessions to Review Compliance by Universal Access Service License Internet Service Providers	30,000,000	-	-
National Stakeholders Forum and Zonal Sensitization Platforms on the Protection of Telecoms infrastructure in Nigeria	60,000,000	-	-
National Workshop for Law Enforcement Agencies and Regulatory Officers on Nigerian Communications Processes and Procedures	45,000,000	-	-
Consultant for Development of Regulations: Registration of Subscribers, Data Protection, e-Waste, Law interception and Consumer Code of Practice	50,000,000	-	-
Consultation/Stakeholders Forum	25,000,000	-	-
Equipment Type Approval sensitization Workshop for both Major and Minor Equipment Type Approval to be organized quarterly in any of the geopolitical zones	50,000,000	-	-
ITU Telecom World 2016	250,000,000	-	-
Digital Archiving of all Telecom Consumer Programmes	37,000,000	-	-
Develop/Acquire Software to Monitor EVC's Approvals	25,000,000	-	-
Fibre Deployment Study and Framework	35,000,000	-	-
Consultancy for Special Duties Programmes	120,000,000	-	-
TOTAL	**1,203,000,000**	**585,219,072**	**585,219,072**

2017 CAPITAL EXPENDITURE
DIGITAL BRIDGE INSTITUTE (DBI)

NO.	DESCRIPTION	2016 BUDGET	2017 BUDGET	COMMITTEE REC.
		N		
Lot	Completion of Construction works at NCC/DBI Learning Centers.	250,000,000	-	320,000,000
Lot	Improvement to Land & Building- Abuja, Lagos and Kano including Acquisition of NITEL, Ikeja Territory	100,000,000	-	-
Lot	Facility Management of Digital Bridge Institute Campuses	100,000,000	-	-
	Conversion of DBI Head Office Facility to NCC Annex, to solve the office space constraint in the Commission	50,000,000	-	-
		280,000,000	-	-
		150,000,000	-	-
Lot	Maintenance of Existing DBI Centres in Lagos and Kano	-	100,000,000	100,000,000
	Furnishing of DBI in Yola, Enugu and Asaba	-	200,000,000	200,000,000
	TOTAL	**930,000,000**	**300,000,000**	**620,000,000**

SCHOOL SUPPORT PROGRAMME

QTY 2016	DESCRIPTION	2016 BUDGET	QTY 2017	2017 BUDGET	COMM REC
		N		N	N
1200	Computers (Intel Core i7-4770 with intel HD Graphics 4600 (3.4GHz, 8MB cache, 4 cores) Processor	420,000,000	500	175,000,000	175,000,000
60	Servers with MS SBE and MS WIN 2000 (20-User)	26,250,000	25	10,937,500	10,937,500
LAN INFRASTRUCTURE:					
60	Local Area Network (Material + Installation)	225,000,000	25	93,750,000	93,750,000
60	VSAT High Speed Broadband with 12 mths Subscription	270,000,000	25	112,500,000	112,500,000
60	HP Scan Jet 3970	9,000,000	25	3,850,000	3,850,000
1200	UPS 650VA Pro UPS	30,000,000	500	12,500,000	12,500,000
60	UPS 1400 VA Pro UPS	2,625,000	25	1,093,750	1,093,750
180	HP Laser Jet 2015 Printers	22,500,000	60	7,500,000	7,500,000
120	HP Deskjet 1280	12,750,000	50	5,312,500	5,312,500
1260	Computer Tables and Chairs	126,000,000	1260	50,000,000	50,000,000
60	Training of DAP Beneficiaries	5,250,000	25	2,187,500	2,187,500
183	Bandwidth Renewal/Reactivation of Existing DAP Sites	343,125,000	100	187,500,000	187,500,000
DIGITAL AWARENESS PROGRAMME CIVIL WORKS					
60	Construction of Computer Laboratory 8mX10m floor space comprising of hall, Manager's Office, server Room and 2 nos WC	525,000,000	30	262,500,000	262,500,000
240	Airconditioners	45,000,000	120	22,500,000	22,500,000
600	Branded Window Blinds @ 10 nos per site	13,500,000	300	6,750,000	6,750,000
60	Generators 20.5KVA Sound Proof plus installation costs inclusive of construction of concrete base, amoured cable, change over switch, generator house, transportation, etc	262,500,000	30	1,125,000	1,125,000
60	DAP Location Signage	2,250,000	30	131,250,000	131,250,000
	Monitoring and Commissioning of Sites	225,000,000	30	112,500,000	112,500,000
	Drawing and Supervision Fees	212,062,000	30	106,031,250	106,031,250
ADVANCED DIGITAL ACCESS PROGRAMME FOR TERTIARY INSTITUTIONS (ADAPTI)					
6600	110 nos of Laptop Computer each for Tertiary Institutions in the 6 Geopolitical Zones and Teaching Hospitals in the North and South	3,217,500,000	2300	1,144,250,000	1,144,250,000
6600	e-Learning Suite	66,000,000	-	-	-
60	Monitoring and Commissioning	150,000,000	-	-	-
WIRELESS INTERNET CLOUD					
40	Wireless Internet Cloud for Institutions + 1 year maintenance support in the 6 Geopolitical Zones	2,500,000,000	Lot	937,400,000	-

50	Bandwidth Renewal for Existing Wireless Cloud	156,250,000	50	156,250,000	156,250,000
40	Monitoring and Official Commissioning	100,000,000	Lot	50,000,000	50,000,000
	Data Sharing and e-Learning Platform				
Lot	Data Sharing and e-health platform in six (6) University Teaching Hospitals	-	4	583,360,000	583,360,000
Lot	Data Sharing and e-health platform in six (6) University Teaching Hospitals	-	Lot	583,360,000	583,360,000
	Implementation of Virtual Centers				
Lot	Implementation of Virtual Aid Examination Centres in selected Schools in the Southern Zone	-	Lot	200,000,000	200,000,000
Lot	Implementation of Virtual Aid Examination Centres in selected schools in the Northern Zone	-	Lot	200,000,000	200,000,000
	Supply, configuration and integration of e-pad with internet access and other educational contents	-	Lot	300,000,000	3,340,000,000
	Advanced Digital Appreciation Programme for Tertiary Institutions (ADAPTI-T)	-	7500	753,225,000	753,225,000
	TOTAL	**8,967,562,000**	-	**6,212,632,500**	**9,312,632,500**

2017 CAPITAL EXPENDITURE
SPECIAL PROJECTS
EMERGENCY COMMUNICATION CENTRES

NO.	DESCRIPTION	2016 BUDGET	2017 BUDGET	COMM. REC.
		N	N	N
	EMERGENCY COMMUNICATION CENTERS (ECC)			
37	**COMMUNICATION INFRASTRUCTURE**			
15	Rehabilitation of all completed ECC sites	300,000,000	18,200,000	18,200,000
32	Security Services	-	45,475,460	45,475,460
32	Provision of Armed Security	571,328,000	61,192,000	-
	Facility Management Services	250,000,000	10,927,680	10,927,680
Lot	Digital Mapping Solution: Mapping Application that display Location Information, transmitted by Network Operators.	70,000,000	-	-
20	Optic Fibre Cable Link	100,000,000	-	-
	High Fidelity Noise Cancelling Headset for Call Takers	-	6,750,000	4,808,000
	Close User-Group Telecom Service for Response Agencies	-	28,800,000	20,318,000
Lot	ECC Infrastructure Blueprint for Nigeria	60,000,000	-	-
	Co-ordination and Monitoring of ECC Activities	-	34,800,000	39,036,000
	Managed Services/Business Process Operations	1,400,000,000	2,064,261,333	64,261,333
17	Stipends for ECC Dispatchers	80,000,000	72,000,000	-
20	Maintenance Of Building and Equipment	90,000,000	56,000,000	-
	Fuel, Diesel, Utilities and Telephone Expenses	100,000,000	54,620,000	-
	Tenement Rates	50,000,000	50,000,000	-
	TOTAL	**3,071,328,000**	**3,303,026,473**	**203,026,473**

SPECIAL PROJECTS (CONTD)

SIM CARD REGISTRATION

NO.	DESCRIPTION	2016 BUDGET	2017 BUDGET	COMM. REC.
		N	N	N
SIM CARD REGISTRATION				
	AFIS Software License Fees: AFIS and workflow/identity Software License fees for 60M records	-	780,000,000	780,000,000
	Central Data Centre Maintenance and Management: Maintenance & Management of the NSIM Card Registration Central Database	250,000,000	708,386,600	708,386,600
TOTAL SIM CARD REGISTRATION		**250,000,000**	**1,488,386,600**	**1,488,386,600**
STATE ACCELERATED BROADBAND INITIATIVE (SABI)				
	Subsidy for Broadband Deployment Phase 1&2 (INFRACOS)	2,151,380,000	2,500,000,000	1,999,306,524
	Fibre Deployment Study and Framework	35,000,000	15,000,000	15,000,000
	Consultancy for Broadband Parliament and Monitoring	50,000,000	100,284,882	100,284,882
	Broadband Stakeholders Engagement Forum	-	103,000,000	103,000,000
TOTAL STATE ACCELERATED BROADBAND INITIATIVE (SABI)		**2,236,380,000**	**2,718,284,882**	**2,217,591,406**
ICT Training at DBI		1,000,000,000	-	-
GSM & CDMA Networks QoS driving and Online Monitoring		-	862,486,736	542,486,736
TOTAL SPECIAL PROJECTS		**6,557,708,000**	**8,372,184,691**	**4,451,491,215**

SUMMARY OF 2017 CAPITAL EXPENDITURE

	CATEGORIES	2016 BUDGET	2017 BUDGET	COMM REC
		N	N	N
	INTERNAL PROJECTS	4,550,913,148	2,593,638,036	3,094,331,513
	SCHOOL SUPPORT PROGRAMME	8,967,562,000	6,212,632,500	9,312,632,500
	DIGITAL BRIDGE INSTITUTE (DBI)	930,000,000	300,000,000	620,000,000
	CONSULTANCIES	1,203,000,000	585,219,072	585,219,072
	TOTAL CAPITAL EXPENDITURE	**15,651,475,148**	**9,691,489,608**	**13,612,183,085**
	SPECIAL PROJECTS			
	EMERGENCY COMMUNICATIONS CENTRES (ECC)	3,071,328,000	3,303,026,473	203,026,473
	SIM CARD REGISTRATION PROJECT	250,000,000	1,488,386,600	1,488,386,600
	STATE ACCELERATED BROADBAND INITIATIVE	2,236,380,000	2,718,284,882	2,217,591,406
	GSM & CDMA NETWORKS QoS DRIVING AND ONLINE MONITORING	-	862,486,736	542,486,736
	ICT TRAINING AT DBI	1,000,000,000	-	-
	TOTAL SPECIAL PROJECTS	**6,557,708,000**	**8,372,184,691**	**4,451,491,215**
	TOTAL CAPITAL & SPECIAL PROJECTS	**22,209,183,148**	**18,063,674,299**	**18,063,674,299**

NIGERIAN COMMUNICATIONS COMMISSION Y2017 BUDGET REPORT
ENDORSEMENT SHEET

Senator Gilbert Nnaji
Chairman

Senator Ademola N. Adeleke
Vice Chairman

Senator Abu Ibrahim
Member

Senator Phillip Aduda
Member

Senator Biodun Olujimi
Member

Senator Enyinnaya Abaribe
Member

Solomon A. Olamilekan
Member

Senator Joshua Dariye *FCA*
Member

Senator Ubali Shittu
Member

Senator Isa Hamma
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, 2017

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 within the last decade 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 is over 226.4 million with total active lines at 150.2 million and total installed capacity of 234 million as at July, 2016. In line with the growth in the subscriber base, the teledensity has increased to 107.7%.

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 very recently 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 most recently, 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 leverage on the experience and goodwill it has earned over the years to continue to issue policies and guidelines that would enable operators improve on the Quality of Service (QoS) and service infrastructure 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 the Commission made remarkable progress towards achieving quality of service and access within a 5km radius by 2010, we are aware that we did not meet all of our 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 the Transparent Initiatives of the Federal Government of Nigeria, the Commissions will focus on the following SMP initiatives:

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) will form the bedrock for the broad national objective.

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.

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.

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.

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. 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 90 per cent in 2013 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, 2.39% in 2007, 3.5% in 2009, 4.5% in 2010, 5.67% in 2011 and 6.98% in 2012. As at December 2016 the telecoms contribution to the GDP increased to 9.1%.

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 Nigeria, one of the country's leading mobile operators.

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 have increased dramatically from virtually non-existent as at 2001 to over 25,000 in December, 2003.

Since 2003, not only have Nigeria's major mobile operators: MTN, Airtel, Globacom and Etisalat 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, mobile switching centres (MSCs), network Operating centres (NOC) to connect through very small aperture terminals (VSAT) and microwave radio and wireless backhauls. 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 Etisalat) power their over 25,000 base transceiver stations with 50,000 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 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 226.4 million connected lines as at July 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 Quality of Service Driving Test Monitoring and On Line Monitoring of Quality of Service parameters to ensure 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.

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. With the Civil works and Upgrade at about 85% completion, attention would be shifted to management and provision of infrastructure at the centres in this budget.

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.
- 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.

COMMENTS AND ASSUMPTIONS

BUDGET PERFORMANCE 2010 – 2016

In the last four years, we have consistently maintained a budget policy thrust that reflects the SMP objectives of the Commission 2014 - 2018.

On the consolidation of the progress made in the Telecommunications Industry prior to 2010, Teledensity has increased from 63% in 2010 to 107.33% in 2016. Subscribers base from 88million to 150.2million, resulting in over 50% improvement in six years.

The contribution of the industry to the GDP grew from 5% in 2010 to 9.8% in the second Quarter of 2016 as announced recently by National Bureau of Statistics (NBS). The Foreign Direct Investment in the Telecommunications industry on the other hand increased from $18 billion in 2010 to more than $68 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 every 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. Prices have actually reduced by more than 45% in the last four years; SMS prices for instance was crashed from N10 to N4 within the period under review.

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.

The policy thrust of the Commission for the 2017 budget is still derived from the Strategic focus of the Commission 2014-2018 and the Eight-Point Agenda of the Chief Executive Officer which are:

- To Facilitate Broadband Penetration through provision and optimization of access to and use of affordable fixed and mobile broadband in Nigeria
- Improve Quality of Service by promoting availability of reliable, interoperable, rapidly restorable critical ICT infrastructure that are supportive of all required service
- Optimize usage and benefit of Spectrum maximizing availability of Spectrum in order to provide diverse and affordable ICT services
- Promote ICT innovation and Investment Opportunities
- Facilitate Strategic Collaboration and partnership with relevant stakeholders to foster ICT for sustainable economic development.
- Protect and empower consumers from unfair practices through availability of information and education.

- Promote fair competition and inclusive Growth, by creating a competitive market for ICT services that foster fair inclusion of all actors.
- Ensure Regulatory Excellence and Operational Efficiency through effective regulatory framework.

The Nigerian Communications Commission (NCC) is projecting Revenue of N204.5billion out of which the following expenditure will be incurred: Recurrent Expenditure of N27.0billion, Capital and Special Expenditure of N18.06 billion; while the sum of N13.9 billion will be transferred to the Universal Service Provision Fund and N145.7 billion representing Operating Surplus and Spectrum Fees 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 2017 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.

The comments and assumptions of the budget are as stated below:

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 and fluctuation in exchange rates, rate for dollar transactions was predicated at N400.00 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 2017 is to continue to address these issues, hence emphasis is placed on using the Telecommunications initiatives to continue to manage the Security challenges facing the nation. Hence, the Commission will place emphasis on the Emergency Communications Project, collaboration with Operators on SIM Card Registration and 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 N46.4B and accounts for 23% of expected revenue in 2017. The figure represents an increase of 58% compared with 2016. This is due to the anticipated merger of some CDMA Operators in the budget period. From the expected AOL revenue, the sum of 13.9 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 from renewals and proposed Auction in the 2.5GHz band. The sum of N122.1billion is expected to be generated from this revenue head in 2017. Other components of the revenue on this head will be from the renewal of spectrum for the 800MHz, 1800MHz, 850MHz, 1900MHz, 2.2GHz, 3.5GHz, 5.4GHz, 10.5GHz and 26GHz bands.

   c) **Investment Income**
   During the fiscal year 2017, it is assumed the policy stance of the Federal Government on Treasury Single Account (TSA) will continue; consequently, there will be no investment income accruing to the Commission during the budget period.

d) **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 will further limit request for additional number blocs. It is projected that the interplay will reduce income from the head to N3.9B from N4.4B in 2016.

e) **License Fees**
The sum of N1.7B is estimated to accrue from licensing renewals in 2017.

2 RECURRENT EXPENDITURE

a) **Establishment Costs**
Establishment cost at N580.0 million represents an increase of 100% from 2016 budget. This is due to additional insurance cover for all the DBI Learning Centres and Emergency Communications Facilities across the country most of which are practically completed. The security threat we face on daily basis has made it imperative to secure all the assets of the Commission at all locations.

b) **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 caliber 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.

c) **Travel costs** include local and overseas travels for the staff of the Commission which are expected due to anticipated increase in monitoring and oversight activities 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.

d) **Operational Costs**
As part of its strategic goals to provide effective enforcement mechanism (legal, finance and operational), ensuring availability of relevant industry information and building a strong liaison with relevant government, local and international agencies towards the development of telecommunications in Nigeria and Africa the Commission estimates to spend the sum of 7.3 billion on operational costs.

e) **Administrative Costs –**
Administrative costs include 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.

1. CAPITAL AND SPECIAL PROJECTS BUDGET

a) The Commission budgets the sum of N2.5 for internal projects, N6.2B for the School Support Programme and N0.58B for Consultancy Projects aimed at efficient Telecommunications Infrastructure and service delivery.

b) On Special Projects, the sum of N3.3B will be expended on Emergency Communications Centre Project, N1.4 billion on the backend component of SIM Registration Project.

NIGERIAN COMMUNICATIONS COMMISSION

SUMMARY OF NCC CAPITAL AND REVENUE EXPENDITURE

		2016	2017
A.	**Revenue Profile**	=N='000	=N='000
	Total Revenue	70,672,492	204,800,719
B.	**Expenditures**		
	Recurrent Expenditures		
	Establishment Costs	280,000	580,473
	Staff & Other Costs	13,950,362	14,113,597
	Travel Costs	1,982,722	3,410,328
	Operational Costs	4,511,486	7,310,300
	Administration Costs	1,471,617	1,648,345
	Bank Charges	15,000	0
	Total Recurrent Expenditure	**22,211,186**	**27,063,043**
	Capital Expenditures		
	Internal Projects	4,550,913	2,593,638
	School Support Programme	8,967,562	6,212,633
	Digital Bridge Institute	930,000	300,000
	Consultancies	1,203,000	585,219
	Total Capital Expenditure	**15,651,475**	**9,691,490**
	Special Projects		
	Emergency Communications Centres (ECC)	3,071,328	3,303,026
	State Accelerated Broadband Initiative	2,236,380	2,718,285
	GSM and CDMA Networks QoS	-	862,487
	SIM Card Registration	250,000	1,488,387
	ICT Training Propgramme by DBI	1,000,000	-
	Total Special Projects	**6,557,708**	**8,372,185**
	Total Capital Projects	**22,209,184**	**18,063,675**
	Transfer to USPF	**8,584,000**	**13,928,700**
	Transfer to Federal Government	**17,668,123**	**145,745,300**

RECEIPTS AND PAYMENT

DESCRIPTION	BUDGET 2016	BUDGET 2017
	N'000	N'000
REVENUE		
LICENSING FEES	1,195,137	1,792,706
ANNUAL OPERATING LEVY	29,000,000	46,429,000
SPECTRUM FEES	35,799,972	122,416,745
NUMBERING PLAN	4,480,538	3,900,000
ADMIN CHARGES	1,500	2,250
TYPE APPROVAL FEES	165,000	214,500
INVESTMENT INCOME	0	30,000,000
SUNDRY INCOME	30,345	45,518
TOTAL REVENUE	**70,672,492**	**204,800,719**
TRANSFERS		
TOTAL FUNDS AVAILABLE	**70,672,492**	**204,800,719**
RECURRENT EXPENDITURE		
ESTABLISHMENT COSTS	280,000	580,473
STAFF COSTS	13,950,362	14,113,597
TRAVEL COSTS	1,982,722	3,410,328
OPERATIONAL COSTS	4,511,486	7,310,300
ADMINISTRATION COSTS	1,471,617	1,648,345
BANK CHARGES	15,000	0
TOTAL RECURRENT EXPENDITURE	**22,211,186**	**27,063,043**
CAPITAL EXPENDITURE		
INTERNAL PROJECTS	4,550,913	2,593,638
SCHOOL SUPPORT PROGRAMME	8,967,562	6,212,633
DIGITAL BRIDGE INSTITUTE	930,000	300,000
CONSULTANCIES	1,203,000	585,219
CAPITAL EXPENDITURE	**15,651,475**	**9,691,490**
SPECIAL PROJECTS		
EMERGENCY COMMUNICATION CENTERS	3,071,328	3,303,026
SIM CARD REGISTRATION PROJECT	250,000	1,488,387
ICT TRAINING PROGRAMME BY DBI	1,000,000	-
STATE ACCELERATED BROADBAND INITIATIVE	2,236,380	2,718,285
GSM & CDMA Networks QoS Driving and Online Monitoring	-	862,487
SPECIAL PROJECTS	6,557,708	8,372,185
TOTAL CAPITAL AND SPECIAL PROJECTS	22,209,183	18,063,674
TOTAL EXPENSES	44,420,369	45,126,717
TRANSFER TO FEDERAL GOVT OF NIGERIA	17,668,123	145,745,300
TRANSFER TO UNIVERSAL SERVICE FUND	8,584,000	13,928,700

RECURRENT EXPENDITURE

	BUDGET 2016 N'000	BUDGET 2017 N'000
ESTABLISHMENT COSTS		
Rent & Rates	80,000	41,000
Insurance	160,000	524,223
Recruitment Expenses	40,000	15,250
TOTAL	280,000	580,473
STAFF COSTS	-	
Salaries & Wages	8,990,006	10,394,664
Welfare Costs	427,346	461,532
Medical Expenses	847,505	865,289
Pension and Gratuity	1,053,007	1,012,988
Training & Develpoments	2,632,498	1,379,124
TOTAL	13,950,362	14,113,597
TRAVEL COSTS	-	
Transport & Travelling - Foreign	744,214	2,447,510
Transport & Travelling - Local	1,162,687	895,453
Vehicle Running Expenses	70,000	55,365
Relocation Allowance	5,821	12,000
TOTAL	1,982,722	3,410,328
OPERATIONAL COSTS	-	
Printing & Stationery	97,090	83,800
Postage & Courier Services	43,419	37,254
Advertisements	630,400	1,239,247
Forum, Conf & Seminars	1,613,554	3,025,635
Protcol & Public Relation Expenses	30,000	68,591
Miscellaneous Expenses	14,225	-
Subscriptions and Donations	36,675	13,719
Due to Int. Organisations	238,000	284,160
IT Expenses	325,433	826,399
Studies/Research	413,746	904,933
Regulatory/Enforcement Expenses	1,068,944	826,562
TOTAL	4,511,486	7,310,300
ADMINISTRATION COSTS	-	
Maintenance of Building and Equipment	200,000	172,027
Fuel and Diesel Expenses	91,140	91,000
Utilities	60,420	80,280
Library Expenses	22,820	-
Entertainment	23,225	15,844
Consultancy and Prof Fees	300,000	488,448
General Office Exps	98,262	152,440
Security Expenses	70,000	104,448
Audit Fees & Accountancy Fees	50,000	25,000
Museum Expenses	10,000	20,781
Management Expenses	545,750	498,077
TOTAL	1,471,617	1,648,345
Bank Charges	15,000	-
TOTAL RECURRENT EXPENSES	22,211,186	27,063,043

NIGERIAN COMMUNICATIONS COMMISSION

INTERNAL PROJECTS

NO	DESCRIPTION	DIR/DEP	2016 BUDGET	2017 BUDGET	JUSTIFICATION
BUILDINGS					
0	PROVISION OF ADDITIONAL INFRASTRUCTURE/FACILITY	ADM			
Lot	Design and contruction of Centralized Off-Site Store/Warehouse/Archive for the Commission	ADM	10,000,000		Provision of Centralized Store at DBI Nbora will free up office spaces in the Head Office building and improve control access to Commission's stored/ archieved documententents in line with Best Practice.
Lot	Introduction of Energy saving Lighting fittings in the common areas	ADM	30,000,000		Improve energy consumption and cost reductionj.
	Supply and Installation of Cradle Equipment	ADM	70,000,000		For safe and effective cleaning of the glazed curtain walls of the Head Office building and necessary repairs
	Provision of Public Address System		7,500,000		To enable and facilitate Emergency Management within the Commission.
1	Construction of Proposed Yola Zonal Office		30,000,000	104,800,000	Completion works at the Yola Zonal Office.
	UPGRADE AND IMPROVEMENT WORKS ON HO INFRASTRUCTURE				
	Supply and Install a VRF/VRV (Variable Refrigerant flow/Volume) Air Condition System in the Common Areas.	ADM	75,000,000		Replace the Malfunctioning Minicentral Cooling Systems in the Common areas for improved maintainability and flexibility
	Supply and Installation of Aluminium Composite Cladding (Alucobond) on the external walls of the HO Building		150,000,000		Replace falling tiles on the wall with composite cladding to reduce maintenance cost, improve aesthetics and prevent accidents associated with falling tiles.
	Other Inmprovement Works on the Head Office Building	ADM	60,000,000		Renovation of Staff Canteen, including Furnishing
			-	20,000,000	Rehabilitation of the Commission Head Office Infrastructure
			-	30,000,000	Installation of Cebtralised 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	Facelift of Commission's reception and entrance foyer
			30,000,000		Replace Aluminum blinds with customised wooden blind
	Rehabilitation of Facilities at the DBI Kano Campus	ADM		20,000,000	
	Establishment of Admin Call Centre			50,000,000	
	Supply and Installation of sectional Steel Ceiling in the Corridors	ADM	50,000,000		Replace damaged and unbefiting aluminium ceiling, Improve aesthetic and ambiance. Intoduce a more durable, rugged and ease of access and maintenance.
			512,500,000	299,800,000	

INTERNAL PROJECTS

NO.	DESCRIPTION	DIR./DEPT	2016 BUDGET	2017 BUDGET	JUSTIFICATION
PLANT AND MACHINERY					
1	Replacement of old Generators in the Commission H/O building	ADMIN	300,000,000		2 nos 2000kva Caterpillar (Mantrac) as the manin Generator for peak period/working hours
10	Provision of 60KVA Generators for the Zonal Offices	AMIN	75,000,000		Replacement of unserviceable Generator at the Enugu, Kano & Lagos Zonal Office.
	Space Radio Monitoring System which include:	SA	159,236,874		Detection, measurement and geolocation of all satelite signals that can be received in Nigeria. Optimisation of existing and future satelite spectrum resources according to international regulation and practices, enabling NCC to enforce compliance of spectrum usage. The System will provide means to support National and International activities related to the use of the satelite spectrum, provide technological support to resolve national security issues, coordinate distress activities in case of major emergency events and support the development of the national telecoms industry.
2	***Monitoring and Geolocation Antenna*** - SAT-C-ANT-6.1 MOT-6.1 Meter Earth Station Antenna, SAT-KU-ANT-3.7-MOT-3.7 Meter Earth Station Antenna	SA			
	SAT-ANT-TRACKING	SA			
6	*SATID-OS-OPERATOR WORKSHOP* - satID 10 days Operator workshop for up to 10 staff at OEM site including printed materials	SA			
1	Purchase of N9910X875DC Charger for Handheld Aglient Analyser	SA		1,092,960	
	Purchase of N9910X875DC extra Battery for Handheld Aglient Analyser			818,400	
1	Spectrum Simulation Tools	SA		40,000,000	
Lot	Procourement of Monitoring and Direction Finding Antennas for fixed monitoring stations (FMS PH, Kano and Ibadan)	SA	180,000,000		TCI Model 647D Antenna and accessories to be installed at existing sites will ensure conformance of BTS and Microwave and other radio installations to standards setup by ITU, 3GPP and other standard bodies.
Lot	Monitoring Tools and Accessories including RFP-1 preamplifier, with freq. range: 40 GHz to 60 GHz Gain: +18 to +23dB	SA	5,550,000	45,550,000	
Lot	Installation and configuration of HF/VHF Radio Network	SA	10,300,000		To provide an independent communications networks on our monitoring Vans for easy access to information and extend our spectrum monitoring and interference detection capabilities to 80GHz.
Lot	Annual Maintenance of the Spectrum Monitoring System	SA	18,612,750	25,000,000	One year TCI support and maintenance of the Spectrum Monitoring Equipment acquired in 2013
	TOTAL PLANT & EQUIPMENT		[redacted]	[redacted]	
-	SUB TOTAL CARRIED FORWARD		[redacted]	[redacted]	

NIGERIAN COMMUNICATIONS COMMISSION

NO	DESCRIPTION	DIR/DEP	2016 BUDGET	2017 BUDGET	JUSTIFICATION
			1,261,199,624	412,261,360	
	FURNITURE, FITTINGS AND EQUIPMENT				
Lot	Procurement of Office Furniture for Head Office and Zonal Offices	ADMIN.	100,000,000	100,000,000	Introduction of a prototype smart workstation table as a replacement to the existing ones. To improve Office space management.
19	Supply and Installation of Photocopy Machines	ADMIN.	162,000,000	75,000,000	Replacement of aged photocopiers for departments in the Head Offie and provision for the Zonal Offices.
	Supply and Installation of Gym Equipment	ADM	20,000,000	20,000,000	Replacement of obsolete Gym Equipment
	Upgrade of obsolete fire fighting equipment/installations and firedrills	ADM		65,000,000	
	Supply and Installation of Secured Kay Management System	ADM		35,000,000	
5	CCTV and Security Cameras for Head and Zonal Offices - IP Based	ADM		29,000,000	To ensure full security coverage of the Zonal Offices.
1	Cash Counting Machine	FIN		600,000	To improve service efficiency and reduced turn around time.
1	Document Scanning Machine	FIN	80,000		
3	Fire Proof Safe and Cbinet	FIN	-	750,000	To safeguard relevant and confidential documents in Finance.
3	Large Photocoping Machine	FIN		72,000,000	Replacement of Obsolete Finance Dept.Copiers
1	A3 laserjet Printer	FIN		1,400,000	
Lot	Kitchen Equipment	ADMIN.	20,000,000	10,000,000	Replacement of old Kitchen equipment installed.in 2006, which are constantly breaking down and procurement of addtional ones
	TOTAL INTERNAL FURNITURE & FITTINGS		302,080,000	408,750,000	
	MOTOR VEHICLES				
10	Pool Vehicles	ADM	130,000,000		Replacement of old Operational /Project Vehicles that are 5 year and above including Zonal Offices survellance vehicles.
5	Operations Vehicle	ADM	-	45,000,000	Operational Vehicle for market survey, price intelligence, liaisor tasks and procurement performance monitoring
1	Operational Veicle	PROC		9,100,000	Operational Vehicles for Market Survey and Project Monitoring Exercise.
	TOTAL MOTOR VEHICLES		130,000,000	54,100,000	
	SUB TOTAL INTERNAL PROJECTS		1,693,279,624	875,111,360	

INTERNAL PROJECTS

NO.	DESCRIPTION	DIR/DEPT	2016 BUDGET	2017 BUDGET	JUSTIFICATION
	Brought Forward		1,693,279,624	875,111,360	
ICT INFRASTRUCTURE AND SOLUTIONS					
	Procurement of Billing and Tariff Monitoring System/Training	CME	500,000,000		To monitor and regulate the billing and tariff models of Operators and also to ensure billing transparency, fair competition and protection of Telecom Consumers.
	Establishment and Implementation of Telecommunications Sector Computer Security Incident Response Team (CSIRT) to be domiciled in the NCC	NMIS	100,000,000	250,000,000	The CSIRT will serve as a preventive/proactive approach that would respond to computer security incidents by providing necessary services to identify threats, solve or support their resolution, and to prevent any incidents within the Telecoms industry. It will also compliment the activities of NSA on ngCERT as a National project.
	Centre Hardware and Furnishing			473,592,712	
	Terminal Equipments			110,000,000	
5	Upgrade of Internet Service in the 5 Zonal Offices (Deployment of bandwidth from new ISP)	IT	25,000,000		Upgrading the internet services across the zones will improve the Commission's VPN access and internet service performanceacross the zones.
1	Upgrade of the Commission's Network Perimeter Security - Firewall and Web shield	IT		35,000,000	
1	Installation of Redundancy in the Commission's Network Core Switch	IT	7,500,000		The Commission's Networks Infrastructure is Implemented on a Single Core Switch. Thus for failover and fault tolerance, the installation of a redundancy core switch is necessary.
1	Provision for additional ICT Room in the Commission	IT	10,000,000		The ICT room has reached ites maximum rack capacity and thus requires addtion. The new provisio will host ICT equipment for specialised projects - QoS, Data Storage Centre etc.
1	Installation and Implementation of Network Monitoring and Management Tool in NCC zonal offices.	IT	12,000,000		The Network Infrastrycture deployed in the zonal offices are increasing. To ensure continuous availability and functionality, the installation of Cyberoam is recommended.
3	Remodelling of Server Rooms in Enugu, Port Harcourt and Kano Zonal Offices.	IT	15,000,000		To meet the minimum /ideal standard required of an ICT Room
1	Process Automation and Centralised Database for PCEA department	IT	30,000,000		Digitialization of PCEA department and Processes.
	Security Hardwares	EXEC		55,038,900	Supply and Installation of Crash Bollard at Zonal Offices
		EXEC		21,500,000	Bomb Sniffers for the Zonal Offices
		EXEC		25,000,000	Supply and Installation of Real-time CCTV camera to link the Zonal Offices
Lot	Document Management Solutions	ALL	178,845,000	57,500,000	Implementation of Document Management Service within the Commission for additional departments, including Software, Customisation of solution, training and adoption post deployment.
Lot	Database Consolidation	IT	50,000,000		
	Additional AFIS Biometric Licenses (30,000,000)	IT	232,500,000		Purchase of additional AFIS Biometric Licenses required for SIM Registration Back-end.
	Upgrade of Software Licenses for Network Operation Centre (NOC) Servers	IT	120,000,000	29,624,064	Cost to cater for Software Server Licenses, alongside relevant CALS, for solution deployed in the Commission.
5	HP SAS Drive Enclosure (with 12X 2TB Hard Drive)	IT	7,253,750		Additional storage for existing SIM REG Storage Area Network (SAN) Infrastructure
32	Server Hardware Consumables	IT	13,290,375		Replacement of Network Operating Centre (NOC) consumable items - Hard Disk Drives and Memory Cards.
	Enterprise Content Management Solution (Dokmee)	IT	40,712,500		For the implementation of Enterprise Content Management Solution, Dokmee, deployed by Finance and Procurement. Roll out will be based on feedback from departments.
	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.

INTERNAL PROJECTS

NO	DESCRIPTION	DIR/DEP	2018 BUDGET	2017 BUDGET	JUSTIFICATION
	Deployment /Test Environment for Staging Server Application.	IT	22,095,000		Cost includes: Blade Enclosure, Blade Server, Software Licenses (Oracle Facial Extractor & Detector) Switch.
1	Relocation of the Commission's Data Centre to the Ground Floor	IT		25,000,000	
1	Additional Disk Enclosures and Hard Drivers for the HP P6500 Storage	IT		36,000,000	
	Upgrade of Zonal Offices Mitel PBX System	IT		25,000,000	
100	Upgrade of HR-Focus License	IT	5,720,000		To cater for anticipated new recruites
100	International Payroll License	IT	1,900,000		Purchase of additional license to accommodate projected increase in Staff Strength.
	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.
1	Upgrade of NCC Vendor Risk Management Software	PROC	15,000,000		
	Creation of GIS Database of deployed Microwave and Base Stations in Nigeria	SA	121,885,250		The creation of a GIS deployed Micrwave links and Base Stations is imperative for effective management of the Nation's Spectrum. The system will store both location and attribute data of relevant entities.
	Project Management System (Consultancy and Software Applications) including Training	HCIG	25,000,000		Procurement of Project Management System (Database) with features, which include task and milestone scheduling, task assignment, resource allocation, milestone monitoring, risk management, tracking etc. the system will also serve as a real time database for all projects supervised by the Department and the Commission at large.
1	Revenue Assurance/Monitoring Software	FIN	295,000,000	380,000,000	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	Tax Administration & Management	FIN	40,000,000		
1	Update of Budget Control Software to meet the requirement of TSA	FIN	100,000,000		The software upgrade is necessary as we move into the implementation of the Single Treasury Account (TSA). It will aid monitoring and execution of approved budget in line with the requirement of the FGN on TSA.
	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
	Integration of Microsoft Great Plains to REMITA			28,000,000	The Integration will ensure a smooth handshake btween payroll and REMITA for functional payment process and efficient reconciliation of accounts
1	Finance Operations & Process Review	FIN	-	25,000,000	
100	Procurement of New ICT Tools and Accessories	IT	40,000,000	89,625,000	Proposed new acquisition of Computers and its accessories to cater for the projected increase in staff in 2016.
6	Procurement of HP Servers for Information Technology Service Manager (ITSM) Implementation	IT	16,725,000		Procurement of the Servers for the implementation of SCCM by Microsoft Premier Support. This is required for the ventralised deployment of software from one single point to many locations.
1	ACL GRC Software	IA	50,000,000		Acquisition and Maintenance
Lot	Incorporation of Biometric System features into the Current Acess Control System (60 points)Microsoft GP Solution (Web Based Portal) for Zones including implementation	IT		6,000,000	Incorporation of Biometric System features into the Current Acess Control System (60 points)Microsoft GP Solution (Web Based Portal) for Zones including implementation
Lot	Procurement of e-Admin Software	ADMIN	30,000,000		Installation of software for the Admin function to improve performance, productivity and improve record keeping - Inventory control, Requisition management, Facility and Fleet management.
Lot	Acquisition of Number Management System (Software) & Automation of the Numbering application processes.	TS	100,000,000		The number Management System is a secured web-based application and database system to address National Numbering Resources application online with capability of future upgrade.

INTERNAL PROJECTS

NO.	DESCRIPTION	DIR./DEP	2016 BUDGET	2017 BUDGET	JUSTIFICATION
	Equipment Type Approval in Accredited Laboratories and Quality Assurance/Audit visit for both Terminal and Major Equipment Type Approval	TS	30,000,000		This include the testing of equipment submitted for type approval and factory site visit to validate the ISO9001 QMS vis-à-vis the maintenance of consistency in batch production of Telecommunications equipment.
2	Anritsu High Performance Handheld Spectrum Analyser MS2720T with training for six Engineers	TS	60,000,000		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.
8	Calibration of Spectrum Analyzer and other Measuring Tools	TS	10,000,000		Some of the measuring tools in the TSNI Laboratory have not been calibrated. These include Spectrum Analyser, Oscilloscope, Power Meter etc. Some are damaged and need repairs.
	Upgrade of existing Qvoice equipment to Symphony	TS	210,000,000		To be able to measure all technologies used by operators (GSM, WCDMA, HSPA and LTE).
	Quality of Service Tools Infrastructure Systems Support	TS	50,000,000		Support cost for the QoS infrastructure for the quality of service reporting, assessment and management system for the country.
	Library Books	PCEA	20,000,000		
	Books & Journals	LRS	15,000,000		Purchse of Law & Telecom books, rules of court, practice books (forms and precedents), and subscription to on-line Law bookshops & publications.
	Documents on Regulation, Standards, Recommendations, Authorisations etc, by ITU and other Standard and Regulatory bodies.	SA	10,000,000		To get update on regulations and standards as to improve on spectrum management.
	Tariff Transparency Portal	Exec. Office	100,000,000		The tariff transparency portal will perform the following: Comparison of different operators tariff, comparison of different operatos offers, Calculation of cost estimates to enable end users make wise choices as well as deepen competition.
	Project Supervisory and Supplier Management Portal	Exec. Office	55,000,000		The Portal will enhance the Commission's project management capabilities. It will equally manage, Supervision, Work-flow, approvals and payment authorisation.
	License Renewal of Spectrum Management System for Developing Countries (SMSDC) upgraded to Version 4.1 including training	SA	6,206,649		
	Development of an Online Licensing System (OLS) Software for submission, Evaluation of Application Forms and Automated submissions of Network deployed data	SA	50,000,000		The online software will enhabce the licensing process of Frequency assignmentand Data Management.
	EMF Measuring Device: Noise and Vibration Measuring Devices	CME	6,000,000		
Lot	Fixed Assets Management Software	ADM	30,000,000		To enhance mainteneace of the Fixed Assets Register and the training of the Officers responsible.
	TOTAL ICT INFRASTRUCTURE & SOLUTIONS		2,857,633,524	1,715,525,676	
	TOTAL INTERNAL PROJECTS		4,550,913,148	2,593,638,036	

BREAKDOWN OF CONSULTANCY & PROFESSIONAL EXPENSES		BUDGET 2017
Item	DIR/DEP	N
Consultancy to identify and incorporate the outcome of WRC-2015 into National Table of Frequency Allocation	SA	5,000,000
Review of current Frequency Licenses	SA	15,000,000
Development of Communications Infrastructure Risk Management Plan	SD	60,000,000
Deployment of Enterprise Risk Management Software, including user training	SD	90,000,000
Development of Tariff Transparency Portal for end users access	EXE	66,000,000
Development of Project Supervisory and Supply Management Portal	EXE	23,800,000
Engagement of Consultants for MVNO	L&A	-
Development of Local Content Policy/Guideline for the Telecoms Industry	L&A	20,000,000
Impact of OTT services on Quality of Service	TS	12,500,000
Consultancy for LTE QoS Performance Metric Determination	TS	32,214,272
Determination of Regional Baseline Statistics for data access of mobile subscribers	TS	15,000,000
Consultancy on OTT Services and Framework Development	TS	23,750,000
Consultancy to work with TSNI Engineers on ICNIRP benchmarking in 3 regions of Nigeria	TS	20,000,000
Consultancy on Consumer Sensitisation on Do-Not-Disturb List	CA	5,000,000
Automation of NCC Second Level Support (SLS) Ticketing System, Call Centre Application and Outbound Dialing	CA	34,000,000
Consumer Web Portal Development and Management	CA	7,500,000
Engagement of Consultant for MVNO	L&A	18,000,000
Local Content Policy/Guideline for the Telecoms Industry	L&A	12,000,000
Review of NCC Procurement Activities 2010 - 2014	PROC	20,000,000
Upgrade of Vendor Risk and Document Management system	PROC	16,000,000
Development of Code of Practice for External Inspectors	CME	9,500,000
Development of 2016 Annual Report	CPS	10,000,000
Mid-Term Review of the NCC Strategic Management Plan	CPS	20,880,000
Development & Execution of Change management Strategy	CPS	26,185,250
Review of NCC Performance Scorecard	CPS	12,889,550
Development of Data Privacy rules for the Telecos Industry	NMIS	10,000,000
TOTAL		585,219,072

DIGITAL BRIDGE INSTITUTE (DBI)

	DESCRIPTION	DIR/DEP	2018 BUDGET	2017 BUDGET	NOTES
Lot	Completion of Construction works at NCC/DBI Learning Centers	DBI	250,000,000		Additional/complementary works required to commission the Campus of Yola and Enugu, including provision of portable water, Covered Drainages, Access Raod etc
Lot	Improvement to Land & Building - Abuja, Lagos and Kano.	DBI	100,000,000		Rehabilitation of Abuja main office building. Additional Upgrade and renovation works not covered in completed and running contracts in Lagos and Kano. .
Lot	Facility Management of Digital Bridge Institute Campuses	DBI	100,000,000		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
Lot	Conversion of DBI Head Office Facility to NCC Annex, to solve the office space constraint in the Commission	DBI	50,000,000		Facility Condition Survey
		DBI	280,000,000		Upgrade/ Furnishing of DBI Utako
		DBI	150,000,000		Movement and Furnishing of NCC/DBI facilty Mbora
Lot	Maintenance of Existing DBI Centres	DBI		100,000,000	Maintenance of existing Centres (Lagos & Kano)
		DBI		200,000,000	Furnishing of DBI in Yola, Enugu and Asaba
			930,000,000	300,000,000	

SCHOOL SUPPORT PROGRAMME

QTY.	DESCRIPTION	DIR./DEP.	2016 BUDGET	2017 BUDGET	NOTES
500	Computers (Intel Core i7-4770 with intel HD Graphics 4600 (3.4GHz, 8MB cache, 4 cores) Processor	HCIG	420,000,000	175,000,000	For DAP
25	Servers with MS SBE and MS WIN 2000 (20-User)	HCIG	26,250,000	10,937,500	For DAP
	LAN Infrastructure:		-		
25	Local Area Network (Material + Installation)	HCIG	225,000,000	93,750,000	For DAP
25	VSAT High Speed Broadband with 12 mths Subscription	HCIG	270,000,000	112,500,000	For DAP
25	HP Scan Jet 3970	HCIG	9,000,000	3,850,000	For DAP
500	UPS 650VA Pro UPS	HCIG	30,000,000	12,500,000	For DAP
25	UPS 1400 VA Pro UPS	HCIG	2,625,000	1,093,750	For DAP
60	HP LaserJet 2015 Printers	HCIG	22,500,000	7,500,000	For DAP
50	HP Deskjet 1280	HCIG	12,750,000	5,312,500	For DAP
500	Computer Tables and Chairs	HCIG	126,000,000	50,000,000	
25	Training of DAP Beneficiaries	HCIG	5,250,000	2,187,500	
100	Bandwith Renewal/ Reactivation of Existing Digital Awareness Project Sites	HCIG	343,125,000	187,500,000	
	Digital Awareness Programme Civil Works				
30	Construction of Computer Laboratory 8mX10m floor space comprising of hall, Manager's Office, Server room and 2nos WC	HCIG	525,000,000	262,500,000	
120	Airconditioners	HCIG	45,000,000	22,500,000	For Digital Awareness Programme
300	Branded Window Blinds @ 10 nos per site		13,500,000	6,750,000	
30	DAP Location Signage		2,250,000	1,125,000	
30	Generators 20.5 KVA Sound Proof plus installation costs inclusive of construction of concrete base, armoured cable, change over switch, generator house, tranportation, etc	HCIG	262,500,000	131,250,000	For Digital Awareness Programme
30	Monitoring and Commissioning of Sites	HCIG	225,000,000	112,500,000	
30	Drawing & Supervision fees		212,062,000	106,031,250	
	Advanced Digital Access Programme for Tertiary Institutions (ADAPTI)				
2300	110 nos of Laptop Computer each for Tertiary Institutions in the 6 Geopolitical Zones and Teaching Hospitals in the North and South		3,217,500,000	1,144,250,000	
	e-Learning Suite		66,000,000		
	Monitoring and Commissioning		150,000,000		
	Wireless Internet Cloud				
Lot	Wireless Internet Cloud for Institutions + 1 year maintenance support in the 6 Geopolitial Zones	HCIG	2,500,000,000	937,400,000	
50	Bandwith Renewal for existing Wireless Cloud	HCIG	156,250,000	156,250,000	
Lot	Monitoring and Official Commissioning	HCIG	100,000,000	50,000,000	

	Data Sharing and e-Learning Platform				
4	Data Sharing and e-health platform in 6 University Teaching Hospitals			583,360,000	
Lot	Data Sharing and e-health platform in 6 University Teaching Hospitals			583,360,000	
	Implemetation of Virtual Centers				
Lot	Implementation of Virtual Examination Centrers in selected Schools in the Southern Zone			200,000,000	
Lot	Implementation of Virtual Examination Centrers in selected Schools in the Northern Zone			200,000,000	
Lot	Supply, configuration and integration of e-pad with internet access and other educational contents.			300,000,000	
7500	Advanced Digital Appreciation Programme for Tertiary Institutions (ADAPTI - T)			753,225,000	
			8,967,562,000	6,212,632,500	

NCC NIGERIAN COMMUNICATIONS COMMISSION

SPECIAL PROJECTS

	DESCRIPTION	DIR./DEPT.	2016 BUDGET	2017 BUDGET	NOTES
			N	N	
	EMERGENCY COMMUNICATION CENTERS (ECC)				
37	COMMUNICATION INFRASTRUCTURE				
15	Rehabilitation of all completed ECC sites		300,000,000	118,200,000	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, contection to public water mains, sound proofing of call-taker rooms etc
32	Security Services			145,475,460	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 - Survellance Cameras, Scanners and metal detectors, Bomb detectors etc
32	Provision of Armed Security		571,328,000	261,192,000	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. Out sourced Private Security in 32 ECC sites including Service and Admin charges.
	Facility Management Services		250,000,000	310,927,680	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.		70,000,000		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	Optic Fibre Cable Link		100,000,000		To provide an alternate and more reliable interconnectivity and seamless uninterupted service transfer from one centre to another in the event of any distribution at any centre. To also creat an avenue for all the Centres nationwide to be interconnected.
	High Fidelity Noise cancelling headset for Call Takers		-	6,750,000	
	Close User-Group Telecom Service for Response Agencies			28,800,000	
Lot	ECC Infrastructure Blueprint for Nigeria	0	60,000,000		The blueprint will serve as a guide for the deployment and regulation of interoperability. It will also ensure coverage and seamlessness.
	Coordination and Monitoring of ECC activities		-	34,800,000	
	Managed Services/Business Process Operations		1,400,000,000	2,064,261,333	Payment for Managed service and Business Process Operations for eleven (11) ECC sites, including Admin and service charges. Contract already running.
17	Stipends for ECC Dispatchers		80,000,000	72,000,000	Payment of Allowances to Dispatchers in 20 ECC sites (i.e. 15 Dispatchers in each Centre)
20	Maintenance of Building and Equipment		90,000,000	56,000,000	Maintenance of Communications equipment. Post Warranty repairs, maintenance and replacement of faulty communications equipmwent and call taking systems in 20 ECC sites
	Fuel, Diesel, Utilities and Telephone Expenses.		100,000,000	154,620,000	Purchase of diesels for generators. Each centre is provided with two 100KVA Generators, Payment of Utility bills (Electricity, Water, Waste Disposal bills etc), and Payment for CUG bills in operational Centres and bills for outbound telephone calls in 17 ECC sites.
	Tenement Rates		50,000,000	50,000,000	Payment of Tenement Rates and Statutory State & Local Government levies at all the ECC sites
	TOTAL		3,071,328,000	3,303,028,473	

NIGERIAN COMMUNICATIONS COMMISSION

SPECIAL PROJECTS

DESCRIPTION	DIR./DEP.	2016 BUDGET	2017 BUDGET	NOTES
		=N=	=N=	
BAL B/F		3,071,328,000	3,303,026,473	
SIM CARD REGISTRATION				
Central Data Centre Maintenace and Management: Maintenance & Management of the NSIM Card Registration Central Database		250,000,000	708,386,600	The establishment of the NSIM Card Registration was completed by the end of 2014. However, the Central Database component includes Maintenance and Management which is continous.
AFIS Software License Fees: AFIS and workflow/identity Software License fees for 60M records.	CP		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.
TOTAL SIM CARD REGISTRATION		250,000,000	1,488,386,600	
State Accelarated Broad Band Initiative				
Subsidy for Broadband deployment Phase 1&2 (INFRACOS)		2,151,380,000	2,500,000,000	Lagos and North Central Zones, the two Infracos for the first year
Fibre Deployment Study and Framework		35,000,000	15,000,000	Provision of assistive technologies for persons with special needs and disabilities, through the establishment of Multipurpose ICT Training Centers.
Broadband Stakeholders Engagement Forum			103,000,000	
Consultancy for Broadband Parliament and Monitoring	TS	50,000,000	100,284,882	Allow customers to migrate to the choice service provider, an intervention to provide network facility support in implementation of service interception
		2,236,380,000	2,718,284,882	
GSM & CDMA Networks QoS Driving and Online Monitoring	TS		862,486,736	To improve Quality of Service
ICT Training at DBI		1,000,000,000		
TOTAL SPECIAL PROJECTS		6,557,708,000	8,372,184,691	

NIGERIAN COMMUNICATIONS COMMISSION

SUMMARY OF CAPITAL EXPENDITURE

CATEGORIES	2016 BUDGET =N=	2017 BUDGET =N=
INTERNAL PROJECTS	4,550,913,148	2,593,638,036
SCHOOL SUPPORT PROGRAMME	8,967,562,000	6,212,632,500
DIGITAL BRIDGE INSTITUTE	930,000,000	300,000,000
CONSULTANCIES	1,203,000,000	585,219,072
TOTAL CAPITAL EXPENDITURE	**15,651,475,148**	**9,691,489,608**
SPECIAL PROJECTS		
EMERGENCY COMMUNICATIONS CENTRES (ECC)	3,071,328,000	3,303,026,473
SIM CARD REGISTRATION PROJECT	250,000,000	1,488,386,600
STATE ACCELARATED BROAD BAND INITIATIVE	2,236,380,000	2,718,284,882
GSM & CDMA Networks QoS Driving and Online Monitoring	-	862,486,736
ICT TRAINING AT DBI	1,000,000,000	-
TOTAL SPECIAL PROJECTS	**6,557,708,000**	**8,372,184,691**
TOTAL CAPITAL AND SPECIAL PROJECTS	**22,209,183,148**	**18,063,674,299**