



DUALE, OVIA &  
ALEX-ADEDIPE

# **Regulatory Framework for the Deployment of Fibre Optic Cables in Nigeria**





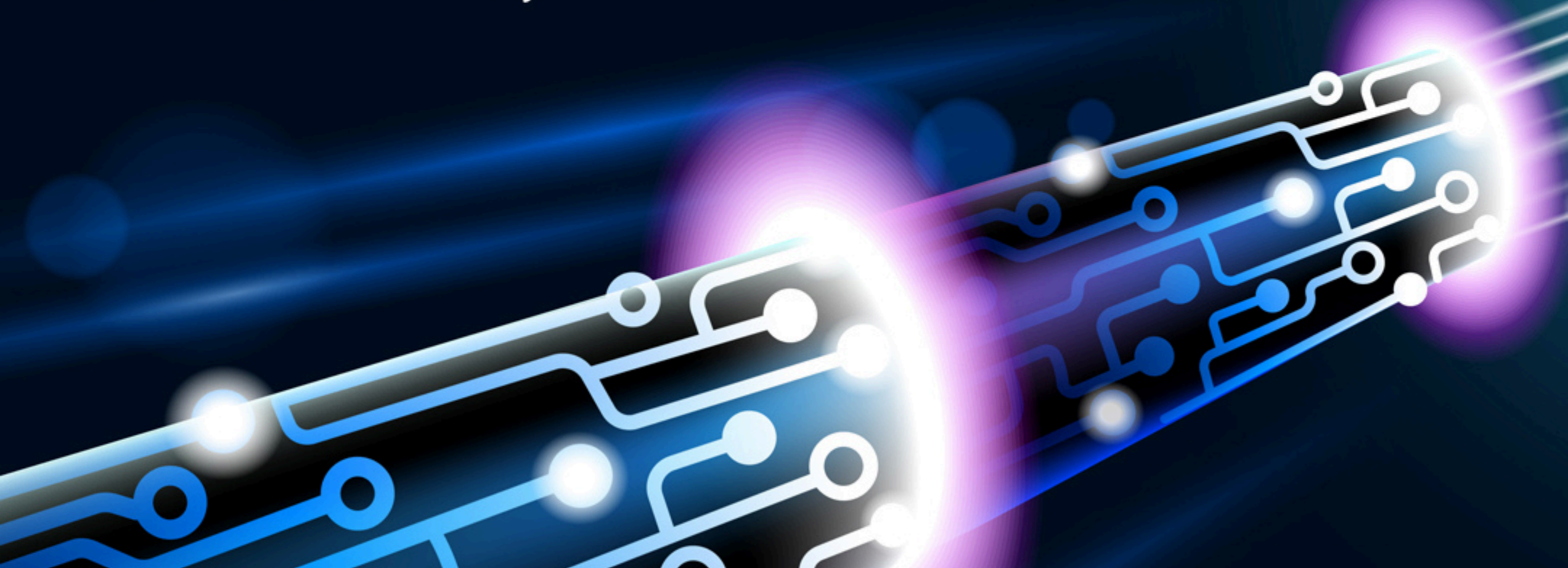
## Introduction

Fibre optic cables have revolutionized the telecommunications sector, driven by consumer demand for faster, stronger, and more expansive digital connectivity. This shift has seen telecommunications industries globally move from traditional metallic cables to fibre optics.

Recently, the Nigerian telecommunication industry has made significant strides in the area of fibre optic development. In May 2024, the Federal Government approved a special purpose vehicle to oversee the deployment of an additional 90,000km of fibre optic cables. This initiative aims to boost Nigeria's fibre optic capacity from 35,000km to 125,000km, making it Africa's third-longest terrestrial fibre optic network.

This expansion underscores the importance of robust government regulation in overseeing the installation and operation of fibre optic cables across Nigeria by telecommunications companies. For aspiring fibre optic service companies, compliance to the regulatory framework is crucial to ensure effective management and deployment.

**In today's #TMTThursday series, we examined the existing regulatory framework governing the deployment of fibre optic cables in Nigeria. We also discussed the requisite licenses necessary for companies engaging in fibre optic cables installation in the country.**





## What are Fibre Optic Cables?

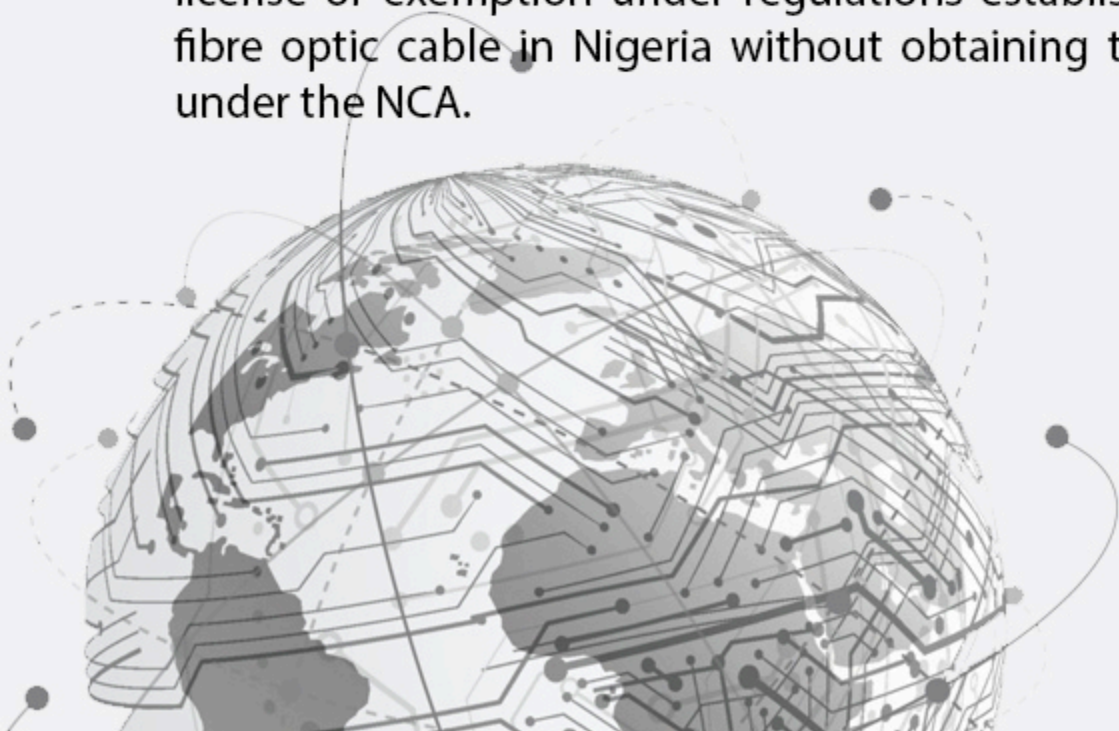
A fibre optic cable is a network cable containing glass fibre strands within an insulated casing. It is designed for high-performance data networking and telecommunications over long distances, offering superior bandwidth and transmission capabilities compared to other wire cables.

Fibre optic cables are preferred due to their higher bandwidth, faster data transmission speeds, and enhanced performance in services like internet, television, and telephones. They provide greater flexibility, lower latency, and stronger security measures.

## Regulatory framework

### 1. The Nigerian Communications Act 2003

The Nigerian Communications Act ("**NCA**" or the "**Act**") regulates the communications industry in Nigeria, covering all services and networks provided either wholly or partially within Nigeria, including those on Nigerian-registered ships or aircraft. According to the Act, no entity can operate a communications system or facility or provide a communications service, including the deployment of fibre optic cables, in Nigeria without proper authorization from the Nigerian Communications Commission ("**NCC**") through a communications license or exemption under regulations established under the Act. Therefore, operating a fibre optic cable in Nigeria without obtaining the required license is explicitly prohibited under the NCA.





The Act requires all licensed companies to take all reasonable steps to ensure that they minimize detriments and inconveniences while installing their network facilities, protect the safety of persons, property, and the environment. A licensed company shall not engage in any conduct that has the purpose or effect of substantially lessening competition in any aspect of the Nigerian communications market.

## **2. NCC Licensing Regulations 2019**

The NCC Licensing Regulations 2019 outlines the criteria and procedures for obtaining communication licenses. Communication licenses are classified into individual licenses and class licenses. The communication service a company intends to provide determines the class under which such a company will apply for a license.

Companies that intend to deploy fibre optic cables are required to apply for Metropolitan Fibre Cable Network (MFCN) license under the individual license category. Individual licenses pertain to specific services, with terms, conditions, obligations, scope, and limitations tailored to the communication service.

Conversely, a class license is a broader form of authorization where terms, conditions, and obligations are standard and similar for all license holders. It requires applicants to register with the Commission before commencing operations, providing a streamlined process compared to individual licenses.





## **Metropolitan Fibre Cable Network Services License**

To operate a fibre optic cable company in Nigeria, an MFCN license issued by NCC is required. The deployment of fibre optic cables and associated transmission infrastructure in Nigeria is primarily governed by the conditions outlined in the MFCN license. This license specifies the precise terms and conditions under which telecommunications service providers are permitted to conduct their activities relating to fibre optic network deployment and operation.

### **Permissible Activities of MFCN Licenses**

The permissible activities of a holder of MFCN licenses usually include:

- a. Construction, maintenance, and operation of fibre optic transmission facilities, and backbone networks on land, in water, or underwater across all Nigerian territories.
- b. Utilization of alternative transmission methods like microwave, satellite, or other cost-effective means in challenging topographical terrains such as streams, hills, or mountains where deploying fibre optic cables may be impractical.
- c. Transportation of intra-city telecommunications traffic within specified designated areas.





- d. Interconnection of multiple metropolitan areas to facilitate the transmission of inter-city traffic between these areas.
- e. Establishment of points of presence to facilitate interconnection with private networks and access providers' networks, enhancing network connectivity and accessibility.

### **Scope of the License**

The MFCN license is valid for 20 years and is eligible for renewal. As an individual license, it is intended for use exclusively by the licensee, prohibiting the licensee from operating, assigning, sub-licensing, or transferring the license to any other party without prior written approval of the NCC.

It is important to note that obtaining an MFCN license does not automatically authorize the licensee to implement its terms. They must also secure relevant permits and licenses, such as building permits and other non-telecommunication permits required for constructing, implementing, modifying, and dismantling installations and buildings in accordance with applicable laws and regulations.



## Conclusion

The specific license required for deploying fibre optic cables is the MFCN license. In addition to the MFCN license, obtaining other ancillary licenses and permits is essential for effectively fulfilling the requirements outlined in the MFCN license.

The proper organization and regulation of deployment and installation of fibre optic cables is crucial. This necessitates the establishment of robust legal frameworks that define the approval processes and requirements for licenses, ensuring that telecommunications infrastructure development aligns with regulatory standards and enhances operational efficiency and compliance.

