

The ALP Review

TRANSPORTATION, TECHNOLOGY, AND TELECOMMUNICATIONS

Q2 2024



AD Ports Group Signs a 20- (1) Year Concession Agreement to Upgrade And Manage Angola Port Terminal

AD Ports Group, headquartered in Abu Dhabi, has entered into agreements with Angolan logistics and transport firms, Unicargas and Multiparques, securing a 20-year concession (with a possible extension for another 10 years) from the Luanda Port Authority in Angola.

This agreement involves modernising and operating the Luanda multipurpose port terminal. AD Ports will invest \$251,000,000 initially, potentially increasing to \$379,000,000, to enhance infrastructure and IT systems. The redevelopment aims to increase container handling to 350,000 Twenty-foot Equivalent Units (TEUs) and Roll-on/Roll-off (Ro-Ro) volume to over 40,000 vehicles by Q3 2026. During redevelopment, container volumes will be redirected, and a joint venture with Unicargas will offer integrated logistics services.

This collaboration is expected to boost economic growth in Central-West Africa, leveraging Angola's position as a key transshipment hub for the region.

Comment

Under the agreement, AD Ports Group is required to upgrade the multipurpose Port at Luanda to contain an enlarged concession area, an upgraded quay wall, additional ship-to-shore cranes, gantry cranes, expanded draft, modernised IT systems etc. AD Ports Group will be required to comply with conditions under the concession agreement in addition to ensuring compliance with extant laws and extant regulatory compliance requirements.

For more information, please click [here](#)

Bolt Launches Electric (2) Motorcycles in Kenya, Pioneering Sustainable Transportation

Bolt has partnered with M-KOPA, a financing company, Roam Electric and Ampersand who are electric vehicle producers to introduce electric motorcycles in Kenya as part of its ride-hailing services. This initiative aligns with Bolt's sustainability strategy by reducing noise and carbon emissions.

They aim to onboard 1,000 electric bikes by year-end and 5,000 in the next 2 years. The partnership with M-KOPA enables Bolt access affordable financing while Ampersand and Roam Electric will manufacture the electric bikes. The collaboration aims to lower operational costs for riders, maximising their daily earnings.

Comment

This move by Bolt and its partners to introduce electric motorcycles in Kenya is a step towards cleaner, more sustainable transportation. It not only reduces carbon emissions and noise pollution but could have a lasting positive impact on both the environment and livelihoods in Kenya.

New and existing riders will be allowed to lease the electric bikes at a discounted price, increasing driver earnings while reducing cost of operations such as purchase of fuel. With the financing from M-KOPA, it is expected that the cost of transportation will be positively affected as this project provides access to finance and creates jobs within the sector.

However, Bolt is required to comply with regulatory requirements such as the submission of the vehicles to the Kenya Bureau of Standards for examination to ensure safety for consumers.

[For more information, please click here](#)

(3) Nigeria and USA begin the Implementation of an Open Skies Air Transport Agreement

The United States and Nigeria have commenced the implementation of an ‘open skies’ air transport agreement, 24 years after its provisional application. The agreement establishes a modern civil aviation relationship and aligns with the US Open Skies international aviation policy, emphasising aviation safety and security standards. It allows for unrestricted capacity and frequency of flights, open route rights, liberal charter regulations, and code-sharing opportunities.

This bilateral agreement is hailed as a giant leap towards the liberalisation of the international civil aviation sector in Africa, strengthening economic

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and commercial partnerships between the two countries, and creating new opportunities for airlines, travel companies, and customers. It aims to provide more affordable, convenient, and efficient air services, promoting tourism and commerce while fostering a competitive and consumer-friendly aviation environment.

Comment

The implementation of the ‘open skies’ air transport agreement between the United States and Nigeria is likely to have a positive impact on both countries’ aviation sectors. It will foster stronger economic and commercial partnerships, promote tourism and commerce by providing more affordable and convenient air services, and create new opportunities for airlines, travel companies, and customers. In addition, the agreement aligns with international aviation safety and security standards, contributing to a competitive and consumer-friendly aviation environment.

[For more information, please click here](#)

President Tinubu Inaugurates Lagos-Calabar (4) Coastal Highway

President Bola Tinubu described the Lagos-Calabar Coastal Highway as a symbol of hope, unity, and prosperity for Nigerians during the flag off the 700 km project on 19 May 2024. President Tinubu emphasised its role in enhancing connectivity, fostering economic growth, and improving lives and its potential for trade, commerce, and tourism. He lauded the dedication of stakeholders and emphasises safety, sustainability, and social responsibility.

Despite criticism, Works Minister, Dave Umahi insists the project serves the country's best interests. The project is seen as a legacy initiative that will open neglected areas, boost port capacity, and stimulate business and investment along its route, connecting regions of the country.

Comment

The inauguration of the Lagos-Calabar Coastal Highway by President Tinubu is a step towards enhanced connectivity, economic growth, and improved quality of life for Nigerians. It is expected to foster trade, boost tourism, and create new opportunities across nine states.

[For more information, please click here](#)

(5) **Alternative Bank and UK Launch Electric Tricycle Program for Women in Kano, Promoting Economic Empowerment and Environmental Sustainability**

The Alternative Bank, in collaboration with the UK's FCDO and Qoray Mobility, has introduced an electric tricycle programme for women in Kano State. This initiative aims to enhance women's security by providing them with electric tricycles and comprehensive training. Around 120 women from cooperatives in Mata Zalla and Yar Baiwa have undergone training to become tricycle drivers and mechanics. The programme not only empowers women economically but also promotes environmental sustainability by reducing carbon emissions.

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This partnership showcases the effectiveness of collaboration in achieving common goals, with support from the UK government's FCDO-funded LINKS programme. Qoray Mobility, the provider of electric vehicles, expresses optimism about expanding the initiative and improving its electric vehicles.

Comment

The introduction of electric tricycles for women in Kano State is likely to have a positive impact on both the economic empowerment of women and environmental sustainability. By providing women with opportunities to generate income through transportation services and small delivery businesses, while also reducing carbon emissions, this initiative fosters social and environmental progress in the region. In addition, the partnership between The Alternative Bank, the UK's FCDO, and Qoray Mobility demonstrates the effectiveness of collaboration in addressing societal challenges.

[For more information, please click here](#)

(6) **Green Revolution in Ghana: Plans to Introduce 200 Electric Buses**

Ghanian Vice President, Dr. Mahamudu Bawumia, announced plans to introduce 200 electric buses in Ghana as part of efforts to reduce the cost of public transportation. Speaking during his campaign tour in Greater Accra, he highlighted that switching to electric buses aims to lower reliance on fluctuating fuel

prices, potentially reducing transport fares by up to 40%. While the project’s timeline remains uncertain, discussions with various transport operators like State Transport Company, Metro Mass Transit Limited, and VVIP Jeoun Transport Company Limited are underway to advance Ghana’s adoption of e-mobility.

Comment

The implementation of Ghana’s plan to introduce 200 electric buses could potentially lead to strong benefits for its transportation sector. By reducing reliance on fuel and stabilising transport costs, the initiative aims to lower public transportation fares by up to 40%. This move not only aligns with global trends towards sustainable mobility but also signals Ghana’s commitment to modernising its transport sector while addressing environmental concerns.

[For more information, please click here](#)

Glovo Partners with Siltech (7) to Launch EV-Powered Food Delivery in Lagos

Glovo, a food delivery company, has partnered with Lagos-based Electric Vehicle (EV) company Siltech to utilize EV products and services for food delivery in certain areas of Lagos. This collaboration aims to reduce fuel and maintenance costs for Glovo. Although Glovo has not yet started using EVs, Siltech has been providing EV services for years. The recent hike in petrol prices in Nigeria has prompted many businesses, including Glovo, to switch to EV solutions. Tolu William, CEO of Siltech, confirmed

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that the partnership includes providing Glovo with charging stations, after-sales services, technical assistance, and battery swapping options at discounted rates. The pilot programme will begin at charging and battery stations in Ikate, Lekki, and Victoria Island in Lagos

Comment

The partnership between Glovo and Siltech is likely to lead to reduced operational costs for Glovo due to lower fuel and maintenance expenses. It also signifies a shift towards more sustainable business practices in response to rising petrol prices in Nigeria. This move may encourage other companies to adopt electric vehicles, promoting the growth of the EV market in Lagos and potentially improving air quality and reducing carbon emissions in the region.

[For more information, please click here](#)



(8) Federal Government unveils Nigeria’s First Multilingual AI Model, paving way for AI Leadership in Africa

In a move to advance Nigeria’s position in Artificial Intelligence (AI) development across Africa, the Federal Government through the Ministry of Communications, Innovation, and Digital Economy, has launched the country’s first Multilingual Large Language Model (LLM).

The LLM was developed collaboratively by the Nigerian AI company, Awarritech; global tech firm, DataDotOrg; the National Information Technology Development Agency (NITDA); and the National Centre for AI and Robotics (NCAIR). It will be trained on five low-resource languages and accented English, enhancing language representation in AI datasets. The project is supported by over 7,000 fellows from the 3 Million Technical Talent (3MTT).

In addition, the Communications Minister revealed several developments aimed at accelerating Nigeria’s AI journey. An initial draft of the National AI Strategy was formulated during the National Artificial Intelligence Strategy workshop with input from over 120 AI experts, providing a roadmap for AI development. A partnership between 21st Century Technologies, Galaxy Backbone, and NCAIR was also announced to accelerate AI projects of national interest. As part of this collaboration, 21st Century Technologies is funding the acquisition of Graphic Processing Units (GPUs) to boost Nigeria’s computing capacity, housed at the Galaxy Backbone Data Centre in the Federal Capital Territory (FCT), which will be accessible to local researchers, startups, and government entities working on critical AI projects

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Comment

The unveiling of Nigeria’s first Multilingual Large Language Model (LLM) and the accompanying developments in AI strategy and partnerships are likely to accelerate the country’s advancement in AI technology. This initiative could bolster Nigeria’s position as a leader in AI development in Africa, stimulate innovation and investment in the domestic AI ecosystem, and foster collaborations with local and international stakeholders. In addition, the enhanced computing capacity and strategic partnerships may drive progress in critical AI projects of national interest, ultimately contributing to economic growth, technological innovation, and improved societal outcomes in Nigeria.

For more information, please click [here](#)

(9) Microsoft Invests \$70 Million in South Africa for Job Creation and AI Advancement

Microsoft South Africa is investing \$70,000,000 in the South African economy over 10 years in collaboration with the Department of Trade, Industry, and Competition (DTIC). This investment aims to support small, micro, and medium-sized enterprises (SMMEs), create local jobs, and prepare the country for AI transformation.

The investment will specifically target an enterprise development initiative for technology startups owned by black South African entrepreneurs, skills development through certification courses, and research

programme. South Africa is also focusing on AI adoption to drive economic growth, efficiency, and societal advancement, evidenced by recent efforts such as unveiling a draft national AI plan and establishing AI research institutes.

Microsoft South Africa MD, Kalane Rampai highlighted the importance of AI skills for individuals and the potential for AI to empower organisations and attract talent. This investment is expected to benefit SMMEs, which play an important role in South Africa's economy, contributing nearly 40% of GDP and employing around half of the workforce.

Comment

Microsoft's \$70,000,000 investment in South Africa holds strong implications for the country's economy and technological advancement. By focusing on supporting SMMEs, creating jobs, and fostering AI development, the investment has the potential to stimulate economic growth, enhance innovation, and address societal challenges. In addition, South Africa's increased efforts in AI adoption, coupled with the establishment of AI research institutes, underscore its commitment to leveraging technology for economic and social progress. This initiative signals a collaborative approach between the private sector and government to drive digital transformation and position South Africa as a leader in AI development within the African continent.

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MTN and Huawei launch Joint Technology (10) Innovation Lab to drive Africa's Digital transformation.

MTN Group and Huawei have launched a Technology Innovation Lab at MTN Group's headquarters in Johannesburg, South Africa. This collaboration, initially announced during Mobile World Congress (MWC) 2024, aims to accelerate digital transformation and sustainable development across Africa.

The lab will focus on areas such as 5G, artificial intelligence, big data analytics, cloud computing, and digital financial services. Through cross-regional collaboration, it will stimulate the African digital ecosystem and promote the rapid development and adoption of innovative solutions.

The lab signifies MTN's evolution into a provider of comprehensive technology services and enhance a strategic investment in Africa's future. It will serve as a platform for collaboration, experimentation, and skill-building, fostering innovation, digital inclusion, and economic progress across the continent.

Comment

The launch of the Technology Innovation Lab by MTN Group and Huawei in Africa signifies a concerted effort to accelerate digital transformation across the continent.

By focusing on areas such as 5G, artificial intelligence, and cloud computing, the collaboration aims to enhance technological capabilities and promote innovation within the African tech ecosystem. This strategic investment reflects a commitment to Africa's long-term development and prosperity, potentially leading to greater digital inclusion, innovation, and economic growth.

[For more information, please click here](#)

(11) AI Education Initiative Launched in Kaduna State to Empower Women and Drive Tech Innovation

The Kaduna State Government, in partnership with Google and Data Science Nigeria, launched the AI for Beginners Learning Video Series on 30 April 2024. Delivered in Hausa, the programme aims to make AI education more inclusive and accessible in the state and Northern Nigeria. Governor Uba Sani emphasised the state's commitment to digital transformation and economic development through empowering women with AI skills, positioning Kaduna as a future tech hub.

Northern Nigeria faces challenges in tech education due to socio-cultural and language barriers, with a high rate of out-of-school children, especially girls.

This initiative seeks to address these obstacles using culturally relevant materials available on YouTube and in Kaduna schools to engage women in tech education. It is a step towards equipping women with essential digital skills and fostering economic growth and technological innovation in the region.

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Comment

The AI for Beginners Learning Video Series initiative in Kaduna State, launched by the government in collaboration with Google and Data Science Nigeria, will increase tech education and inclusivity, particularly for women, by offering AI training in Hausa. This effort addresses language barriers and promotes gender equality in tech education and employment. It is expected to drive economic growth by creating a skilled workforce and fostering technological innovation, positioning Kaduna as a potential tech hub in northern Nigeria. In addition, by providing alternative learning opportunities, it aims to improve overall educational attainment and make digital concepts more accessible and engaging through culturally relevant materials. Overall, the initiative is poised to enhance digital progress, economic prosperity, and technological advancement in the region.

[For more information, please click here](#)

(12) President Tinubu Suspends Controversial Cybersecurity Levy Amid Public Backlash

President Bola Tinubu has suspended the controversial 0.5% cybersecurity levy following a public outcry. The decision, announced by Minister of Information and National Orientation Mohammed Idris after a Federal Executive Council meeting, came via a directive to the Central Bank of Nigeria (CBN) to halt the levy's implementation and review its modalities.

The levy, mandated by the Cybercrime (Prohibition, Prevention, etc.) (Amendment) Act 2024, is a 0.5% charge imposed on electronic transactions to fund the National Cybersecurity Fund. President Tinubu’s decision reflects sensitivity to public concerns, especially after mounting opposition led to a resolution by the House of Representatives to withdraw the CBN directive due to apprehension and ambiguity surrounding it.

[For more information, please click here](#)

Comment

The suspension of the cybersecurity levy by President Tinubu in response to public outcry is likely to alleviate financial burdens on the financial sector while enhancing public confidence in governance. This move signals a potential reassessment of cybersecurity funding mechanisms and regulatory frameworks, which could promote clearer regulations and foster technological advancement. Moreover, it underscores the importance of transparent and well-considered policies for promoting stability and public trust in governance processes.

In addition, the decision may carry political implications, shaping perceptions of leadership responsiveness, particularly within the political landscape. While the levy aimed to increase funding for cybersecurity projects and safeguard national security by protecting banking and telecommunications systems, its implementation at a time of economic recession and amidst calls for higher minimum wages was viewed as insensitive. Furthermore, it raises concerns about hindering financial inclusion and obstructing electronic transactions and digitalisation efforts, which have been promoted since the introduction of the ‘cashless policy’ era under Godwin Emefiele.

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(13) CBN Implements Mandatory CAC Registration for POS Operators in Nigeria

The Central Bank of Nigeria (CBN) has issued a directive requiring all point-of-sale (POS) operators in the country to register with the Corporate Affairs Commission (CAC) by 7 July 2024. This move aims to foster transparency and accountability within the financial sector and standardise operations across the industry. The mandate emerged from a meeting between the CAC’s Registrar-General and fintech stakeholders and applies to all financial institutions offering POS services. It is framed as a means to align with existing legal frameworks, particularly section 863 of the Companies and Allied Matters Act (CAMA) 2020 and ensure compliance with CBN guidelines on agent banking.

Comment

The CBN’s mandate for POS operators to register with the CAC is likely to enhance transparency and accountability in Nigeria’s financial sector. It standardises

operations and ensures compliance with existing legal frameworks, potentially reducing fraud and enhancing consumer confidence in electronic payment systems. Non-compliance is an offence liable in conviction to a fine of NGN200 for everyday the offence persists as prescribed in CAC regulations and supported by section 863(2) of the Companies and Allied Matters Act (CAMA) 2020.

[For more information, please click here](#)

(14) Rwanda Plans to Issue a Digital Currency By 2026

Rwanda plans to issue a Central Bank Digital Currency (CBDC) by 2026 to provide a safe, free, and convenient alternative to physical cash. The initiative aims to increase financial inclusion and integrate more unbanked citizens into the formal economy.

Deputy Governor of the National Bank of Rwanda Soraya Hakuziyaremye highlighted that Rwanda is motivated by similar developments in countries like Nigeria, Ghana, and South Africa, as well as Rwanda’s own goals for Information and Communications Technology (ICT) and a cashless economy.

In November 2023, National Bank of Rwanda Governor, John Rwangombwa, announced the development of the CBDC during a presentation of the central bank’s annual report. A feasibility study initiated in May 2024 examined the benefits, risks, and practicalities of a retail CBDC in Rwanda. The study, conducted in collaboration with the Ministry of Finance, ICT, and Innovation, found numerous opportunities for adoption.

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Following a public consultation process addressing concerns such as data privacy and financial stability, Rwanda will begin a proof of concept to test the CBDC’s technology, design, and speed on a small scale. This will include a six-month international test for cross-border payments. Rwanda prefers a retail CBDC distributed through banks and is considering options for offline accessibility in areas without internet access or during power outages.

Comment

Rwanda’s plan to issue a Central Bank Digital Currency (CBDC) by 2026 is likely to enhance financial inclusion, modernise the country’s financial system, and reduce reliance on physical cash. This move aligns Rwanda with other African nations adopting digital currencies and supports the country’s ICT and cashless economy goals. The CBDC could provide safer, more convenient financial transactions, especially in areas lacking internet access or during power outages. However, addressing concerns such as data privacy and financial stability will be crucial for its successful implementation and adoption.

[For more information, please click here](#)

(15) Microsoft and G42 to Invest \$1 Billion in Kenya’s Digital Transformation

Microsoft and UAE-based technology group, G42, have announced an investment of \$1,000,000,000 in Kenya’s digital development in partnership with the Kenyan government. This investment will fund various initiatives,

including the construction of a green data centre in Olkaria, powered by geothermal energy, which will offer access to Microsoft Azure via a new East Africa Cloud Region.

The initiative encompasses four additional pillars: developing AI models in Swahili and English, establishing an East Africa Innovation Lab with AI training, improving local and international connectivity, and ensuring secure cloud services in collaboration with the Kenyan government.

Key projects include Microsoft’s AI for Good Lab in Nairobi to address regional challenges, expanding internet access to 20,000,000 people in Kenya and 50,000,000 across East Africa by 2025, and enhancing cybersecurity measures. A letter of intent for this partnership was signed during Kenyan President William Ruto’s state visit to the USA.

Comment

The billion-dollar investment by Microsoft and G42 in Kenya’s digital infrastructure is poised to boost the country’s technological landscape. This initiative will likely enhance internet connectivity, promote AI and innovation, support local startups, and improve cybersecurity. The development of a green data centre and an East Africa Cloud Region could position Kenya as a key digital hub in East Africa, driving economic growth and technological advancement in the region.

However, there must be clarity on the data protection laws applicable on the operations of the data centre in addition to implementation of a framework to comply with these laws and regulations.

[For more information, please click here](#)

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(16) Federal Ministry of Science, Technology, and Innovation Partners with Afri-Tech United for Groundbreaking Cloud Migration Initiative

The Federal Ministry of Science, Technology, and Innovation has partnered with U.S.-based tech consulting firm Afri-Tech United to initiate a transformative cloud migration project in Nigeria. This collaboration aims to develop a Master Cloud Platform to elevate Nigeria’s cyber capabilities and global tech leadership. Nigerian IT expert, Jacob Uwah, emphasised the strategic alliance’s role in advancing technology in the country. The Minister, Uche Nnaji, highlighted the initiative’s potential to modernise infrastructure, optimize sectors, and support President Bola Tinubu’s goal of creating 2,000,000 tech jobs annually. The project also includes developing an Innovation Centre to provide Nigerian engineers with access to advanced technologies like AI and robotics.

Comment

This collaboration between the Nigerian government and Afri-Tech United could improve the country’s technological landscape. By spearheading a cloud migration initiative and fostering innovation through strategic partnerships, Nigeria aims to modernise infrastructure, optimize sectors, and create millions of tech jobs annually. This initiative shows Nigeria’s commitment to becoming a global leader in the cyber space and advancing its position in the technology sector.

[For more information, please click here](#)

(17) Zone Introduces Blockchain-Powered PoS Payment Gateway to Combat Fraud

Zone, a payment network infrastructure company in Africa, has introduced a blockchain-powered Point of Sale (PoS) payment gateway product to combat chargeback fraud.

This move aligns with Zone’s broader payment objectives, following the success of its ATM transaction processing service. The PoS payment gateway is designed to enable banks and fintech companies deploying PoS terminals to process payments efficiently, with direct routing of transactions to issuers through Zone’s decentralised payment switching network.

Zone is licenced by the Central Bank of Nigeria (CBN) as a payment service switch, as such it can implement direct transaction routing without breaching regulatory guidelines. This initiative marks Zone’s expansion into the PoS market amid tightening regulations for PoS operators in Nigeria.



The product aims to enhance PoS transactions by offering same-day settlement, eliminating chargebacks and fraud through real-time auto-refunding and decline mechanisms. Obi Emetarom, CEO and co-founder of Zone, emphasised the product’s commitment to financial inclusion and the digitalisation of payments in Africa. While other payment infrastructure providers offer PoS gateways, Zone distinguishes itself by utilising a decentralised architecture powered by blockchain technology, which it claims offers enhanced reliability and efficiency compared to centralised systems.

Comment

The launch of Zone’s blockchain-powered PoS payment gateway in Africa may be an advancement in dealing with chargeback fraud and enhancing transaction efficiency.

It reflects the evolving financial technology landscape in Nigeria, as PoS operators aim to be more efficient and reliable. By leveraging blockchain technology, Zone aims to provide a comparably better payment infrastructure, potentially setting a new standard for PoS services in the region.

Although, there is no requirement or description under the Approved Guidelines on Operations of Electronic Payment Channels in Nigeria for the specific technology to be used by a gateway service provider, it is expected that Zone had notified the CBN of its deployment of blockchain technology as described for Zone.

[For more information, please click here](#)

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(18) Nigerian Fintech Companies Experience Operational Restrictions by CBN



The Central Bank of Nigeria (CBN) has ordered fintech companies like Moniepoint, OPay, Kuda Bank, and PalmPay to stop opening new accounts due to a crackdown on fraud.

The CBN directive does not affect existing accounts as customers can still conduct transactions. However, 1,146 accounts have been frozen following their involvement in unauthorised forex transactions.

The Nigerian government is intensifying its efforts against financial crimes as it has implemented measures such as the freezing of accounts not linked to Bank Verification Numbers (BVNs) or National Identity Numbers (NINs) and requiring these IDs for wallet creation. However, the central bank lifted this ban on new account openings for fintech companies OPay, Moniepoint, Kuda, PalmPay, and Paga in June 2024.

Comment

The Central Bank of Nigeria’s directive for fintech companies to halt new account openings was within its regulatory powers under the Banks and Other Financial Institutions Act. However, it has slowed the growth rate of these fintechs and caused customer inconvenience as potential users face difficulties accessing these services.

By enforcing stricter regulations and verification processes, the CBN aims to enhance financial security and reduce fraud, potentially boosting confidence in the financial system. Fintech companies will face operational challenges and increased costs due to the need for greater compliance measures, possibly altering their business models.

Traditional banks might benefit from an influx of new customers, shifting the competitive landscape. The regulatory environment will become tougher, potentially deterring some investors but leading to a more stable financial system. Overall, while there will be short-term disruptions, the long-term goal is to create a more secure and regulated financial environment in Nigeria.

[For more information, please click here.](#)

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(19) MTN Nigeria Implements Strategy to Restore Profitability Amid Economic Challenges

MTN Nigeria is implementing a strategy to restore profitability in its Nigerian unit following a sharp currency devaluation. This plan includes raising tariff prices, cutting capital expenditures to the upper single digits in 2024, and improving operational efficiencies.

MTN revealed the challenges posed by elevated inflation and volatile foreign exchange rates but aims to sustain commercial momentum and enhance service revenue growth. The company is also focusing on reducing its exposure to US dollar volatility, having lowered its outstanding letters of credit obligations from about \$416,600,000 in December 2023 to about \$243,400,000 by March 2024.

In addition, negotiations are ongoing to modify tower lease conditions to mitigate macroeconomic risks. MTN Nigeria’s Q1 2024 results showed a decline in subscribers due to a SIM registration programme, a 57.8% drop in profit after tax to about NGN47,100,000,000 and a rise in capital expenditures to about NGN179,700,000,000.

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Comment

MTN’s strategy to restore profitability in Nigeria by raising tariffs and cutting capital expenditures is likely to lead to higher costs for consumers but improved financial stability for the company. It is expected that there will be pushback from the consumers and the regulator which may lead to intervention by regulatory bodies. The focus on operational efficiencies and reducing foreign currency exposure could mitigate financial risks. However, the decline in subscriber numbers highlight ongoing challenges which is negatively impacting shareholder funds.

Overall, these proposed measures might stabilise MTN’s financial performance but could also impact customer retention and market competitiveness. It will however, need to navigate the regulatory landscape (including obtaining approval of the Nigerian Communications Commission) to achieve the expected outcomes.

For more information, [please click here](#)

(20) MTN Rwanda Pioneers Paper-Based Biodegradable SIM Cards

MTN Rwanda has announced the introduction of paper-based biodegradable SIM cards, a step in its commitment to sustainable business practices. As the largest telecommunications company in Rwanda with 7,400,000 subscribers, MTN aims to reduce plastic waste and promote environmental sustainability.

The move aligns with both the MTN Group Environmental Strategy and Rwanda's Green Growth & Climate Resilience Strategy.

The paper SIM cards are made from materials that have been 100% certified by the Forest Stewardship Council (FSC), ensuring responsible forest management. This initiative is part of MTN Rwanda's broader efforts, which include the Project Zero campaign launched in 2021, featuring hybrid electric vehicle integration and solar panel installations at data centres. These efforts support MTN Group's goal of achieving zero net carbon emissions by 2040.

The telecom industry, which produced 4,500,000,000 plastic SIM cards in 2020, contributes 2% to global emissions. MTN Rwanda's biodegradable SIM cards aim to reduce this environmental impact. While the availability date for these bio-SIMs is not yet clear, this initiative follows similar efforts by other companies, such as Virgin Mobile Kuwait's introduction of biodegradable SIM cards in 2022.

Comment

MTN Rwanda's introduction of biodegradable SIM cards is likely to enhance its ESG profile and increase its value given the global trends towards ESG and sustainability. This initiative may also set a precedent in the telecom industry for adopting greener practices, potentially influencing other companies to follow suit. However, consumer adoption and the timeline for widespread availability remain uncertain.

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(21) Google Announces Umoja Subsea Cable to Connect Africa and Australia, Boosting Digital Connectivity

Google has announced the construction of Umoja, a groundbreaking fibre-optic cable that will directly connect Africa and Australia. This project aims to enhance digital connectivity and economic integration between the continents.

The cable will run from Kenya, pass through several African countries, and cross the Indian Ocean to Australia. It will also support Google's cloud region in South Africa, ensuring strong cloud service connectivity. In collaboration with Liquid Technologies, the Umoja cable will offer a scalable network path with multiple access points to boost regional connectivity. This infrastructure is designed to provide reliable digital services and address network outages that have historically affected the region.

The project, which is part of Google's Africa Connect initiative, was made possible through partnerships with leaders across Africa and Australia. Google also announced a collaboration with Kenya's Ministry of Information Communications and The Digital Economy to advance cybersecurity, data-driven innovation, digital upskilling, and AI deployment. Since 2007, Google has been actively partnering with African governments on various digital initiatives, committing \$1,000,000,000 over 5 years to support the continent's digital transformation.

Comment

The launch of Google’s Umoja subsea cable, connecting Africa and Australia, is likely to significantly boost digital connectivity and economic integration between the continents. It will enhance internet reliability and access in several African countries, support cloud services, and reduce network outages. This initiative is expected to drive digital transformation, foster innovation, and create economic opportunities in the region. In addition, it will strengthen partnerships and improve cybersecurity efforts, marking an advancement in global digital infrastructure.

For more information, please click [here](#)

(22) ITU Launches \$100 Billion Fund to Enhance Telecoms in Developing Nations

The International Telecommunications Union (ITU) is launching a fundraising initiative aimed at raising \$100,000,000,000 to improve telecommunications in developing countries by 2026. In partnership with the United Nations’ Sustainable Development Goals agenda, this initiative seeks to bridge the digital divide and accelerate global digitalisation.

With about 720,000,000 people in least developed countries still unconnected to the internet, the ITU recognises the need to reduce this number. ITU’s Secretary-General, Doreen Bogdan-Martin, stressed the need for inclusive digital transformation, while UN Secretary-General António Guterres highlighted technology’s potential for sustainable development but cautioned against widening digital divides.

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Comment

The ITU’s ambitious fundraising initiative to improve telecommunications in developing countries, particularly the least developed ones, could have significant implications. It has the potential to bridge the digital divide, accelerate global digitalisation, and empower marginalised communities. However, its success hinges on robust public and private sector involvement and effective implementation strategies to ensure meaningful connectivity and sustainable development.

For more information, please click [here](#)



(23) Telecom Operators in Nigeria Push for Tariff Hike Despite Regulatory Resistance

Telecom operators in Nigeria are intensifying efforts to increase tariffs, citing rising operational costs due to factors like high equipment prices, diesel costs, and electricity expenses.

The Association of Licensed Telecoms Operators of Nigeria (ALTON) and the Association of Telecommunications Companies of Nigeria (ATCON) are leading this charge, arguing that tariff adjustments are necessary to ensure sustainability in the face of economic challenges. Despite past resistance from regulators like the Nigerian Communications Commission (NCC), which prioritises consumer interests and cost-effective regulation, telecoms operators continue to push for tariff hikes to reflect current economic realities.

(24) Nigerian Communications Commission (NCC) Partners with Nokia

The Honourable Minister of Communications, Innovation and Digital Economy, Dr. Bosun Tijani, and the Executive Vice Chairman and Chief Executive of the Nigerian Communications Commission (NCC), Dr. Aminu Maida, signed a Memorandum of Understanding (MoU) with Nokia Solutions and Networks Nigeria.

This partnership aims to train young Nigerians in the latest 4G/5G radio and transmission technologies at the NCC’s Digital Parks. Nokia Nigeria will establish a fully functional 5G/4G test lab and an Entrepreneur Learning Programme to provide high-quality vocational training to 200 Nigerian students from across the six geopolitical zones. This initiative supports the ministry’s goal of driving digital literacy and building a pipeline of technical talent in Nigeria

Comment

The intensified push by Nigerian telecom operators for tariff hikes, despite regulatory resistance, suggests potential implications for both consumers and the industry. Consumers may face increased costs for telecom services, impacting affordability. Meanwhile, operators seek to mitigate rising operational expenses and ensure sustainability.

The outcome hinges on regulatory decisions balancing consumer protection with industry viability amidst economic pressures. The NCC in exercising its statutory and regulatory powers under the Nigerian Communications Act and Telecommunications (Competition Practices) Regulations, 2007, has continued to show some resistance, in a bid to protect the telecom industry and the subscribers from any planned tariff hike, and to also make its position known to all that it is a consumer-protective regulator.

[For more information, please click here.](#)

Comment

The partnership between Nigeria’s NCC and Nokia to train young Nigerians in 4G/5G technologies will likely enhance digital skills, boost employment opportunities, and advance the country’s telecommunications industry. This initiative supports Nigeria’s vision for increased digital literacy and technical talent development, and the NCC in participating in this collaborating is driving change and development of technology in the country.

However, it is expected that data privacy and intellectual property issues have been considered in view of the proposed collaboration.

[For more information, please click here.](#)

For more information, please contact CorporateCommercial@alp.company

CONTACT US:

Lagos

15 Military Street,
Onikan,
Lagos.

T: +234 201 700 2570-9

Abuja

3 Lobito Crescent,
Wuse 2,
Abuja.

T: +234 209 700 2570-9

For more information, please contact CorporateCommercial@alp.company

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