



UNIVERSAL SERVICE

PROVISION FUND

# CONNECTING THE UNCONNECTED

ANNUAL REPORT 2017



# Table of Contents

Chairman’s Statement	04
Secretary’s Statement	06
About the USPF	08
Mandate of the USPF	10
USPF Organogram	12
USPF Strategic Management Plan (SMP) 2013-2017	14
Key Achievements of the SMP 2013-2017	18
Lessons Learned	20
Developing the USPF Strategic Management Plan (SMP) 2018-2022	22
Access Programme	23
School Knowledge Centres (SKC)	25
Tertiary Institution Knowledge Centres (TIKC)	26
E-Accessibility Project	26
E-Library Project	27
Connectivity Programme	28
Base Transceiver Station (BTS)	30
Bandwidth Aggregation (BA)	31
University Inter-Campus Connectivity (UniCC)	31
USPF Events in 2017	32
ICT Utilization & Sustainability Workshop	33
USPF Changemaker Challenge 2017	34
Capacity Building for Staff	35
Impact Assessment of USPF Projects	36
Limitations/Challenges	38
Statement of Financial Position as at 31st December 2017	40
Statement of Financial Performance for the year ending 31st December 2017	41





## Adebayo Shittu

Chairman, USP Board and Hon.  
Minister of Communication  
Technology

# CHAIRMAN'S STATEMENT

The Board was established by Section 115 of the Nigerian Communications Act (NCA) 2003, with the mandate to supervise and provide broad policy direction for the Management of the USP Fund. In our drive to achieve the Mission and Mandate of the Universal Service Provision Fund, the Secretariat has continued to implement programmes and projects that are beneficial to the people in line with the USPF Strategic Management Plan (2013–2017).

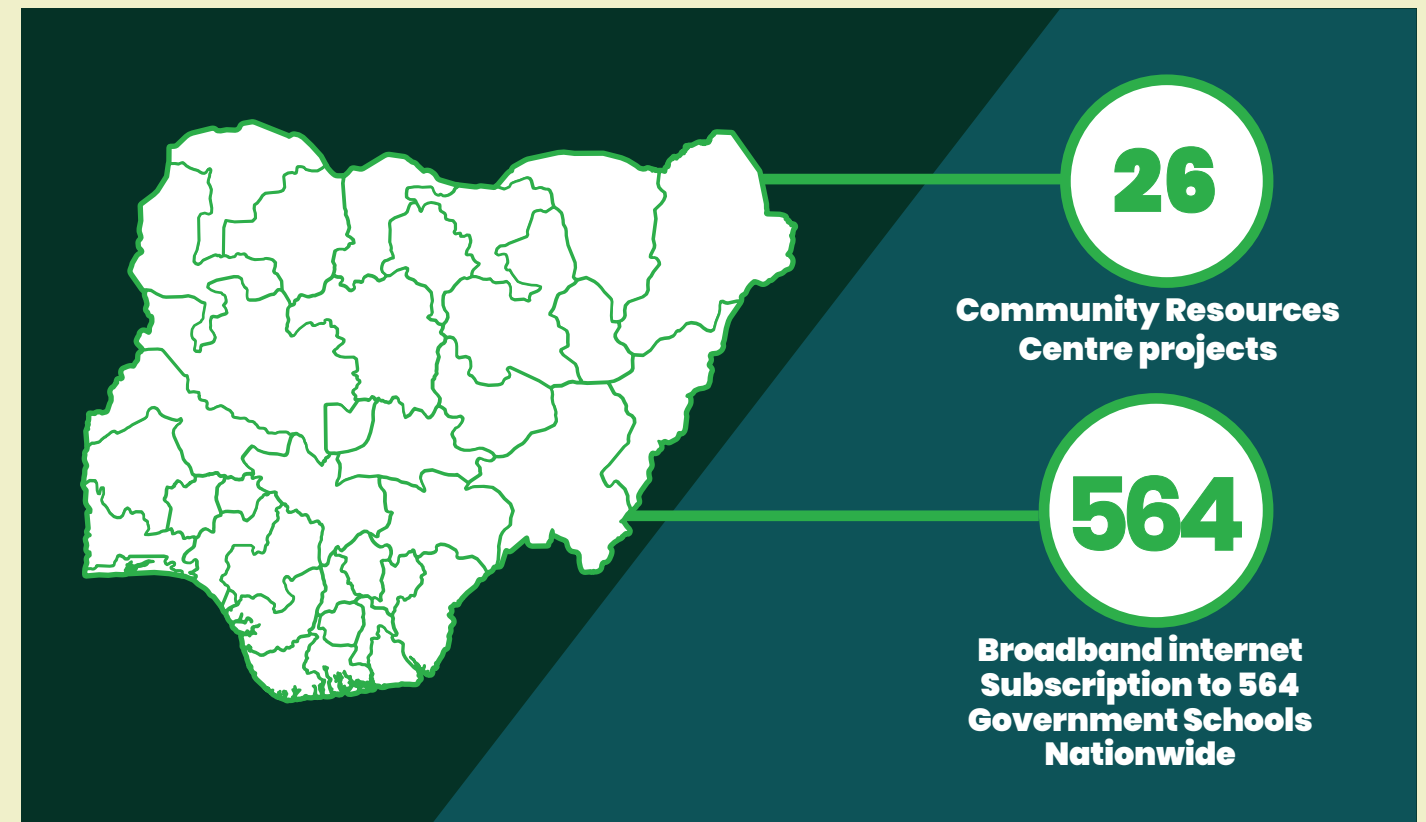
The SMP (2013–2017) presented a robust and cohesive plan which aligned the USPF's strategic goals to its mandate. It also defined programmes and projects which were capable of supporting the achievement of the USPF's strategic goals and had the potential to deliver sustainable impact and benefits to Nigerians.

The implementation of the SMP (2013–2017) commenced in 2013 and has recorded achievements during the period.

The USPF facilitated the deployment of over Twenty-Six (26) Community Resources Centre (CRC) projects across the Six (6) geo-political zones of Nigeria, which has provided shared access to telephone and internet



E-Accessibility Project has been rolled out in over Fifty (50) schools/centres. This promoted digital inclusion of persons living with disabilities through the provision of ICTs and Assistive Technologies to institutions and schools catering for their needs.



services in rural areas. The School Knowledge Centre (SKC) Project, which is aimed at providing public schools with ICT hardware and funding subscription for broadband internet for at least One (1) year has been deployed in over Five Hundred and Sixty Four (564) government schools.

Also, the E-Accessibility project has been deployed in over Fifty (50) schools/centres. This promoted digital inclusion of persons living with disabilities through the provision of ICTs and assistive technologies to institutions and schools catering for their needs. This has also increased the zeal for knowledge, academic pursuit, skills acquisition and also enhanced the status of the schools through the provision of these assistive technologies to cater for various physical disabilities. Furthermore, under the Backbone Infrastructure Project (BTRAIN), a total of 1,249km of Optic Fibre Cable (OFC) was completed.

Even though the USPF has made giant strides in extending access to ICT in underserved and unserved areas in Nigeria, some projects have not recorded as much success as expected due to external challenges faced by the USP Secretariat, such as Right of Way (RoW) approvals, security concerns and sustainability issues.

The SMP (2013–2017) expires at the end of 2017 and the new Strategic Management Plan that will guide the operation of the Fund in the next Five (5) years is being developed.

The overarching goals of the new SMP (2018– 2022) are to facilitate an enabling environment for sustainable ICT, promote Universal Access and Universal Service that facilitate ICT for development, and Institutional development. These goals are the bedrock for the achievement of Universal Access and Universal Service in Nigeria. It is projected that at the expiration of the SMP (2018–2022), laudable landmarks would be achieved.

*Adebayo Shittu*

# SECRETARY'S STATEMENT



**Ayuba Shuaibu**

Secretary, Universal Service Provision Fund

I am delighted to present the report of the Universal Service Provision Secretariat (USPS) for the year 2017. This report highlights the Secretariat's achievements in line with the goals outlined in the Strategic Management Plan (SMP) (2013-2017) and the Annual Operating Plan (2017), which outlines the key programmes and projects implemented in the operational year.

Our mandate in the Universal Service Provision Secretariat (USPS) is to promote the widespread availability and usage of network services and application services throughout Nigeria. To

achieve this, we have facilitated the installation of network facilities and provided network services and application services to institutions, in unserved and underserved areas, as well as underserved groups within communities in Nigeria under the Access and Connectivity programmes.

The projects under Access programme are geared towards addressing the universal service principles of Availability, Accessibility and Affordability of ICT services. These include the School Knowledge Centre (SKC), Tertiary Institution Knowledge Centre (TIKC), Community Resource Centre (CRC), E-Library, E-Health, and Local Content Development, which are under the access programmes. The Universal Service Provision Fund Connectivity programme include the following projects: Base Transceiver Station (BTS), Bandwidth Aggregation (BA), University Inter-Campus Connectivity (UniCC), Backbone Transmission Infrastructure (BTRAIN) and Rural Broadband Initiative (RUBI).

“Our mandate in the Universal Service Provision Fund (USPF) is to promote the widespread availability and usage of network services and application services throughout Nigeria.”

Some major achievements of the USP Secretariat in the year 2017 are highlighted below:

- Provision of internet connectivity to Four Hundred and Forty-Six (446) institutions through the Bandwidth Aggregation (BA) projects. This project is designed to ensure that the connectivity requirements of School Knowledge Centres (SKC), E-Libraries, Community Resource Centres (CRC) and other USPF bandwidth assisted projects are met.
- Provision of ICTs and assistive technology solutions to Ten (10) institutions catering for the needs of different categories of persons living with disabilities in Northern and Southern Nigeria through our E-Accessibility projects, thus improving the quality of life of persons living with disabilities in the country.
- Deployment of ICT equipment and capacity building for library personnel through our E-Library projects to equip them with the appropriate 21st-century skills in Six (6) Libraries across the country.
- Execution of Nine (9) Tertiary Institution Knowledge Centres (TIKC) projects across the country.
- Six (6) Federal Universities benefited from the University Inter-Campus Connectivity (UniCC) project.
- Provision of Twenty-Six (26) BTS sites across the country, thus providing access to over One Hundred and Thirty Thousand (130,000) people living in unserved areas.
- Training of over Eight Hundred (800) participants across Five (5) geopolitical zones through the USPF Capacity Building Programme. This is to ensure that Nigerians are not left behind in the global information age.

In order to ensure that USPF projects continue to stimulate development and social economic activities in rural unserved and underserved communities in Nigeria, a new Strategic Management Plan (2018–2022) is being developed. This will guide the operation of the Fund for the next Five (5) years. Relevant National Policy directives and projects that will impact the demand and supply of telecommunication services in Nigeria were also considered in developing the SMP (2018-2022).

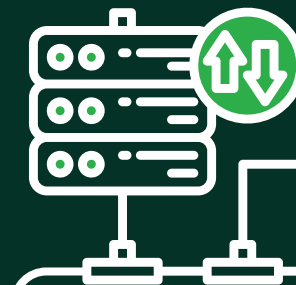
*Ayuba Shuaibu*

## E-ACCESSIBILITY PROJECT



10

Institutions provided with ICTs and Assistive Technology



446

Bandwidth Aggregation Projects



School Knowledge Centre (SKC)



E-Libraries



Community Resource Centre (CRC)



Other USPF assisted projects



## ABOUT the USPF

The Universal Service Provision Fund (USPF) was established by the Federal Government of Nigeria to facilitate the achievement of national policy goals for Universal Access and Universal Service to information and communication technologies (ICTs) in rural, unserved and underserved areas in Nigeria.

The Nigerian Communications Act (NCA) 2003, No.19, provides for the Universal Service Provision (USP) in Nigeria. Section 115 of the Act established the Universal Service Provision Board with the mandate to supervise and provide broad policy direction for the management of the USP Fund. Section 118 of the Act established the USP Secretariat and states that it shall reside in the Nigerian Communications Commission (NCC) and shall be responsible for the day-to-day administration of the Universal Service Provision Fund. Pursuant to its mandate, the USP Fund started operation in August 2006 and has embarked on various projects to realize its objectives.





## MANDATE of the USPF

The USPF is committed to creating an enabling environment and ensuring that Nigerians, irrespective of demography, social and economic status have access to quality and affordable ICT services.

In line with Chapter VII, Part IV of the Nigerian Communications Act (NCA) 2003, the Federal Government of Nigeria established a Universal Service Provision Fund (USPF) to promote the widespread availability and usage of network services and applications services throughout Nigeria by encouraging the installation of network facilities and the provision for network services and applications services to institutions in unserved, underserved areas or for underserved groups within the community.

## OUR VISION

Equitable ICT Access for All

## OUR MISSION

To facilitate the achievement of universal access to ICT and universal service, through market-based investment, which stimulates development in rural, unserved and underserved communities.

## CORE VALUES



Integrity



Collaboration



Team Spirit



Transparency



Innovation



Professionalism



Service Excellence

## USP PLEDGE

The activities of the USPF are encapsulated in the Declaration of Principles of the World Summit on Information Society (WSIS) which states that “*Everyone everywhere should have the opportunity to participate and no one should be excluded from the benefits the information society offers*”.

## POLICY OBJECTIVES

The major objective of the USP Fund is to ensure that public interest is attained in the provision of ICT applications and services in Nigeria. That is:

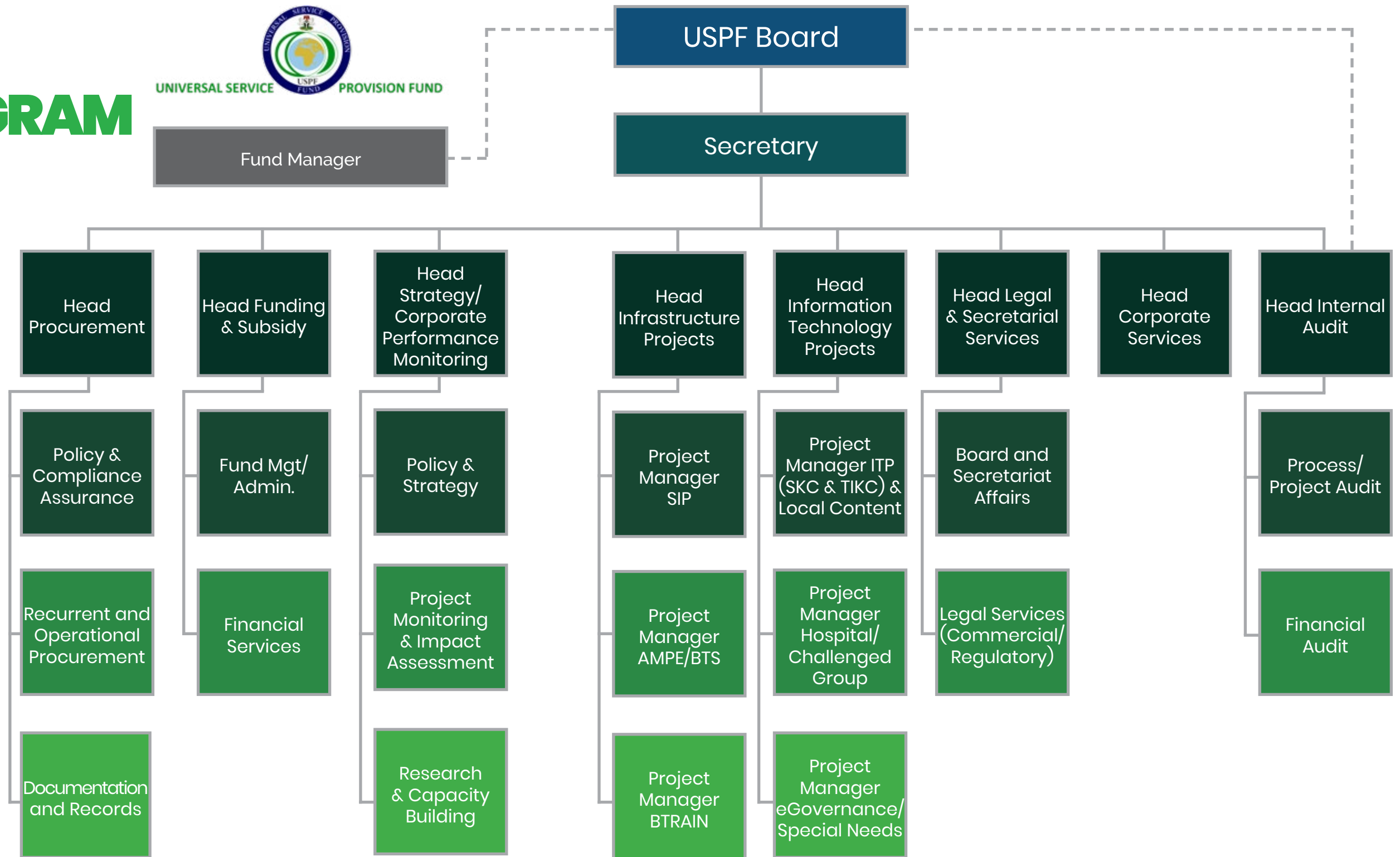


Promote greater social equity and inclusion for the people of Nigeria; and



Contribute to National economic, social and cultural development of Nigeria.

# USPF ORGANOGRAM



## BOARD MEMBERS

- 1.** **Barr. Adebayo Shittu**  
Chairman of USP Board and Minister of Communication Technology
- 2.** **Senator Olabiyi Durojaye**  
Vice-Chairman of USP Board and Chairman of NCC Board
- 3.** **Prof. Umar Garba Danbatta**  
Member and Executive Vice Chairman of NCC Board

- 4.** Member and Executive Commissioner NCC Board
- 5.** Member and Representative of National Planning Commission
- 6.** Member and Representative of the Ministry of Finance
- 7.** Member and Representative of the Ministry of Communication Technology
- 8.** Member and Representative of Private Sector
- 9.** Member and Representative of Private Sector
- 10.** Member and Representative of Private Sector
- 11.** Member and Representative of Private Sector

# USPF STRATEGIC MANAGEMENT PLAN 2013-2017

The USPF had identified Three (3) broad strategic goals to drive its activities towards the achievement of its mandate within the Five (5) years (2013-2017). In articulating its strategic goals, the USPF recognised the need to place priority on building the organizational capacity of the USP Secretariat and ensuring the possession of relevant, up-to-date information on the ICT industry to guide the design and implementation of USP projects, while the other Two (2) strategic goals are geared towards achieving the Vision - **Equitable ICT Access For All**.

## GUIDING PRINCIPLES

- ▶ Infrastructure Sharing
- ▶ Social Inclusion
- ▶ Geographic Coverage
- ▶ Promote Private Sector Investment
- ▶ Encourage Competition
- ▶ Promote Consumer Interest
- ▶ Sustainability
- ▶ Foster Economic and Social Development
- ▶ Consultation, Transparency, and Accountability
- ▶ Quality of Service
- ▶ Technology Neutrality

### ▶ GOAL 1

- ▶ Research Studies and Surveys
- ▶ Subsidy and Incentive Design
- ▶ Consultation and Awareness Creation

### ▶ GOAL 2

- ▶ Backbone Connectivity
- ▶ Local Access Network and Facilities
- ▶ Accelerated Mobile Phone Expansion
- ▶ Health Informatics
- ▶ E-Accessibility
- ▶ Local Content Development

### ▶ GOAL 3

- ▶ Review/Development of Organisational Capacity
- ▶ Review/Development of Policies and Procedure Manuals
- ▶ Review of Organisational Plans



# GOAL 1

Facilitate an enabling environment for ICT

# GOAL 2

Promote universal access and universal service that facilitate connectivity for development

# GOAL 3

Institutional Development

Objective:

# 1

Identify the market efficiency and access gaps and design incentives that would promote the rollout of sustainable ICT services in rural, unserved and underserved areas.

## Strategies:

- Carry out relevant research and studies to determine the market efficiency and true access gap for different categories of ICT services within the country.
- Consult with key players in the telecommunications industry to identify the barriers/issues which prevent the market from functioning effectively.
- Consult and collaborate with the Nigerian Communications Commission and relevant government agencies to design, plan and implement incentives that will facilitate the reduction of market efficiency gaps.

Objective:

# 2

Facilitate the availability of transmission infrastructure and connection to the National Backbone in all Local Government Areas (LGAs).

Drive increasing access to community-based data and voice services on a shared basis and provide a platform for universal service.

## Strategies:

- Provide subsidies or other forms of incentives to telecom operators and eligible service providers to extend ICT transmission infrastructure to identified unserved and underserved areas.
- Explore opportunities to deploy a full suite of universal access and universal service initiatives to build utilization and sustainability of ICT projects.
- Ensure the collocation and sharing of infrastructure subsidized by USP funds.
- Consult/collaborate with government agencies, not for profit organizations and community-based organizations to facilitate connectivity for development initiatives.
- Encourage community ownership of universal service projects and consequently, promote entrepreneurship in target communities.

Objective:

# 3

Strengthen the capability of the USP institution to effectively deliver on its mandate.

## Strategies:

### People:

- Ensure alignment of the USP Secretariat's structure and functions with the Vision and strategic goals of the USPF.
- Identify and execute capacity building initiatives which will equip the USP Secretariat with the relevant skills required to drive the achievement of the USPF's strategic goals.

### Process:

- Develop and implement processes which will drive standardization and efficient service delivery in the Secretariat.

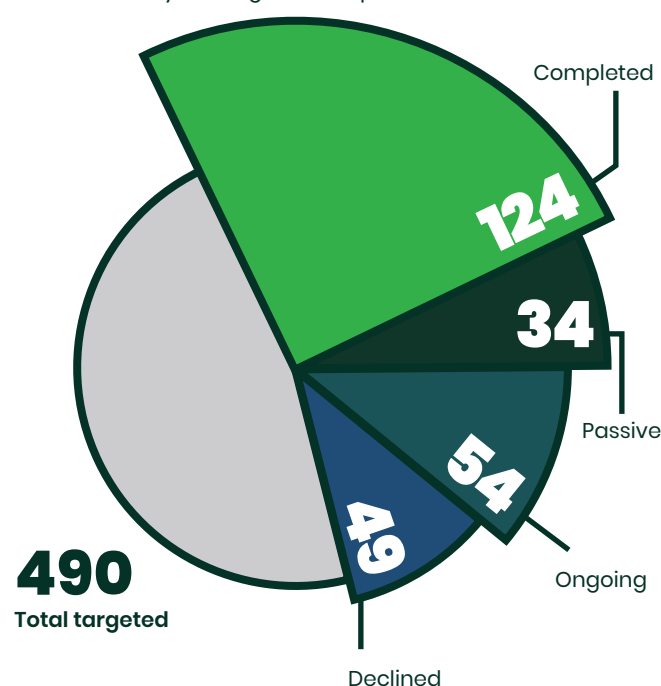
# KEY ACHIEVEMENTS OF THE SMP 2013 – 2017

The implementation of the SMP (2013-2017) commenced in 2013 and has recorded the following achievements as seen in the list of projects executed during the period.

## AMPE – BTS

Accelerated Mobile Phone Expansion – Base Transceiver Station

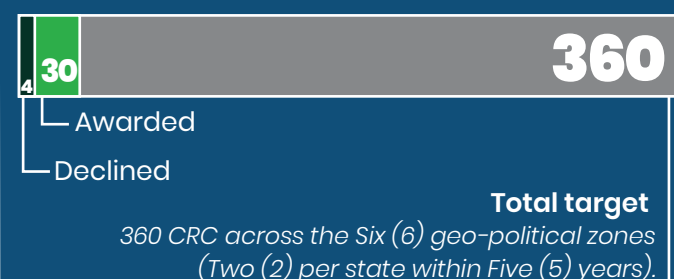
Aimed at supporting the extension of wireless service (fixed and mobile), to unserved communities through rapid deployment and roll-out of BTS by existing mobile operators.



## CRC

Community Resource Centres

The CRC provide shared access to telephone and Internet services in rural areas.



## AMPE – CIP

Accelerated Mobile Phone Expansion Infrastructure Project

Aimed at encouraging/subsidizing the construction of shared telecom infrastructure for collocation of telecom operators.

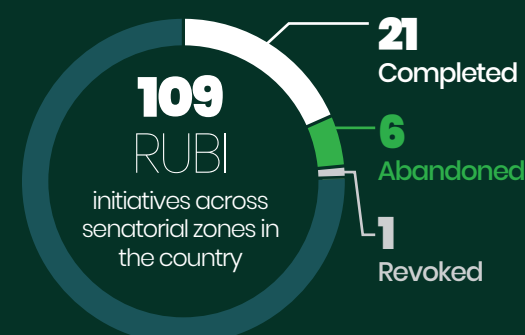


The project was however discontinued due to sustainability issues arising from the inability of the Implementers to attract operators.

## RUBI

Rural Broadband Initiative

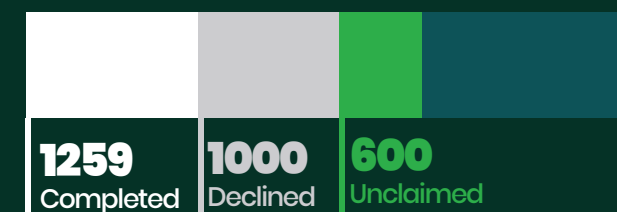
The RUBI project facilitates the roll-out of broadband services to unserved and underserved areas.



## BTRAIN

Backbone Infrastructure Project

Aimed at accelerating (through subsidy) the build-out of backbone transmission infrastructure to all local government areas in Nigeria.

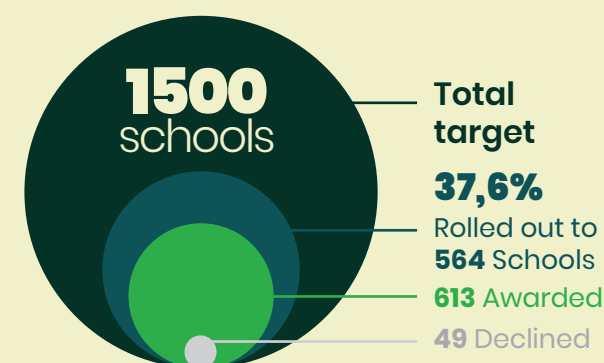


**3456 km Total**

## SKC

School Knowledge Centre

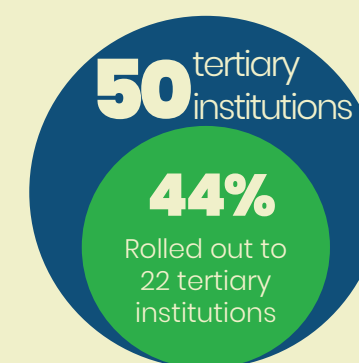
Aimed at providing public schools with ICT hardware and funding subscriptions for broadband Internet for at least One (1) year.



## TIKC

Tertiary Institution Knowledge Centre

The TIKC is aimed at providing tertiary institutions with ICT hardware and funding subscription for broadband internet for at least One (1) year.



## E-Accessibility

ICT for people living with disabilities

The objective of the project is to promote the digital inclusion of persons living with disabilities through the provision of ICTs and Assistive Technologies to institutions and schools catering for their needs.



Total target: 60 centres

## Local Content and Application deployment

The objective of the project is to improve the overall e-learning experience of students and teachers under the USPF SKC projects.



Total target: 1500 SKC Schools

## E-Health

The objective of the project is to use ICT to significantly improve access and delivery of healthcare services in public secondary healthcare facilities across the country.



Total target: 50 public secondary healthcare facilities



# LESSONS LEARNED

## FROM THE IMPLEMENTATION OF THE SMP 2013–2017

Although the USPF has made giant strides in extending access to ICT in underserved and unserved areas in Nigeria, some projects have not recorded as much success as expected due to a combination of internal and external challenges faced by the USP Secretariat. The key lessons learned from the implementation of the SMP (2013–2017) are outlined below:

## STRENGTHS

The SMP (2013–2017) presented a robust and cohesive plan which aligned the USPF's strategic goals to its mandate. It also defined programmes and projects which were capable of supporting the achievement of the USPF's strategic goals and had the potential to deliver sustainable impact and benefits to Nigerians.

## WEAKNESSES

While the programmes and projects in the SMP (2013–2017) were well articulated, the USPF encountered some impediments in implementing a number of the selected projects as conceptualized due to the following:

- ▶ While the ICT Access Gap Clusters were created, a supplementary survey of the socio-economic activities to assess the clusters was not carried out. Therefore some USP interventions did not directly address the specific needs of the beneficiaries. This limited the sustainability of these projects.
- ▶ The quantity and quality of training provided to beneficiaries were insufficient to sustain the minor maintenance of the ICT tools deployed.
- ▶ The capacity of beneficiaries to adopt and manage the projects was found wanting.

## OPPORTUNITIES

The opportunities which the USPF may leverage to effectively deliver on its mandate within the Five (5) years include the following:

- ▶ An increased National focus on broadband penetration with the development of an updated National ICT Policy which aims to accord ICT infrastructure the status of Critical National Infrastructure (CNI) and has as one of its core objectives, the development of a nationwide ICT infrastructure that will support National Broadband Connectivity.
- ▶ Near saturation of the mobile telephone market in urban areas which may stimulate operators to extend their services to rural, underserved and unserved areas to protect market share.
- ▶ Declining costs and continuing innovation in many aspects of ICTs, together with ongoing increases in demand, awareness, and public benefits, making the market prospects and economic value of ICT-related investments more beneficial throughout the society.

## THREATS

The USPF also faced challenges from the external environment which hindered its ability to fully achieve its targets. These include the following:

- ▶ Delay in budget approval heavily impacted project implementations.
- ▶ Poor supply of electricity in rural communities increased operational costs of running ICT infrastructure and discouraged operators from expanding to those areas while hampering the sustainability of implemented community projects.
- ▶ High bandwidth costs which greatly increased operational costs and threatened the sustainability of UA/US projects aimed at providing internet services.
- ▶ Inadequate and/or lack of appropriate local content to stimulate the use of ICTs.
- ▶ Illiteracy and limited awareness of the benefits and use of ICTs, particularly data services, by USP Project beneficiaries, thus curtailing demand for these services.
- ▶ Security/Insurgency.
- ▶ Foreign Exchange Rate Fluctuation.

The strengths, weaknesses, opportunities, and threats highlighted were taken into consideration in developing the SMP (2018–2022).



# DEVELOPING

## the USPF STRATEGIC MANAGEMENT PLAN 2018–2022

Section 36 of the Universal Access and Universal Service Regulation 2007, requires the USP Secretariat to prepare a Strategic Management Plan (SMP) for approval by the USP Board setting out its Vision, Mission and Objectives and incorporating its long-term plans for the next Five (5) years. The Act also requires that the SMP be reviewed from time to time. The current Strategic Management Plan (2013–2017) elapsed at the end of year 2017.

Consequently, the USP Secretariat set up a committee to review and develop the SMP (2018-2022).

### Overview of the approach adopted in developing the SMP (2018-2022).

The following activities were carried out in developing the Strategic Management Plan (2018 - 2022):

- 🌐 Stakeholder consultation with GSMA and telecommunications operators to understand the challenges being faced by the operators in implementing USP initiatives and key recommendations for the USPF for the next Five (5) years.
- 🌐 A holistic review of the Strategic Management Plan (2013-2017) to assess USPF's performance concerning the implementation of the plan and the internal capacity of the USPF to deliver on its mandate.
- 🌐 A review of the Mid-Term Report.
- 🌐 Consultation with internal stakeholders for inputs and comments.
- 🌐 Review of Impact Assessment Report, (2011-2014).

Relevant national policy directives and projects which impact the demand and supply of telecommunications services in Nigeria were also considered in developing the SMP (2018 – 2022).



# ACCESS

## programme

Projects under the Access Programme are implemented through grants and are designed to create demand and promote usage of ICTs in unserved and underserved communities and groups. The projects involve the provision of end-user devices to complement the telecommunication infrastructure that are deployed under the Connectivity Programme. The following projects were implemented under the Access Programme:





# SCHOOL KNOWLEDGE CENTRES SKC

The School Knowledge Centres (SKC) of the USPF are aimed at achieving the “Connectivity for Development (C4D)” goal in line with the mandate of the Fund to promote the connection of government schools to broadband internet. The aim is to facilitate the digital lifestyle in public schools as well as in the school’s community.

The objective of the project is to promote the use of ICT in teaching and learning in public secondary schools by providing them with adequate ICT infrastructure and tools.

## Project Description/Classification

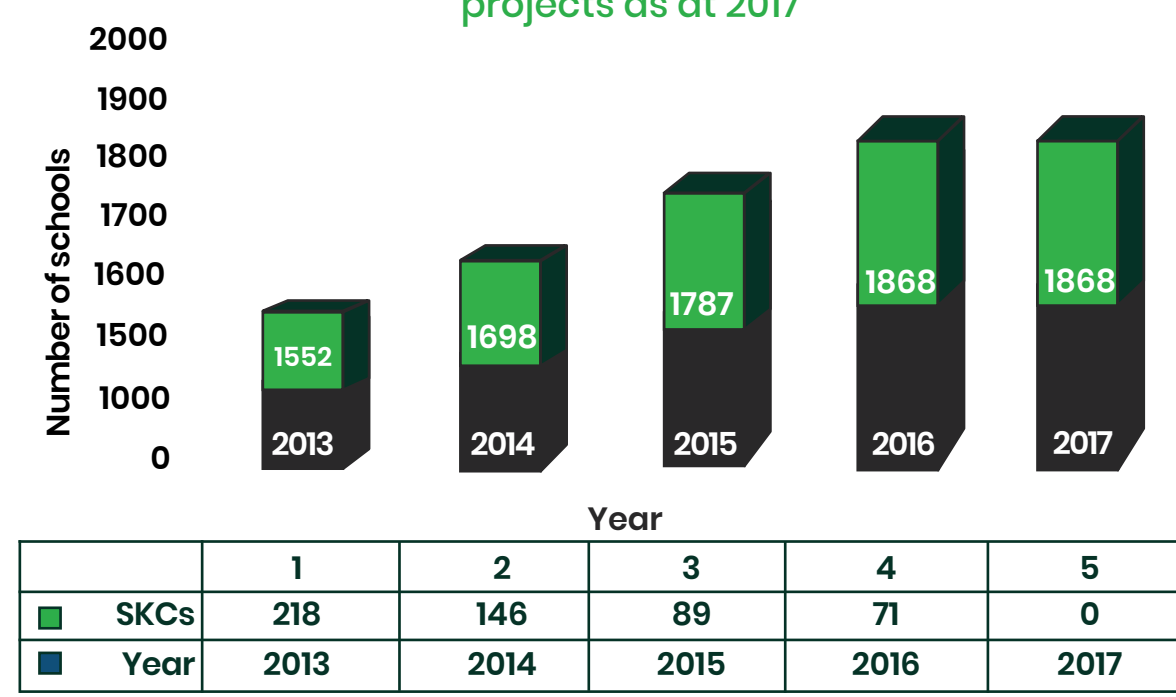
The implementation of the SKC project hinges on the level of the ICT infrastructure and knowledge in each of the beneficiary schools. Accordingly, the project is classified into two types as follows:

**Type A:** Target beneficiaries shall be public secondary schools in urban areas where the schools have adequate classrooms, modern infrastructure, facilities, and most of the teachers and students have near adequate ICT skills.

**Type B:** To be implemented in public secondary schools in rural and remote areas where the infrastructure available at the schools are inadequate or unavailable to support the type of ICT equipment to be deployed.

No SKC project was done in the year 2017.

No. of Schools that have benefitted from SKC projects as at 2017



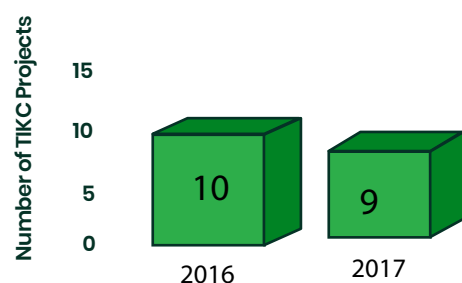


## 2. TERTIARY INSTITUTION KNOWLEDGE CENTRES TIKC

Tertiary Institution Knowledge Centre (TIKC) is one of the initiatives of the Universal Service Provision Fund aimed at facilitating connectivity through deployment of Optic Fibre Cable (OFC) to provide bandwidth connectivity with internet broadband speed of up to 2mbps for developmental goals and ensuring the extension of ICT facilities, through installation of ICT devices and its peripherals such as computers, printers, computer desks/chairs, and power backup in some selected tertiary institutions thus facilitating a digital lifestyle.

The objective of the project is to promote the use of ICT in teaching and learning in Tertiary Institutions as well as the institution communities. In this regard, the USPF has designed a project known as the Tertiary Institution Knowledge Centre (TIKC), to provide ICT tools, associated infrastructure and bandwidth connectivity to institutions and surrounding communities.

**Nine (9) TIKC projects were implemented in the year 2017.**



## 3. E-ACCESSIBILITY PROJECT

**Provision of ICTs and Assistive Technology Tools/Solutions to Schools/ Institutions Catering for Persons Living with Disabilities**

To improve the quality of life of persons living with disabilities in the country, the USPF through its project implementers provided ICTs and Assistive Technology solutions to Ten (10) institutions catering to the needs of different categories of persons living with disabilities. Five (5) locations were selected in Northern and Southern Nigeria respectively. Individuals with different categories of disabilities were targeted as beneficiaries within the selected institutions, namely; sight disability, hearing disability, mobility disability, and cognition/communication disability.



## 4. E-LIBRARY PROJECT

The main objective of the e-Library project is to provide a platform for online access to the wealth of educational materials on a wide range of subjects to facilitate the building of an e-society in Nigeria and promote a digital lifestyle among the citizenry. The outcome of the project is to enhance local capacity development in the ICT industry by encouraging innovation amongst users to develop the Nigerian version of the various educational platforms in the future, and also add value to the use of ICT.

**Five (5) sites have been completed and closed out, as well as a data centre in Abuja.**

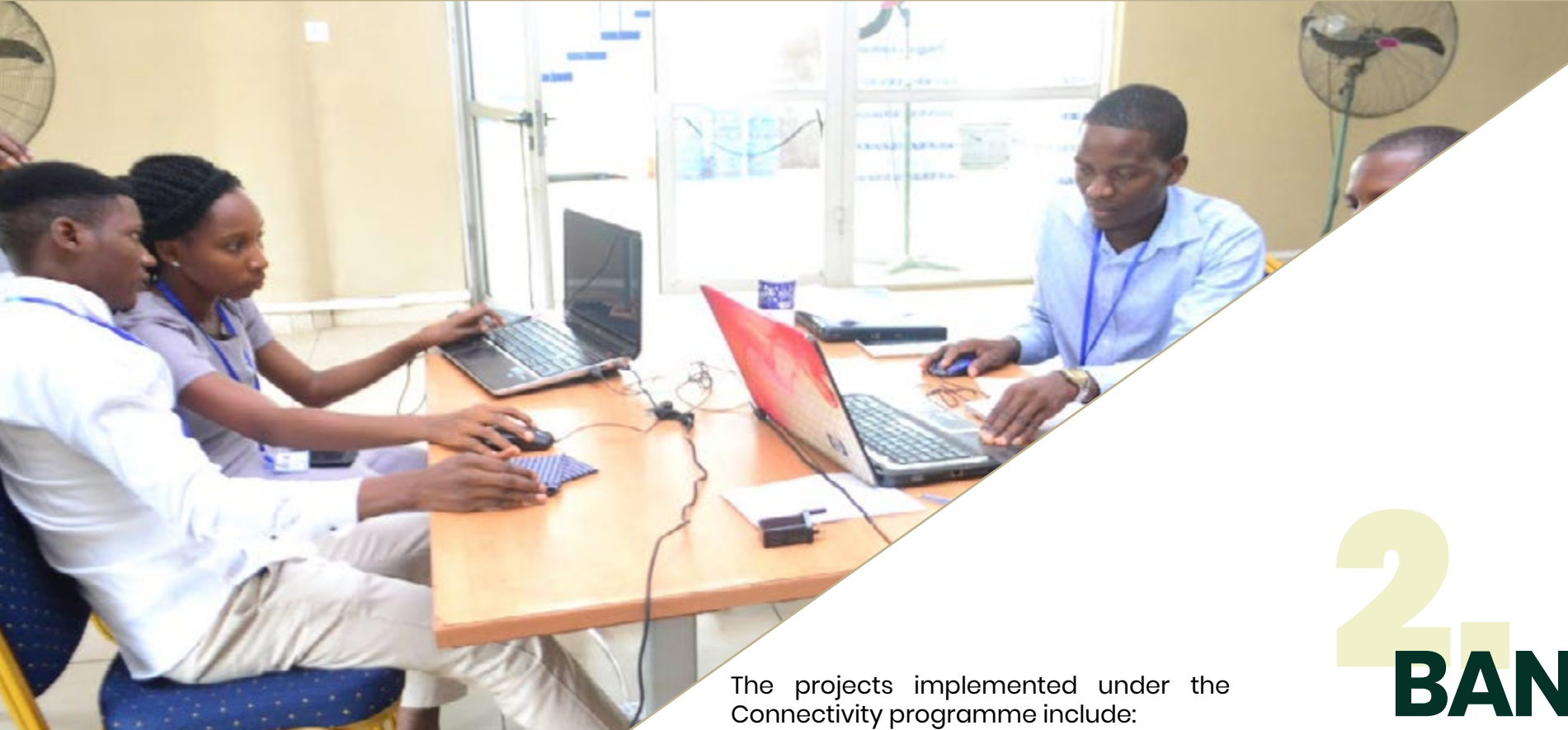


## CONNECTIVITY programme

The connectivity programme comprises of telecommunication infrastructure projects that are implemented through a Public-Private Partnership model. They are subsidized by the USPF but implemented, owned and operated by Operators and Service Providers. They provide the platform on which the access projects thrive.







The projects implemented under the Connectivity programme include:

## 1. BASE TRANSCEIVER STATION BTS

The objective of the Base Transceiver Station (BTS) project is to facilitate the achievement of the Accelerated Mobile Phone Expansion (AMPE) Programme which targets the achievement of full voice coverage. This project is implemented through subsidy. The subsidies are determined and awarded through a competitive bidding process by which operators compete for the available subsidies to deploy and operate the stations.

In the year 2017, the Secretariat implemented a total of **Twenty-Six (26) BTS projects**.

## 2. BANDWIDTH AGGREGATION

The Bandwidth Aggregation (BA) project is designed to ensure connectivity requirements across the country under its School Knowledge Centre (SKC), E- Libraries, Community Resource Centre (CRC) and other USPF assisted projects. The project requires the purchase of bulk bandwidth that must have a minimum of 128/512 kbps bandwidth capacity and can cater to the projects mentioned above.

The Bandwidth Aggregation project was implemented in **446 sites across the Six (6) geopolitical zones of Nigeria** in the year 2017.

## 3. UNIVERSITY INTER-CAMPUS CONNECTIVITY Unicc

The University Inter-Campus Connectivity (UniCC) initiative is a collaborative project with the National Universities Commission (NUC) under the Nigerian Research and Education Network (NgREN) project. The project is being deployed in Two (2) phases.

The first phase involves the interconnection of the permanent (main) campuses of selected Universities and their corresponding Teaching Hospitals or annex campuses through Optic Fibre Cable (OFC) and the second phase is the deployment of end-user electronics that will enable the utilization of the OFC.

The initiative provides a seamless connection between the Universities and their Medical Colleges and Teaching Hospitals, enables the bi-directional communication for resource and content sharing, and facilitates research among benefitting institutions.

In the year 2017, a total of **Six (6) Universities** benefitted from this project.





# USPF

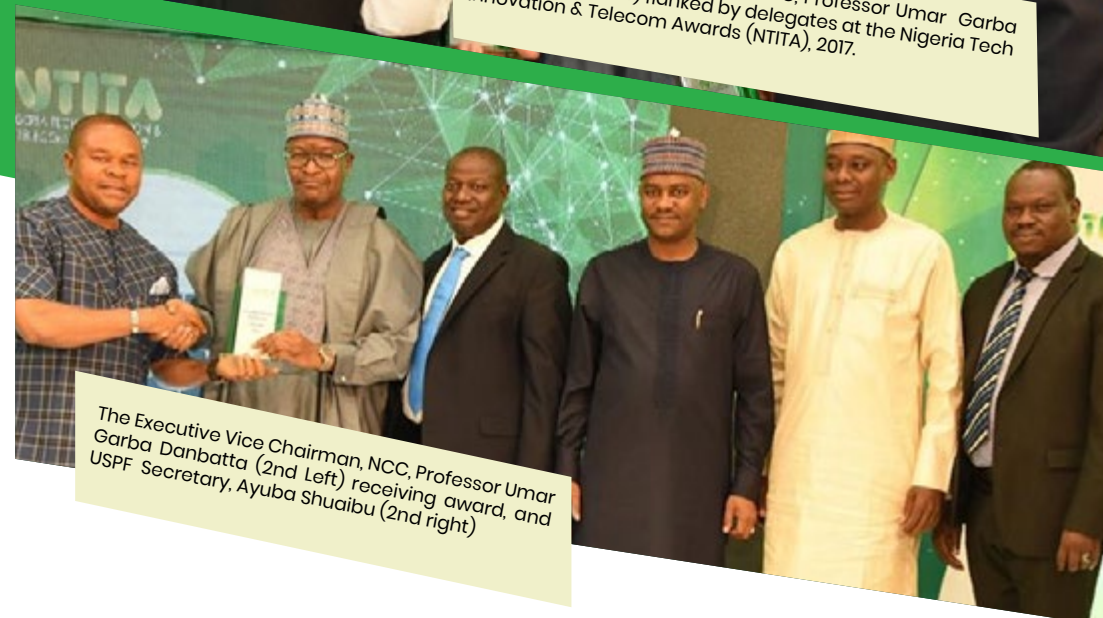
## events in 2017



(R-L) The Executive Vice Chairman of NCC Prof. Umar Garba Danbatta, ITU Secretary General, Houlin Zhao and Chairman of NCC Board, Senator Olabiyi Durojaiye at ITU Telecom World, 2017 in Busan, South Korea.



The Executive Vice Chairman, NCC, Professor Umar Garba Danbatta (Centre) flanked by delegates at the Nigeria Tech Innovation & Telecom Awards (NTITA), 2017.



The Executive Vice Chairman, NCC, Professor Umar Garba Danbatta (2nd Left) receiving award, and USPF Secretary, Ayuba Shuaibu (2nd right)

## ICT UTILIZATION & SUSTAINABILITY WORKSHOP

The USPF is building momentum and excitement surrounding the new Information and Communication Technologies (ICTs) to ensure that Nigerians are not left behind in the global information age. Hence the need for Community Resource Centers (CRCs) and School Knowledge Centres (SKCs) to serve as public places where people can access computers, the Internet, and other digital technologies that enable them gather information, create, learn, and communicate with others while they develop essential 21st-Century digital skills. Otherwise, these people have generally been isolated from the technological advancements that are changing the way people do business and living in today's world.

It was within this context, that the Universal Service Provision Fund (USPF) introduced a Two-days' Workshop on Information and Communication Technology (ICT) Utilization and Sustainability with the Theme: **ICT for Community Empowerment through knowledge-based development.**

The aim of the Workshop was to create avenues for consultation with stakeholders across the country to enrich their experiences and receive feedback from implementing partners, especially the CRC Managers/Implementers and SKCs Desk Officers as well as Teachers and Students that have benefited from this initiative. Other stakeholders like ICT Innovation Hubs, Civil Society Organizations and various Schools and Tertiary Institution were also involved in order to deepen the penetration of ICT4 development in underserved and unserved communities.

Over Eight Hundred (800) participants were trained in the Workshop in Four (4) geopolitical zones of the country, which include the South East, North Central, South-South, and North-East Zone in 2017.





## 2 USPF CHANGEMAKER CHALLENGE 2017

The USPF Changemaker Challenge is a nationwide competition opened to young aspiring innovators, software developers, techpreneurs and other ICT enthusiasts from the Six (6) geographical zones of Nigeria. The major objective of the competition is to identify young talents offering modern ICT ideas and solutions that can be used to tackle a selection of identified problems based on the Sustainable Development Goals (SDGs) as they apply to Nigeria and offer solutions accordingly. Consequently, the contestants were given a golden opportunity for various sponsorship deals and also mentorship by some of the finest ICT professionals the industry has to offer as this will guarantee the success of various identified Smart ideas and innovations in ICT.

The finals of the Universal Provision Fund (USPF) Changemaker Challenge 2017, was held at the Digital Bridge Institute, Oshodi, Lagos State, on Saturday 28th October, 2017, following the emergence of Ten (10) finalists who emerged from the initial Thirty (30) teams that contested the Semi-Finals on Friday 27th October, 2017.

A total of Thirty (30) teams, Five (5) from each of the Six (6) geopolitical zones of Nigeria, comprising Two (2) to Four (4) team members, showcased their applications and software which cuts across major sectors of the economy ranging from Agriculture, Health, Education, E-Government, E-Commerce, Cybersecurity and Environment, amongst others, in the Semi-Finals and Finals of the event in Lagos.

Out of the Thirty (30) Semi-Finalists that contested, Ten (10) teams made it to the Finals after an extensive battle whereby the Three (3) best teams emerged to claim various prizes including acceptance into the Incubation Programme.

## WINNING teams

### 1st NICADEMIA

A video platform that offers over 200 animations in Seven (7) Nigerian local dialects that help children learn more about Western/African Education, History, Culture.

### 2nd JIGGLE

An innovative platform that provides students in Tertiary Institutions Three (3) square meals daily through the purchase of Three (3) available Jiggle plans which in turn generates meal credits.

### 3rd KANOMAGENTA

A mobile/web application for ordering water from local vendors popularly known as "Garuwas". In addition the Garuwa application can help report leakages and also sanitize water.



## 3 CAPACITY BUILDING FOR STAFF

In line with the objectives of Goal Three (3) of the USPF Strategic Management Plan (SMP) (2013-2017), which is to strengthen the capability of the USP institution to effectively deliver on its mandate every year, the Secretariat engages in Staff capacity building programmes to ensure that Staff are adequately equipped with the necessary training to aid service delivery.

A total number of Thirty-Six (36) USPF Staff participated in various capacity building programmes.








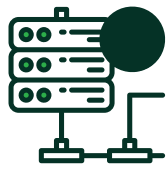


# IMPACT

## ASSESSMENT

### OF USPF PROJECTS

During the year under review, the USP Secretariat conducted a study to assess the impact of completed projects on the social, economic and human development indices in communities that have benefited from USPF projects. The study was expected to provide reliable evidence of the diverse impact of USPF projects on beneficiaries. The outcome of the study was expected to guide and assist in strategic planning as well as to justify allocations of funds expended on projects. Summary of the findings are as listed in the following table.

USPF Projects	Benefits
 Local Content Development	Easy learning for beneficiaries
 School Knowledge Centres	Improves interschool competition with Significant increase in pass rate of students in all major secondary school examinations.
 Community Resource Centres	Better and free flow of information in the area of health, businesses, and agriculture.
 E- Accessibility Projects	Enhances the school status and exposes beneficiaries to ICT knowledge. Enhances academic pursuits and skill acquisition through e-access.
 E-Library (Information Resource Centres)	Improves reading and learning experience of knowledge seekers and users.
 Innovative ICT Solution and Services	Yields interaction and foster social relation between people from various parts of the country.
 Stakeholder Initiative Project	The centre has encouraged the use of ICT in communities and thereby increases the communities activities.
 Base Transceiver Station	Provides a better communication avenue with loved ones within the communities. Increases access to information, market, business opportunities, and employment, education and health facilities in the communities.



# LIMITATIONS/ CHALLENGES

The Secretariat is faced with various challenges that hinder the actualization of its mandate. These include the following:

## Lack of Critical Infrastructural Facilities

The lack of access to network connectivity, suitable buildings in some selected schools to house network infrastructures and the non-availability of adequate public infrastructure such as access roads in rural areas impeded successful project delivery over the years.

## Non-availability and Inadequate Public Power Supply

Incessant power outages in most locations have over exerted pressure on the generator and solar power solutions provided in some sites which have led to a break down of the power source and ultimately power cuts to the ICT tools, thereby causing the lack of usage of the facilities in some locations and their inability to function optimally.

## Security Concerns

Security of the lives of personnel of operating companies and network equipment is a concern that hampers the extension of telecommunication and ICT services to some parts of the country. Civil unrest and insurgency in some parts of the country are great hurdles preventing Implementers and USPF staff from carrying out their activities. This has led to implementation delays and project overruns in those locations. Another major concern is theft and wanton destruction of ICT equipment in some sites leading to a total collapse of the project leaving them inoperable to beneficiaries.

## Delay in Budget Approval

The delay in the passing of budgets by the relevant authorities sometimes affects the projected cost of items/deliverables due to the fluctuating value of the dollar which invariably leads to delays in project implementation.

## Lack of Co-operation from Relevant Stakeholders

The absence of support and co-operation from some relevant stakeholders such as the host states, representatives of the beneficiary institutions and communities have been responsible for delays or the lack of project execution in some selected project locations.

## Deficiency in Basic ICT Knowledge

The level of ICT knowledge of the beneficiaries is very low or absent which impedes the proper use of the ICT tools provided and in most cases affects the transfers of needed skills for the effective implementation of USPF projects.

# STATEMENT OF FINANCIAL POSITION

AS AT 31st  
DECEMBER 2017

	2017 =N=	Previous year 2016 =N=
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and Cash Equivalents	8,662,516,376	10,119,380,108
Receivables	10,118,366,538	5,016,979,622
Prepayments	1,077,078	1,807,418
Inventories	15,790,837	11,958,762
<b>Total Current Assets</b>	<b>18,797,750,829</b>	<b>15,150,125,910</b>
<b>Non-Current Assets</b>		
Property, Plant and Equipment	22,472,288	32,275,598
Technical Library Books	5,903,250	5,903,250
<b>Total Non-Current Assets</b>	<b>28,375,538</b>	<b>38,178,848</b>
<b>Total Assets</b>	<b>18,826,126,367</b>	<b>15,188,304,758</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Unremitted Deductions	-	91,271,236
Payables	14,107,604,544	15,336,247,406
<b>Total Current Liabilities</b>	<b>14,107,604,544</b>	<b>15,427,518,642</b>
<b>Total Liabilities</b>	<b>14,107,604,544</b>	<b>15,427,518,642</b>
<b>Net Assets/(Liabilities)</b>	<b>4,718,521,823</b>	<b>(239,213,884)</b>
<b>NET ASSETS/EQUITY</b>		
<b>Accumulated Fund/(Deficit)</b>	<b>4,718,521,823</b>	<b>(239,213,884)</b>

# STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDING  
31st DECEMBER 2017

	2017 =N=	Previous year 2016 =N=
<b>REVENUE</b>		
Fees	-	35,023,152
Interest Earned	285,709,785	-
Domestic Grants	13,258,608,448	12,066,732,155
Other Revenue	-	722,864
<b>Total Revenue</b>	<b>13,544,318,233</b>	<b>12,102,478,171</b>
<b>EXPENDITURE</b>		
Grants & Subsidies	3,986,226,901	6,162,120,512
Personnel Costs	805,867,254	806,971,621
Overhead Cost	82,770,422	159,347,840
Repairs and Maintenance Services	3,508,148	2,578,640
Training - General	198,918,114	220,179,522
Consulting & Professional Services	71,929,798	249,939,951
Financial Charges	3,471,946	4,999,781
Depreciation Charges	20,641,200	24,622,662
Consolidated Revenue Fund (CRF) Revenue Remittance	3,314,652,112	3,016,683,039
<b>Total Expenditure</b>	<b>8,487,985,895</b>	<b>10,647,443,208</b>
<b>Surplus/(Deficit) from Operating Activities for the Period</b>	<b>5,056,332,338</b>	<b>1,455,034,963</b>
<b>Total Non-Operating Revenue/(Expenses)</b>		
Gain/loss on Foreign Exchange Transaction	193,484	18,352,702
<b>Total Non-Operating Revenue/(Expenses)</b>	<b>193,484</b>	<b>18,352,702</b>
<b>Surplus/(Deficit) from Ordinary Activities</b>	<b>5,056,525,822</b>	<b>1,473,387,665</b>
<b>Net Surplus/(Deficit) for the Period</b>	<b>5,056,525,822</b>	<b>1,473,387,665</b>









UNIVERSAL SERVICE

PROVISION FUND

+234 (0)9 4617000  
info@uspf.gov.ng  
www.uspf.gov.ng

## Universal Service Provision Fund (USPF)

Nigerian Communications Commission  
Head Office Building,  
Plot 423, Aguiyi Ironsi Street, Maitama, Abuja,  
Federal Capital Territory,  
Federal Republic of Nigeria