UNIVERSAL SERVICE FUND   PROVISION FUND

Bridging the ICT Divide

Annual Report
2013

CONTENTS

ABBREVIATIONS

USPF	–	Universal Service Provision Fund
NCC	–	Nigerian Communications Commission
NCA	–	Nigerian Communications Act
WSIS	–	World Summit on Information Society
BTS	–	Base Transceiver Station
AMPE-BTS	–	Accelerated Mobile Phone Expansion – Base Transceiver Station
BTRAIN	–	Backbone Transmission Infrastucture
RUBI	–	Rural Broadband Infrastructure
RIAK	–	Rural Internet Access Kiosk
NUC	–	National University Commission
C4D	–	Connectivity for Development
ABU	–	Ahmadu Bello University
ESUT	–	Enugu State University
UNIBEN	–	University of Benin
BUK	–	Bayero University Kano
ICT	–	Information and Communication Technology
SMP	–	Strategic Management Plan
AOP	-	Annual Operating Plan
UnICC	–	University Inter Campus Connectivity
SKC	–	School Knowledge Centre
CRC	–	Community Resource Centre
FCE	–	Federal College of Education
ADAPTI	–	Advanced Digital Appreciation Programme for Tertiary Institutions
ICICT	–	Institute of Computing and ICT
CBT	–	Computer Based Test
NOC	–	Network Operating Centre

Bridging the

e ICT Divide

Chairman's Statement

DR. (MRS) OMOBOLA JOHNSON
CHAIRMAN, USP BOARD AND HON. MINISTER
OF COMMUNICATION TECHNOLOGY

The year 2013 commenced on a high note for the Universal Service Provision Fund (USPF) and with great expectations as we looked forward to implementing the Strategic Management Plan (SMP) 2013-2017, which we painstakingly developed in 2012.

An Annual Operating Plan (AOP) that will provide a link between the goals of the Strategic Management Plan (SMP) and the operational activities of the Fund for the year was developed to guide implementation. A key initiative we took was to separate the budget year from the operational year for better project monitoring and evaluation. This became necessary due to project overlap as a result of late budget approval. Our operational year now runs from June to May.

A major project that would lay the foundation for the new approach introduced in the SMP is the creation of clusters of Voice Telephony and Network Access Gaps across unserved and underserved locations and communities in the country. The objective of the study is to identify and map out blindspots where there is no telephony signal and transport/transmission network across the country. This will enable us design projects that will be relevant to each of the clusters as against the 'one size fits all' approach of the past. It would also assist operators who find it difficult to plan for universal service interventions to make more informed plans in this regard.

In line with the SMP we have organised Focused Industry Sessions for public enlightenment, sensitization and feedback to encourage greater stakeholder involvement and improve

> *We have gone a long way towards achieving the goals and objectives of the SMP during its first year of operation*

the strategic process within the Secretariat.

In our pursuit of enhancing partnerships and co-operation, there has been increased collaboration with Government Agencies for the purpose of sensitizing the relevant MDAs on the activities of USPF, thereby encouraging harmonization, better implementation, impact and sustainability of USP projects. For example, there has been collaboration with the Nigerian University Commission on our Universities Inter Campus Connectivity (UnICC) project. These collaborative efforts have assisted USPF to incorporate awareness and capacity building initiatives into various project activities. Our interventions in the tertiary institution will focus more on deployment of infrastructure and less on devices.

Also, during the year under review, some of our projects were redesigned for better implementation and create synergies with similar projects of other government agencies. The School Knowledge Centre (SKC) now has three types – A, B and C to meet the unique requirements of benefitting schools. The Community Resource Centre (CRC) previously Community Communication Centre would include a prototype building rather than the rented building that in most cases were located in the outskirts of the comminity and hence not centrally accessible, to truly serve the local communities. We are

optimistic that these activities will facilitate the achievement of national policy goals on universal service and universal access to Information and Communication Technology (ICT).

We have gone a long way towards achieving the goals and objectives of the SMP during its first year of operation and as we enter the second year of operation, we look forward to greater stakeholders' involvement in ICT development and more success in our drive to achieve equitable ICT access for all.

On behalf of the Board, I would like to thank all stakeholders for their continued support, commitment and hard work towards the achievement of the Fund's goals and objectives.

Secretary's Statement

ABDULLAHI I. MAIKANO
SECRETARY, UNIVERSAL SERVICE PROVISION FUND

It is with great delight and sense of accomplishment that I am presenting the report of USP Secretariat activities and achievements in the year 2013.

In line with the SMP 2013-2017 and our core mandate, the Secretariat focused on implementing programmes and projects targeted at provision of basic, affordable ICT infrastructure and services through the Public-Private-People-Partnership framework.

Sequel to the approval of the Strategic Management Plan, we embarked on an aggressive drive to end all project overlap from preceding years (2010-2012) to enable the Secretariat focus on the new programmes and projects contained in the new plan. Therefore, in scheduling resources, our Annual Operating Plan (AOP)

2013 took into consideration all outstanding programmes/projects from previous years and provided a plan for ensuring their close out by the end of the year.

The SMP (2013-2017) provided a holistic approach to project selection. To achieve this, we embarked on the identification and creation of clusters of voice telephony and transport network gaps in the country. The result of the study will assist the USPF in designing projects and strategies to cover these gaps and ensure that no one is left unconnected wherever they live in the 21st century Nigeria. The final report, which will be ready by first quarter 2014, will be available in ArcGIS map on our website.

During the year 2013, the Secretariat committed more resources towards the deployment of Base Transceiver Stations (BTS) as part of her efforts to promote access and connectivity to

OVER 500KM
FIBRE OPTIC CABLE
DEPLOYMENT IN 2013

229
NUMBER OF BTS SITES CONSTRUCTED IN 2013

218
SCHOOLS AND 150000
students per session
GIVEN ACCESS

benefitted in the year 2013. This is expected to provide access to at least over 150,000 students per session.

Going forward, the Secretariat will continue to use the creativity and entrepreneurship of Nigerians, particularly, our industry partners to make ICT an engine for economic and social development as well as bring the immense opportunities of ICT to all Nigerians through e–education, e-health, e-commerce, e-security and e-government.

the unserved and underserved areas. The Secretariat subsidized (100% output based) the construction of 150 BTS sites in different parts of the country. When this is completed, it will bring to the total number of sites deployed through our subsidies to a total of 229 BTS sites. In addition, we supported the deployment of over 500km fibre optic cable in 2013 to address the inadequacy of fibre optic backbone infrastructure in the rural areas and promote roll out of ICT services in these areas.

The School Knowledge Centre (SKC) for 2013 budget year was remodelled to strategically meet the requirements of sustainability in the benefitting secondary schools. The project was designed based on thorough needs assessment to ensure that maximum values are derived by the recipient schools. A total of 218 schools

" To achieve this, we embarked on the identification and creation of clusters of voice telephony and transport network gaps in the country. The result of the study will assist the USPF in designing projects and strategies to cover these gaps and ensure that no one is left unconnected wherever they live in the 21st century Nigeria.

About the USPF

The Nigerian Communications Act (NCA) No 19 of 2003, Part IV detail 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 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 and in unserved, underserved areas or for underserved groups within the communities.

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 stimulate 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 Declarations 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.

BOARD MEMBERS

1. Dr. (Mrs). Omobola Johnson
Chairman of USP Board and Minister of Communication Technology

2. Engr. Peter Igoh
Vice Chairman of USP Board and Chairman of NCC

3. Dr. Eugene Juwah
Member and Executive Vice Chairman of NCC

4. Mr. Okechukwu Itanyi
Member and Executive Commissioner NCC

5. Engr. I. O. Adegun
Member and Representative of National Planning Commission

6. Mrs. Binta L. A. Bello
Member and Representative of Ministry of Finance

7. Engr. John O. Ayodele
Member and Representative of Ministry of Communication Technology

8. Mallam Isa Danburam
Member and Representative of Private Sector

9. Mrs. Charity Umbwe Shekari
Member and Representative of Private Sector

10. Barr. (Mrs.) Ngozi N.Nwankwo
Member and Representative of Private Sector

11. Mrs.Funmilola Lamuye
Member and Representative of Private Sector

BOARD MEMBERS

In accordance with the provisions of Section 116 of the NCA 2003,
the USP Board is constituted as follows:

Dr (Mrs). Omobola Johnson

Engr. Peter Igoh

Dr. Eugene Juwah

Mr. Okechukwu Itanyi

Engr. I. O. Adegun

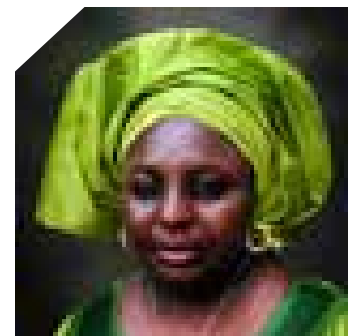*Mrs Binta Bello*

Engr. John O. Ayodele
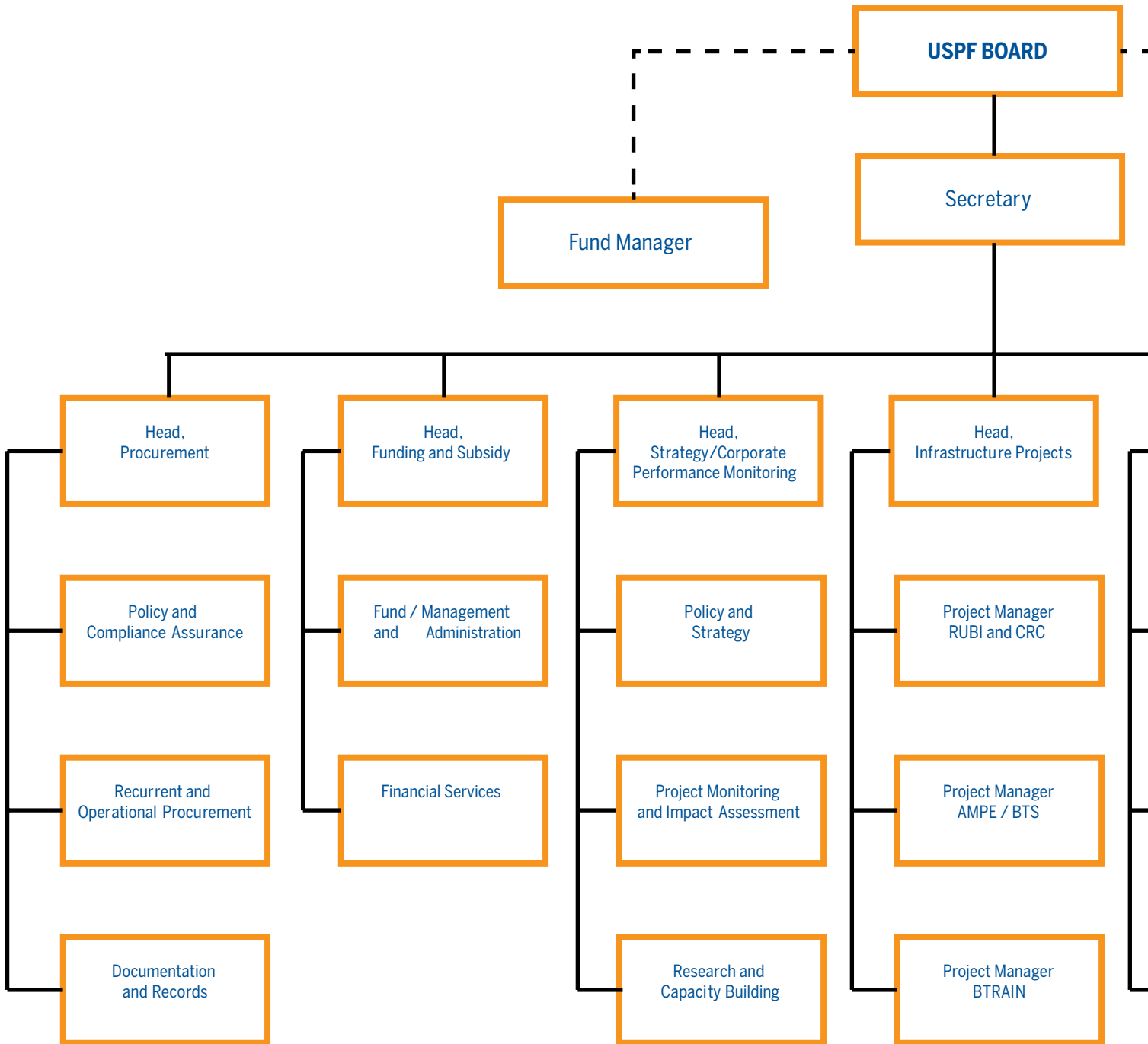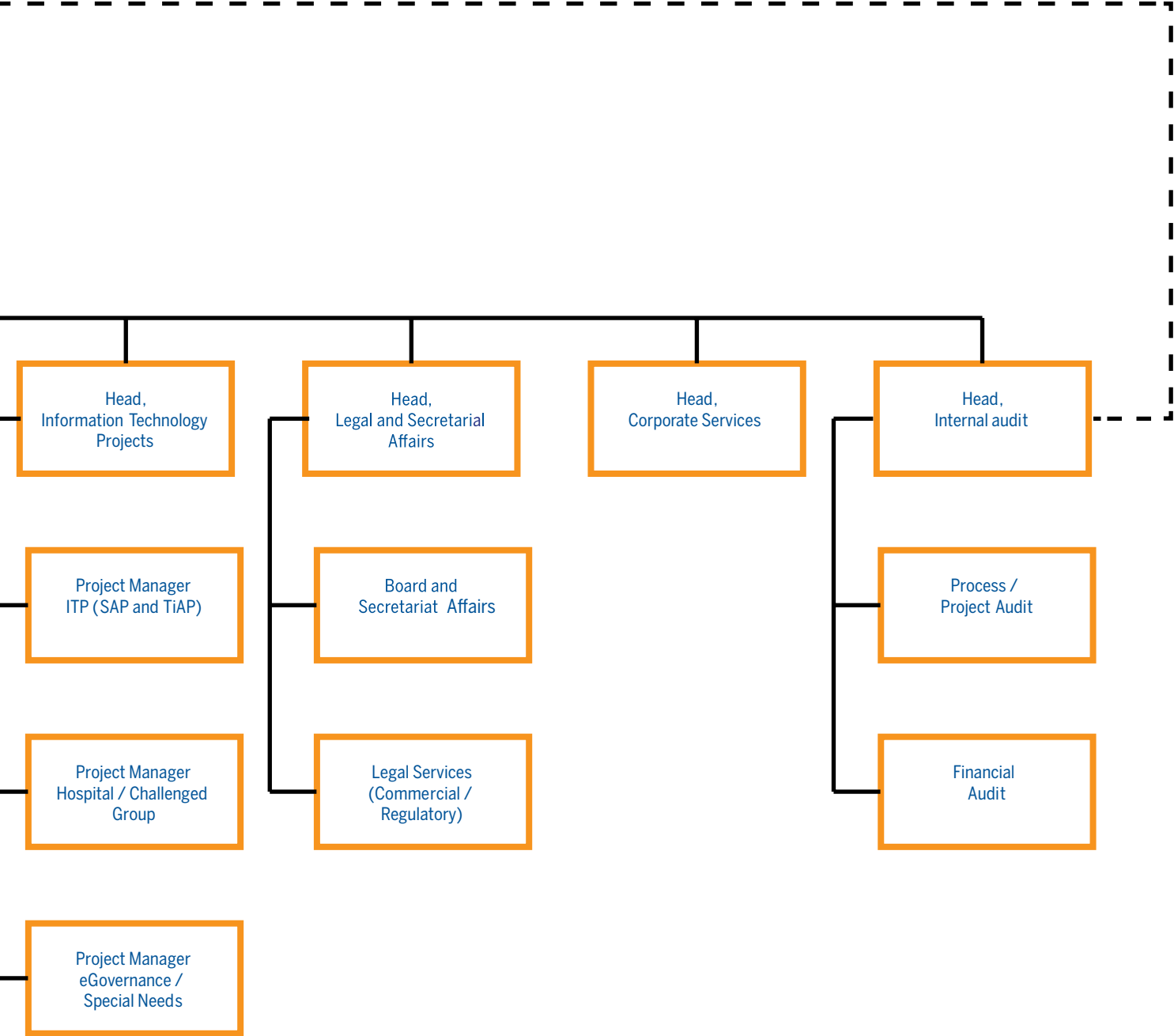

Mr. Isah Danburam

Mrs. Charity Shekari

Barr. (Mrs) Ngozi Nwankwo

Mrs Olufunmilola Lamuye

ORGANOGRAM

USPF BOARD

Fund Manager

Secretary

Head, Procurement	Head, Funding and Subsidy	Head, Strategy/Corporate Performance Monitoring	Head, Infrastructure Projects
Policy and Compliance Assurance	Fund / Management and Administration	Policy and Strategy	Project Manager RUBI and CRC
Recurrent and Operational Procurement	Financial Services	Project Monitoring and Impact Assessment	Project Manager AMPE / BTS
Documentation and Records		Research and Capacity Building	Project Manager BTRAIN

Head,
Information Technology
Projects

Head,
Legal and Secretarial
Affairs

Head,
Corporate Services

Head,
Internal audit

Project Manager
ITP (SAP and TiAP)

Board and
Secretariat Affairs

Process /
Project Audit

Project Manager
Hospital / Challenged
Group

Legal Services
(Commercial /
Regulatory)

Financial
Audit

Project Manager
eGovernance /
Special Needs

Implementation of Strategic Management Plan 2013 – 2017

A review of the Strategic Management Plan 2007-2011 clearly highlighted the need for an alignment between the Secretariat's operational activities and the Strategic Management Plan, as a critical tool to achieving set organizational objectives. Consequently, in developing the AOP for 2013, the secretariat focused on allocation of resources to critical value adding activities and projects to meet the USPF's mandates. The AOP 2013 which provided a framework for activities and programmes implemented in the year 2013 outlined the following:

- The Universal programmes and projects to be implemented in the year
- Timelines for implementing the pro grammes and projects
- Cross-functional teams responsible for coordinating programme/project imple mentation
- Key performance measures and targets

for the UAS projects

In the Annual Operating Plan 2013, the Secretariat allocated resources that ensures the successful completion of outstanding programmes/projects. In addition, the departmental activities and plans were harmonized in allocating resources for the year.

Snapshot of the 2013-2017 Strategic Management Plan

The USPF has identified three (3) broad strategic goals to drive her activities towards the achievement of her mandate for the next five years (2013-2017). In articulating its strategic goals, the USPF recognized 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

Snapshot of the USPF 2013 – 2017 SMP

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

Promote Universal Access & Service that facilitates Connectivity for Development

Facilitate an Enabling Environment For ICT

Institutional Development

of USP projects, while the other two (2) strategic goals are geared towards achieving the vision – *Equitable ICT Access For All*.

The strategic goals of the USPF are outlined below:

GOAL 1:
Facilitate an enabling environment for ICT

Objective:
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.

GOAL 2:
Promote universal access and universal service that facilitate connectivity for development

Objectives:
- Facilitate the availability of transmission infrastructure and connection to the national backbone in all 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 co-location and sharing of infrastructure subsidized by USP Fund.
- Consult/collaborate with government agencies, non-profit organizations, community based organizations to facilitate connectivity for development initiatives.
- Encourage community ownership of universal service projects and consequently, promote entrepreneurship in target communities.

GOAL 3:
Institutional Development

Objectives:
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.

Projects of the Universal Service Provision Fund

Projects of the Universal Service Provision Secretariat in 2013

Goal 1: Facilitate an enabling environment for ICT

The projects implemented under goal 1 are to assist the USP Fund in identifying market efficiency and access gaps and design incentives that would promote the rollout of sustainable ICT services in rural, unserved and underserved areas.
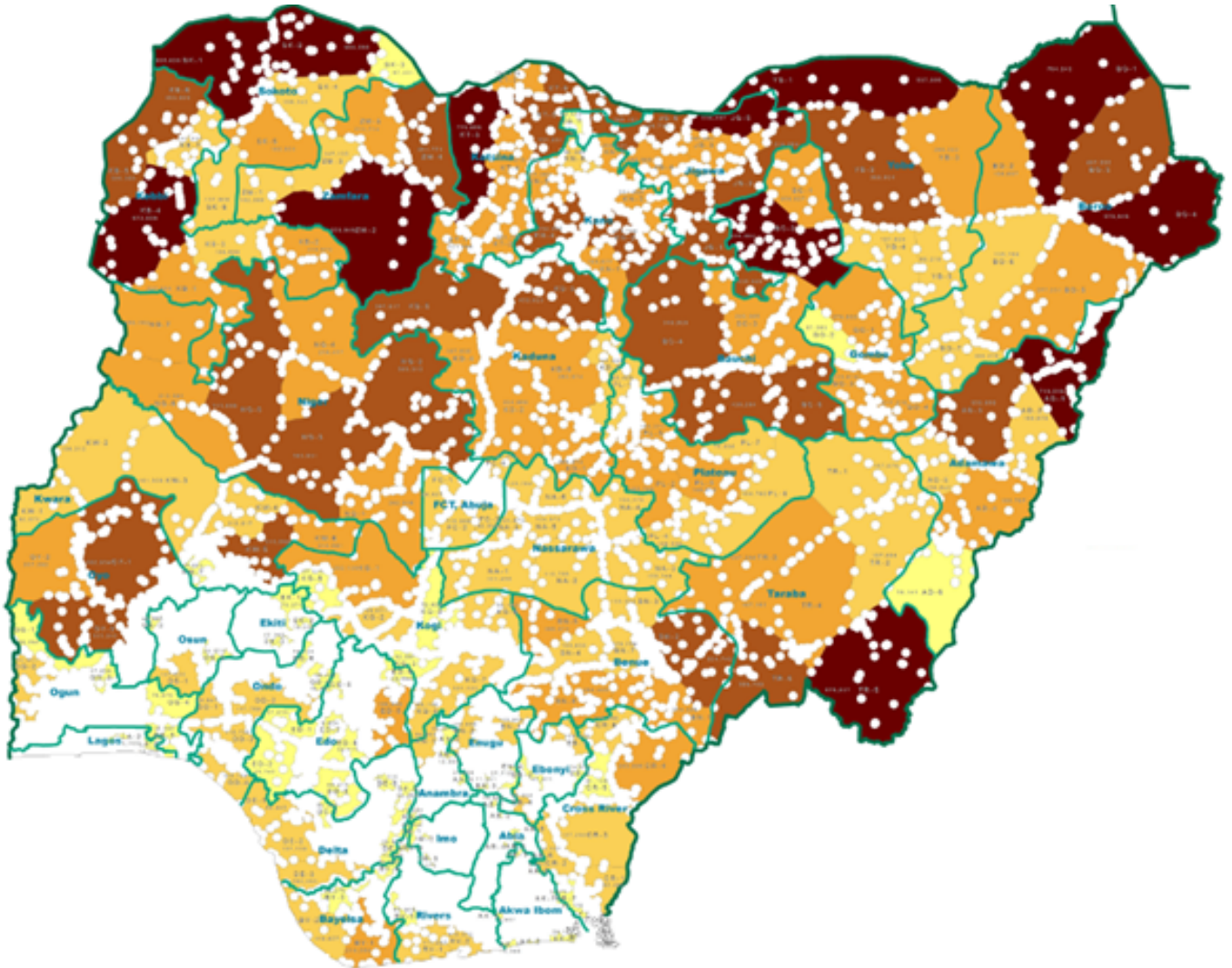
CLUSTER OF ICT GAPS

The Universal Service Provision Secretariat (USPS) carried out a study to identify and establish clusters of voice telephony and network transport gaps in the country. The outcome of the study will assist the USPF to design strategies to cover these gaps to ensure no one is left unconnected in the 21st century Nigeria. The following methodology was adopted to achieve the objective of the study:

- Existing service coverage areas were identified using BTS data supplied by mobile operators (with geographical coordinates, addresses etc);
- This was followed by fieldwork, interviews and drive tests to authenticate the service status of the areas identified;
- Using inferences from the field activities, reliable service coverage was assumed to be within 5 km of a BTS, areas beyond this threshold is taken as underserved (that is, having very poor signal) and/ or unserved;
- Subsequently, areas considered underserved or unserved were grouped and mapped into contiguous clusters on a state-by-state basis;

Based on the outcome of the study, a total of 207 clusters were established with an estimated population of about 36.8 million people. The clusters are grouped according to five population density ranges and are represented in different colours, while serviced areas are represented in white colour as shown in the image on page 22.

The Interactive ArcGIS map of this study is available on the USPF's website; www.uspf.gov.ng. Going forward, USPF projects will now be implemented using the Access Gap study for planning. One of such project is the Base Transceiver Stations (BTS) project. This is pertinent since the spread of telephony and other ICT services are concentrated in the urban areas for commercial viability reasons. The BTS project is designed to encourage rapid network rollout of telecommunication services in unserved/underserved towns/villages in each of the 774 Local Government Areas of the country by providing subsidies for the provision of Base Transceiver Stations (BTS) equipment which includes both the active and passive infrastructure.

Clustering of ICT Gaps

Legend	Population Range	No of Clusters
(yellow)	2,500 - 50,000	44
(light orange)	50,001 - 100,000	34
(orange)	100,001 - 200,000	62
(dark orange)	200,001 - 500,000	55
(dark red)	500,001 - 906,000	12
(white)	Areas with Coverage	N/A

FOCUSED INDUSTRY ROUNDTABLE

The Universal Service Provision Fund (USPF) held a Focused Industry Roundtable session at Eko Hotel & Suites in Lagos on Thursday July 18, 2013. The theme of the event was 'Partnering to Deliver Sustainable Universal Access and Service'. The event which was attended by over 38 telecommunication firms was aimed at fostering effective collaboration and partnership with and among stakeholders as well as create awareness on the USPF programmes/projects. It was also an avenue for obtaining inputs from stakeholders and entrench sustainability in USPF interventions.

During the event presentations, an overview of USPF's operations and performance of the Strategic Management Plan 2007-2011 was presented by Messrs. KPMG, while Mr. Abdullahi Maikano, Secretary of USPF made a presentation on the new USPF Strategic Management Plan 2013-2017. According to the USP Secretary, the Connectivity and Access projects were designed to complement themselves. The Connectivity programme is targeted at provision of subsidy for the rollout of network infrastructure to close identified gaps and assuring low entry level in rural areas as well as increasing availability of services. On the other hand, the Access programmes are to subsidise the costs of providing internet and other telephony services to an identified target population on a shared or individual basis.

Focused Industry Roundtable speakers and participants

Goal 2: Promote universal access and universal service that facilitate connectivity for development
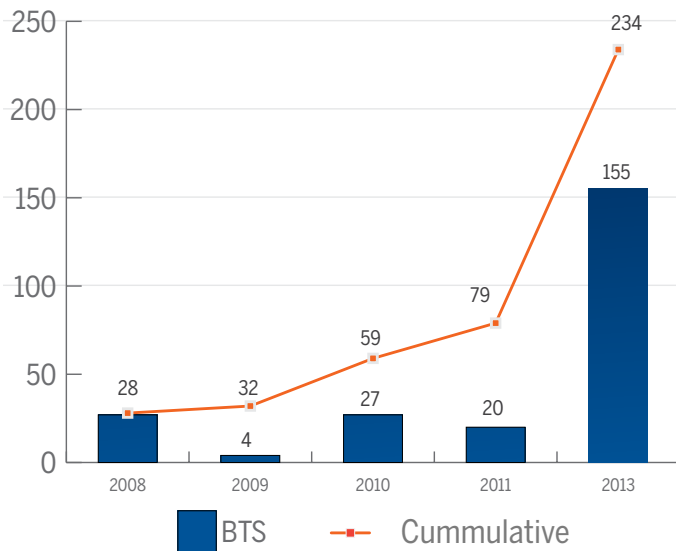
There are two programmes under this goal. These are the Connectivity and Access Programmes. The two broad programmes of the USPF – Connectivity and Access, with their corresponding projects, were designed to complement each other in facilitating universal access and service in underserved and unserved areas and groups.

1. CONNECTIVITY PROGRAMME:

This will help facilitate the availability of transmission infrastructure and connection to the national backbone. Projects under this category are mostly subsidy based, lowering the entry level in rural areas as well as increase availability of services.

Accelerated Mobile Phone Expansion-Base Transceiver Station (AMPE-BTS)

Under this project, the USPF provides subsidy for the construction of BTS infrastructure in unserved and underserved locations across the country by the mobile telephone operators for the provision of services in areas that are not

AMPE-BTS: Trends and number of Completed BTS Sites as at 2013.

commercially attractive. This is to enable operators roll out services and maintain breakeven profit margin while providing services. The Secretariat is providing subsidy (100% output based) for the deployment of 155 BTS sites in different parts of the country which is expected to service a population of 5,150,030 and over 930 communities when completed. The project is expected to be completed in 2015. The delay in completion time is partly due to issues bothering on logistics and securing necessary approvals for the various government agencies and regulatory authorities. When completed, it will bring to the total number of sites completed since inception to a total of 234 BTS sites.

Base Transceiver Station, Osun State

Backbone Transmission Infrastructure (BTRAIN)

In order to facilitate the connections of rural and semi-urban areas to the National Transmission Backbone Infrastructure, and extend broadband-ready infrastructure, the Backbone Transmission Infrastructure (BTRAIN) project was conceived. The project will harness the enormous capabilities of Information and Communications Technology (ICT) to assist the country meet the Millennium Development Goal (MDG) targets. Process for the award of 3000km BTRAIN project was completed and deployment commenced by the successful implementers.

- Phase 3 Telecoms (North Central and North-West)
- 21st Century Technology (South-West)

The timeline of the project was adjusted following the inability of the implementers of the pilot BTRAIN project to complete it on time largely as a result of delays due to Right of Way and other logistical concerns.

E-Library project at the National Library, Abuja, Federal Capital Territory

Rural Broadband Infrastructure (RUBI)

In our effort at achieving broadband status in the rural areas in line with the USP Fund vision, 'Equitable ICT Access for All', three (3) states each from the 6 geo-political zones are benefiting from the first phase of the RuBI project. Implementers have commenced deployment of networks for the provision of broadband internet to some rural areas under the Rural Broadband Initiative (RUBI) project. This project will provide both wired and wireless internet at high speed in the rural areas at wholesale and at the same time serve as a catalyst for the uptake of other technologies centred around the internet in those locations e.g. e-library, e-health, e-government etc. As at the end of 2013, a total of 5 locations have been completed while the construction and infrastructure have been completed for additional 6 locations that are awaiting the activation of internet bandwidth.

University Inter Campus Connectivity (UnICC)

The University Inter Campus Connectivity (UnICC) initiative, a collaborative project between the Universal Service Provision Fund (USPF) and the National Universities Commission (NUC) was initiated in 2012. The project will, amongst other things, achieve a seamless connection between the Universities and their Medical Colleges and Teaching Hospitals to facilitate bi-directional communication for the purpose of sharing resources such as bandwidth, content, etc. In 2013, about 60 percent of the sites have been completed and operational. The UnICC project linking the University of Jos and the corresponding Teaching Hospital has expanded the frontiers of efficient communication, which facilitated the establishment of the e-learning centre in
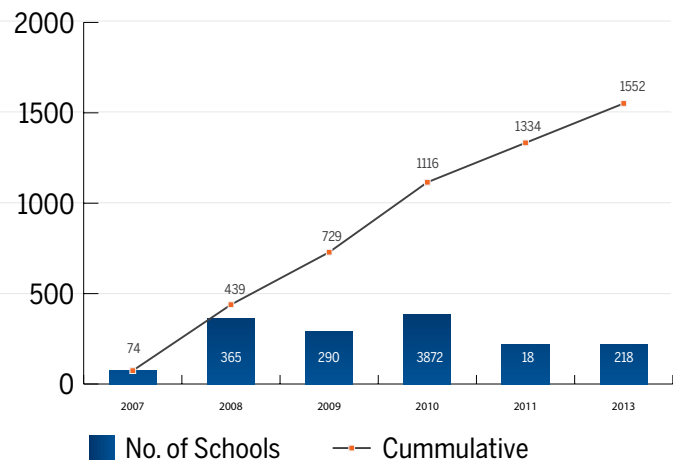

Iya Abubakar Computer Centre, ABU Zaria, Kaduna State

the Hospital.

2. ACCESS PROGRAMME:

The projects in this category are to help the USP Fund facilitate and promote access to community-based data and voice services on a shared basis and provide a platform for universal service. These are mostly grant based which creates demand and ensures sustainability of projects by the new "digital lifestyle''.

School Knowledge Centre (SKC)

The School Knowledge Centre (SKC) is aimed at achieving "Connectivity for Development (C4D)" goals in line with the mandate of the Fund to

Number of schools that have benefitted from SKC as at 2013

promote the connection of government secondary schools to broadband internet.

The SKC for 2013 was remodelled to strategically meet the requirements of benefitting secondary schools. The project has been customized based on thorough needs assessment to ensure that maximum values are derived by the recipient schools and further promote synergy with other government agencies with similar ICT interventions.

The 218 project locations being implemented in the 6 geopolitical zones and the FCT are expected to provide access to at least over 150,000 students per session.

SKC: Learning Session in the SKC location in Bida, Niger state

Stakeholders Initiated (Bottom Up) Projects

In recognition of the collaborative nature of the universal access and universal service programmes, the USP Secretariat, from time to time, invite project proposals from stakeholders which are screened based on established guidelines and implemented. The USP Fund has been involved in institutional interventions in Ahmadu Bello University (ABU) Zaria, Bayero University Kano, Modibbo Adama University of Technology (MAUTECH), Yola, Enugu State University (ESUT), Enugu and University of Benin (UNIBEN), Benin under the Bottom-Up project initiative.

An advanced digital laboratory was established at ESUT, and a digital and remote sensing centre at MAUTECH. Also ultra-modern ICT research centres were provided in University of Benin (UNIBEN) Uromi and Okada campus, Bayero University Kano (BUK) and Federal College of Education (FCE) Kano using both fixed and wireless broadband access technologies.   Additionally, the Rural Internet Access Kiosk (RIAK) was also considered as a pilot project under the Stakeholders Initiated (Bottom-Up) projects with a view to deliver ICT tools to unserved and underserved areas, empower the rural communities, promote entrepreneurship skills and to provide access to emergency services.

The impact of the projects are vivid as has been attested in Iya Abubakar Computer Centre, Ahmadu Bello University (ABU), Zaria, one of the centres selected by the Secretariat. Since the implementation of the project, the centre has rediscovered its lost position as a rallying point for service provision for members of the University community. With this Bottom-Up intervention, the centre has now become the most popular hotspot for internet access, ICT training and other services provision. Some of the major achievements of the centre since implementation are:

1. **ICT Competency Training**: Since the completion of USPF intervention, the record shows that more and more ICT competency training programmes have been conducted at the Centre. In particular, the Centre has been hosting the Advanced Digital Appreciation Programme for Tertiary Institutions (ADAPTI) training programme organized by the Nigerian Communication Commission (NCC).
2. **New Role of the Centre**: The Governing Council of the University has approved the merger of their former ICT Directorate and Iya Abubakar Computer Centre to form the Institute of Computing and ICT (ICICT).This

Centre is now the head office of the new ICICT Institute.

3. **Computer Based Test (CBT)**: Following the USPF intervention, the Centre has been conducting CBT examinations for regular courses in the University as well as the National examinations like UTME and JAMB examination.

4. **Specialized Training Programmes**: With the facilities put in place by the USPF, the Centre is also hosting specialized training programmes requiring the use of specialist software, video conferencing, etc. These would not have been possible without the USPF intervention.

Goal 3: Institutional development

The projects implemented under this goal are to strengthen the capability of the USP institution to effectively deliver on its mandate.

Bandwidth Aggregation For All USPF Projects
The project involves purchase of bulk bandwidth to satisfy the connectivity requirements of Community Resource Centres (presently 98 centres, with the addition of 51 sites currently ongoing) across the 109 senatorial districts of the country. Each location must have a minimum of 128/512 kbps bandwidth capacity.

Establishment Of Network Operating Centre (NOC) And Bandwidth Aggregation Project
In recognition of the number of project sites already deployed by the Fund, it has become pertinent to embark on the establishment of a Network Operating Centre (NOC) with a view to monitor bandwidth utilization of all USP Fund bandwidth dependent projects. The NOC will also assist the Secretariat to determine level of bandwidth usage and management. Under the bandwidth aggregation, the Secretariat will be able to assign bandwidth, based on utilization between the bandwidth surplus and deficit sites. Implementation of bandwidth aggregation regime has led to efficiency, optimal use of resources, economies of scale and efficient management which are expected to bring down the cost tremendously.

In the year 2013, a total of 2,200 bandwidth dependent locations were catered for under the project. This number is expected to rise with additional centres from School Knowledge Centre, Tertiary Institution Knowledge Centre, Community Resource Centre and Information Resource Centre projects to be implemented in the future.

Network Operating Centre, USPF HQ, Abuja

Project Monitoring by the USPF Board

The USPF Board members, accompanied by staff carried out a number of monitoring visits to project sites in Lagos, Ibadan and Abeokuta respectively during the year 2013.   Some of the sites visited in these locations have already been completed and being utilized.

National Library, Yaba, Lagos

Community Resource Centre Ibadan

Major limitations and challenges

We experienced some challenges which hampered the implementation of our projects and activities in 2013. Some of these challenges are highlighted below:

a) Poor Infrastructural Facilities:
Lack of suitable buildings in some selected schools to house network infrastructures and the non-availability of adequate public infrastructure such as accessible roads in rural areas has been an impediment for successful project delivery over the years.

b) Non-availability and Inadequate Public Power Supply:
Incessant power outages in most locations have exerted pressure on the generator and solar power solutions provided in some sites which has led to the breakdown of the power source and ultimately power cut to the ICT tools. This has led to the facilities in some locations not being optimally utilized.

c) Security Concerns:
Security of 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 bombings in some parts of the country are great hurdles preventing implementers and USP staff from carrying out their activities. This has led to implementation delays and project overrun in those locations. Another major concern is theft and wanton destruction of ICT equipment in some sites leading to total collapse of the project and unusable to beneficiaries.

d) High cost of Bandwidth
High cost of providing bandwidth for SKC, TIKC, IRC and other bandwidth dependent projects of the USPF has contributed to a drastic reduction in the number of ICT projects embarked upon by the Fund.

e) Right of way, Certificate of Ownership for land
Issues affecting the effective execution of some projects such as BTRAIN, UnICC, and BTS include Right of Way, Certificate of Ownership for land acquisition by operators, multiple regulations regarding erection of towers (LGA, State Governments, National Environmental Standards and Regulations Enforcement Agency) etc.

f) Other Challenges
One of the implementers is presently under receivership which has consequently affected the delivery of six RUBI sites.

Critical success factors for 2014

The Universal Service Provision Fund Secretariat has identified some critical success factors that will enable it perform better in 2014 to include:

I. Budget Approval for USPF
Budget approval has a correlation with implementation. Therefore, it is pertinent to note that timely approval of budget brings about timely execution of projects under a given year period. For the USPF to deliver on its projects as contained in its mandate, it is important that its budget be approved on time.

II. Monitoring and Evaluation (M & E)
Monitoring and Evaluation holds a pivotal position in efficient and effective project management for all Universal Service Fund. M & E would help us elicit required information from the projects being implemented. Without effective monitoring and evaluation, there is the tendency that projects may fail to deliver the goals and, even worse, that failed projects might be replicated.

III. Implementation of 2014 Annual Operating Plan
The new Strategic Management Plan 2013-2017 is imperative for the overall success of the Secretariat. The new SMP is expected to guide the operations as well as provide policy direction for the Secretariat over the next 5 years.

IV. Board Meetings
One of the basic functions of the USP Board as contained in the UA and US Regulations, 2007, Specifically, Section 4, (c), empowers the Board to approve the USP programmes, USP projects and the budget for all operations and expenses. Based on this, it is pertinent for the Board to meet at regular intervals to determine and approve the proposed USP Secretariat budget, programs and projects for timely implementation.

V. Board and Management Retreat
In pursuant of its vision of "Equitable ICT Access for All", it is important to hold at regular intervals, Board and Management retreats to review performance, share experiences and sharpen the vision.

VI. Branding and Awareness Campaign
In order to ensure that beneficiaries/stakeholders appreciate various ICT projects in their various locations, it is imperative to carry out awareness campaign for stakeholders buy-in and acceptability of USPF projects as well as taking ownership of the projects to enhance sustainability.

Universal Service Provision Fund Financial Statements

Universal Service Provision Fund Balance Sheet as at 31st December, 2013

	2012 (₦)	2013 (₦)
PROPERTY, PLANT AND EQUIPMENT	**37,393,132**	**79,165,878**
CURRENT ASSETS		
Stock	4,200,113	5,747,460
Debtors and Prepayments	12,882,748,569	10,334,789,081
Short Term Investment	15,600,000,000	14,900,000,000
Cash and Bank	1,689,554,208	402,439,166
	30,176,502,890	**25,642,975,707**
CURRENT LIABILITIES		
Creditors and Accruals	(21,336,146,760)	(21,271,724,555)
Net Current Asset	**8,840,356,130**	**4,371,251,152**
NET ASSETS	**8,877,749,262**	**4,450,417,030**
Financed by:		
Accumulated Funds	**8,877,749,262**	**4,450,417,030**
	8,877,749,262	**4,450,417,030**

Income and Expenditure Account For The Year Ended 31st December, 2013

	2012 (₦)	2013 (₦)
INCOME		
Contribution from NCC	10,409,146,181	8,239,999,144
Other Income	1,494,372,448	1,402,572,425
	11,903,518,629	9,642,571,569
EXPENDITURE		
Project & Programme Cost	11,976,975,338	13,230,483,281
Operating Expenses	23,361,788	25,231,174
Fund Management Fees	31,312,500	23,379,333
Administrative Expenses	121,290,179	58,114,296
Employees' Compensation & Benefits	264,581,613	240,375,190
Training and Development	303,926,674	272,330,528
Board Expenses	217,547,182	219,990,000
	12,938,995,274	14,069,903,802
Excess of Expenditure over Income	(1,035,476,645)	(4,427,332,233)

USPF Contact Details

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