

West Africa Cable System officially launched

West Africa Cable System (<u>WACS</u>), the fibre optic cable set to meet demand for fast, efficient broadband in Africa, which links Southern and Western Africa to Europe, commercially launched today in Cape Town, South Africa.

The 17 200 km fibre optic submarine cable system will effectively raise South Africa's current broadband capacity by more than 500 Gigabits per second (Gbps). WACS spans the west coast of Africa, starting at Yzerfontein near Cape Town, South Africa and terminating in the United Kingdom.

Enjoy seamless connectivity

This will be a much-needed boost to MTN in South Africa, where consumer appetite for data quadrupled during 2011, with data consumption (excluding SMS) up by approximately 200% year-on-year. In the same period, smartphones usage increased by 128% to 3,6 million users, while data users soured to 10,9 million.

The system will enable MTN operations to enjoy seamless connectivity into the rest of Europe and the Americas. The 4-fibre pair system was constructed at an approximate total project cost of US\$650 million.

MTN's Global Carrier Services' commercial relations lead for the WACS Consortium, Trevor Martins, says MTN identified that the most efficient manner to advance the initiative to construct the WACS system was through a collaborative infrastructure co-build consortium investment model of like-minded operators.

MTN invests in WACS

"It was critical for MTN to ensure direct access into its markets in West Africa, and linking efficient system design with multiple landing points. Accordingly, WACS has 15 established terminal stations along its route, including Ghana, Nigeria, Cameroon, Cote d'Ivoire, Republic of Congo and Namibia - all countries where MTN has a presence."

Martins adds that "MTN is the largest investor in WACS, with commitments in excess of US\$100 million, comprising US\$90 million system capital contribution and additional capital investments towards the construction of cable landing facilities in Cameroon, Ghana, Nigeria and Cote d'Ivoire."

MTN's investment in WACS forms part of the group's global portfolio of submarine cable investments, managed by MTN Dubai Global Carrier Services. In addition to complementing other existing cable systems in the region, as well as supply fibre connectivity to several West African countries, WACS will provide diversity for large volume broadband traffic from South Africa to Europe.

Bridging the digital divide

"The impact of MTN's investments in Africa is far-reaching," says Kanaragaratnam Lambotharan, chief technology officer at MTN South Africa. As a forward-thinking organisation, the MTN Group had realised early on that investing in WACS would bring much-needed cost effective broadband capacity to the continent, bolstering Africa's efforts to achieve the United Nations' Millennium Development Goals with its objective of bridging the digital divide by enabling millions of Africa's populace to be part of the digital age.

As the preeminent African operator, MTN is excited about the prospects brought by the launch of the cable to our markets. MTN's ownership of WACS, together with our considerable interest in EASSy (<u>Eastern Africa Submarine Cable System</u>) will provide MTN with critical route diversity to Europe, from both sides of the continent. This will ensure a unique offering of increased resilience and unsurpassed availability of broadband connectivity to MTN customers."

Lambotharan adds that Africa has until now, been a pedestrian on the information superhighway. "However, MTN's investment in WACS will now ensure that millions of our customers can speed along the global information superhighway by accessing huge capacities with the ability to optimally utilise data and telemetry offerings which modern telephony applications provide."

Supporting future demands

Martins says MTN's investment in WACS is designed to support present and future demands for high speed internet, e-commerce, data ICT, cloud, video and voice services.

"This is achieved as the WACS cable employs Dense Wavelength Division Multiplexing (DWDM) technology, which enables bidirectional communications over one strand of fibre, as well as enhancement of capacity. Also, due to the robustness of the design, the cable system can incorporate future developments in submarine fibre-optic technology."

Setting the stage for a mobile revolution

The commercialisation of WACS and our other submarine cables will set the stage for a mobile revolution that will enhance the quality of life for millions of people across the continent. In South Africa, MTN's terrestrial segment of WACS was completed in April this year, with a total provisioned capacity of 60GB.

The MTN terrestrial optical network consists of leading telecommunications technology with DWDM (Dense wavelength division multiplexing) and ASON (Automatic Switch Optical Network) at its core, providing high availability, on demand bandwidth provision and service restoration.

"Broadband has immense potential to change the socio-economic landscape of African countries," says Michael Ikpoki, CEO of MTN Ghana.

"Over the last year, our operations in West Africa have experienced a good growth in data volumes, and this trend is repeated throughout our other operations across the continent. This is a strong indication of the huge latent demand for access to quality broadband services and facilities throughout Africa. The introduction of WACS will address both technological shortfalls experienced by most of Africa's disadvantaged communities, and stimulate economic growth in those countries." adds Ikpoki.