

hello☺

# Telkom Kenya

Capacity Africa 2008

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# agenda

- Kenya - market overview
- drivers for telecommunication
- competition
- pricing - impact on growth
- overcoming regulatory challenges



# Kenya market overview



# market facts

## population

- population of **36 million** at end of 2007
- **2.57%** annual population growth
- **42.6%** below 15 years
- **20%** urban, **80%** rural

## economy

- **6.5%** real GDP growth in 2007 (**4%** projection for 2008)
- **USD 572** per capita GDP in 2007
- **9.8%** inflation rate in 2007

## telecom facts

- **28%** mobile penetration (2007) on official population
- **1%** fixed penetration (2007)
- **8%** internet penetration (2007)
- **0.2%** broadband penetration (2007)

# Drivers for telecommunication



# drivers for growth

- availability of service
- quality of service
- cost-effective communication services
- innovation
- responsiveness and business continuity
- post sales services
- value add services
- global but Kenyan

# Competition



# local competition

mobile operators



local loop operators



data & internet  
service providers



# Pricing impact on growth



# pricing challenges & opportunities

- limited bandwidth
- cost of bandwidth
- limited competition
- infrastructure vandalism
- Nairobi – centrism
- low market penetration
- increasing market demand
- upcoming ‘cable era’
- geographical ‘hub’ location
- high level of education
- language skills
- ‘young’ population

# Overcoming regulatory challenges



# regulatory situation

- August 2008 - Communications Commission of Kenya (CCK) implemented **Unified Licensing Framework**
  - Network Facilities Providers
  - Application Service Providers
  - Content Service Providers

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together we can do more

thank you



# Speaker profile



## Adam Ksiazek

- M.Sc. Economy of Business, Univeristy of Warsaw
- Nationality: Polish
- Experience: 20 years in telecommunication of Emerging Markets
- Current role: Chief Business Market & Wholesale Officer at Telkom Kenya
- Recently: Managing Director Central & Eastern Europe at Orange Business Services
- Previously working also for technology vendors (Alcatel, Cisco)