

SOURCE: Agence des Télécommunications de Côte d'Ivoire (ATCI)

Introduction

The policy for encouraging investment applied to all sectors of Côte d'Ivoire's economy is set out in Investment Code No. 95-620 of 3 August 1995 and No. 2004-271 of 15 April 2004. As concerns the telecommunication sector specifically, Law No. 95-526 of 7 July 1995 and Law No. 2001-339 of 14 June 2001 determine the legal framework respectively for the conduct of telecommunication activities and payment for the delivery of licences to telecommunication operators. It is within this reference frame that telecommunication operators carry out their activities with regard to the supply of broadband services and to all other investments.

I. Investment incentive measures in Côte d'Ivoire

The Investment Code has two schemes for investments made by individuals and legal entities, Ivorian or foreign, resident or non-resident, in the framework of their activities or their equity financing of companies in Côte d'Ivoire.

I.1 The declaration scheme

The declaration scheme applies to any enterprises creating new activities or investing in new projects, except in the banking and financial sector, construction and public works, trade and transport.

The investment programmes of enterprises eligible for this system benefit from tax exemptions on business profits and on profits from non-commercial operations, contribution duties, patents and licences, for five (5) years in Abidjan department (the economic capital) and eight (8) years in all other departments.

These exemptions are total throughout the investment programme's lifespan, except in the penultimate and last years, when they are reduced to 50% and 25% respectively of the standard taxes and duties.

I.2 Investment approval scheme

The investment approval scheme applies to any enterprises with operations to create or develop activities, expand production capacity, diversify production or modernize equipment, except enterprises in the building and construction sector and banking and financial services.

In addition to the advantages under the declaration scheme, the investment approval scheme grants other specific privileges that are limited in time and bound by the same geographical parameters as the declaration scheme:

- the application of a single preferential 5% import duty on equipment and materials and on the first load of imported material for an amount between five hundred (500) million and two (2) billion FCFA;
- exemption from value-added tax (VAT) on imported equipment and material that is manufactured or sold locally, utility vehicles and spare parts, for an investment of at least five hundred (500) million FCFA;
- exemption from taxes and duties on developed land, granted exclusively for investments of at least two (2) billion.

II. Securing investments in telecommunications

Law No. 95-526 of 7 July 1995 on the Telecommunication Code and the various legislative and regulatory texts following from it define the institutional, legal and regulatory framework, the role of government and the regulatory bodies, and the systems for activities.

The Code provides that services are to be launched and provided in the telecommunication market according to a system of exclusive rights, regulated competition or free competition. Services using broadband media are classed in one of the first two systems and are authorized either by the government, for wire-based media, or by the regulator, in the case of wireless media.

III. Flexible deployment of telecommunication services

In addition to the Investment Code, Law No. 2001-339 of 14 June 2001, on the payment of licences, enables telecommunication operators to start their activities rapidly thanks to the delivery of provisional licences that are virtually free of charge (payment of administrative costs) during a renewable trial period. Final licences are delivered at the end of the trial period.

IV. Current broadband Internet services

Broadband services are defined as those with a rate of at least 256 kbit/s.

In this way, all mobile (GSM) and fixed telephony operators that have an authorization or a licence, respectively, are able to provide their customers with broadband services through subsidiaries, without the need for any other authorization.

Besides these operators, Internet access providers can deploy broadband Internet services using various techniques and technologies.

V. The national project for a high-speed network

The State of Côte d'Ivoire has established the National Telecommunication Fund (FNT) for the construction and development of rural infrastructure.

The FNT, to which all telecommunication operators contribute 2% of turnover, is managed by the government in partnership with the operators. It has started to build a national fibre-optic, 7000 km-long backbone intended to serve Côte d'Ivoire's ten main towns. The project aims to facilitate access to universal service, including voice communication, data transmission and high-speed Internet access.

VI. Plan to attribute 3G licences in Côte d'Ivoire

In order to further develop telecommunications and expand the use of multimedia services, Côte d'Ivoire is preparing to attribute, before the end of the year, third-generation licences in the 2.1 GHz band to operators that already have second-generation licences. This will allow the operators to increase the speed of services already on offer and to continue proposing innovative services.

VII. Plans for submarine cable landing points

All operators with a 2G mobile telephony licence or a telephone licence agreement are authorized to have submarine cable landing points in Côte d'Ivoire's territorial waters.

In addition to the SAT3 cable, which has a capacity of over 10 Gbits/s and already lands in Côte d'Ivoire, there are to be landing points for three other cables, thereby heightening Côte d'Ivoire's international network access capability: the fibre-optic submarine WACS cable (capacity 5.12 terabits/s), the ACE cable (1.929 terabits/s) and Glo-1 (640 Mbits/s).

Conclusion

The present legislative and regulatory texts enable operators and suppliers of broadband services to place their investments and exercise their activities in a secure and flexible environment of incentives pending the next telecommunication code.
