



# Convergence Partners exits African satellite venture

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A consortium led by Convergence Partners, formed by businessman Andile Ngcaba, has sold its 25.1% stake in New Dawn to Intelsat SA for an undisclosed sum.

Intelsat, Convergence Partners and Altirah Telecoms formed the US\$250m New Dawn in 2008 to provide satellite communications services to Africa.

The satellite was launched last year and commercial services started in June this year.

Ngcaba, who is also chairman of Convergence Partners, said the New Dawn partnership was created to enable the parties to achieve specific objectives.

"The technical anomaly that resulted in the non-deployment of one of the satellite's reflectors precluded us from realising our broader objectives," he said.

"The venture was a landmark deal for Africa and fundamentally changed the way Africans participate in this sector and, as such, remains something we are very proud of."

Intelsat New Dawn's main objective is to deliver telephony, broadband internet access and media content to much of Africa. It also aims to address the capacity backlog faced by providers of wireless telecommunications, broadband services, corporate network services and pay-TV providers.

Satellite connectivity is important for Africa as the continent's size makes it impossible to cover by means of fibre-optic cables.

Ngcaba said Convergence Partners would maintain its long-term commitment to the African communications sector and was creating further ventures in this regard, to help ensure strong representation of Africans in all aspects of the industry.

"The development of these opportunities meets the twin objectives of Convergence Partners, being the generation of attractive financial returns as well as acceleration of the socioeconomic development of the continent," he said.

Convergence Partners is also involved in rolling out long-distance fibre networks in partnership with telecoms companies such as Cell C.

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