

Telecom operators give back to UCC

Uganda's three telecommunication companies have given a total of 5.1 billion shillings (approximately US\$2.9m), which is a 1% service levy of the gross income, back to the Uganda Communications Commission (UCC).

By [David Muwanga](#) 21 Jan 2008

The three include MTN Uganda, which contributed sh3.2bn, Uganda Telecom Limited (sh1.2bn) and Celine (sh704mn).

This is the main source of funding for the Rural Communication Development Fund (RCDF), although funds from development partners and allocations from Parliament could be accessed.

"Currently in addition to the 1% service levy received from operators, the fund has attracted funding from the World Bank under the Energy for Rural Transformation (ERT) communication component," says the UCC executive director, Patrick Masambu.

He said the RCDF funds are accessed on a competitive basis in accordance to international best practice

"RCDF, also known as the Universal Access Fund aims at bringing affordable and accessible communication services especially in rural and underserved areas," he said.

The fund envisages the provision of access to basic communication services to all the people in Uganda within a reasonable distance through effective investment in rural communication development.

He said over the last five years since its establishment of a number of projects were undertaken, these include 52 Internet points of presence, 55 internet cafes, 55 ICT training centres, 54 web portals, and 316 public pay phones.

Others are three research projects, eight postal support projects, four multi purposes community telecentres, eight ICT projects for schools.

"However it should be noted that the outgoing RCDF programme faced a number of challenges," said Masambu.

These included infrastructure limitations, insecurity in some parts of Uganda, poverty and content development in respect of prevalence of low levels of literacy, limited awareness of the benefits of ICT among others.

He said overall, a snapshot of the market today indicates that over 20 companies have been licensed to provide voice telephony and data services.

A host of new technologies and applications have been introduced resulting in a wider variety and better quality services.

"We expect more competition as new players commence operations," he said.

He said a wide range of modern postal products like the Easy Mail track and trace, Electronic money trans are now available in the market.

The customer base has grown from 50,000 in 1998 to over 4.7mn today, representing a teledensity of abt 16%.

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