



# MINORITY CAUCUS

## Parliament House - Accra (Ghana)



*In case of reply, the number and date of this letter should be quoted.*

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### PRESS STATEMENT

#### **NDC MINORITY KICKS AGAINST OPAQUE 5G SPECTRUM DEAL**

The Minority Caucus in Parliament has noted with grave concern the decision by the Akufo-Addo/Bawumia government to give away Ghana's 5G spectrum to a shadowy entity, Next Gen Infraco Company Limited for the next 10 to 15 years.

Under this deal, Next Gen Infraco Limited has been given the exclusive right to build, own and operate the entire 5G infrastructure network across the country, for the use of all mobile network operators, internet service providers and other interested entities.

It is instructive to note that executive approval was granted by President Akufo-Addo for this sweetheart deal on 22nd August 2023, barely one week after the company's incorporation on 16th August 2023.

This was done through a non-transparent arrangement without any competitive process whatsoever.

After a preliminary study of the processes leading to this opaque transaction, the Minority Caucus takes the view that the Next Gen Infraco 5G deal is inimical to the national interest for the following reasons:

#### **1. Lack of value for money**

Our conservative analysis shows that the State could have generated up to USD400 million to USD\$500 million upfront if the government had opted for a more competitive process.

This revenue could have been channelled into critical development projects in this time of economic bankruptcy and excruciating hardships.

Sadly, the corrupt Akufo-Addo/Bawumia government is giving away this important asset for a paltry USD\$125million payable in yearly instalments on a work-and-pay basis over the next 10 years.

## **2. Unfair monopoly and exclusivity.**

This opaque 'work and pay' 5G agreement will ensure that:

- i. NEXT GEN INFRACO would be the ONLY COMPANY to offer wholesale 5G mobile DATA and VOICE services in the country for a period of 10 years.
- ii. All existing Mobile Network Operators (MNOs)-MTN, AT, TELECEL and Internet Service Providers (ISPs) in the country cannot offer DATA and VOICE services to their numerous customers nationwide without passing through NEXT GEN INFRACO.
- iii. NEXT GEN INFRACO would control substantial 62.5% of every DATA/VOICE bundle package every mobile user buys, with only 7.5% going to Government and 30% for Mobile Network Operators and Internet Service Providers.

We hold the view that the monopoly and exclusive rights granted Next Gen Infraco under this opaque deal is unfair to other industry players and unacceptable.

## **3. Absence of Parliamentary Approval**

This 5G spectrum transaction awarded to Next Gen Infraco Limited is a multi-year contract, hence subject to parliamentary approval per section 33 of the Public Financial Management Act 2016 (Act 921).

Unfortunately, the Akufo-Addo/Bawumia government is almost concluding this deal at the blindside of Parliament. This renders the entire transaction unlawful, null, void, and of no legal effect whatsoever.

4. Some of the entities in the Consortium, which are the beneficiaries of this opaque transaction, are mushroom entities owned by cronies of President Akufo-Addo and the Minister for Communications, with questionable track-records

As a matter of fact, some of these entities have been engaged by this same government in similar arrangements that have offered no value for money for the state.

5. The regulatory framework and operational modalities and guidelines for this opaque arrangement have not been clearly defined by the Akufo-Addo/Bawumia government, which appears to be in an indecent haste to give away the country's 5G spectrum for a pittance.

6. The investment that this Consortium is expected to make to justify their humongous 63% stake in Ghana's 5G network services revenue has also not been clearly defined.

The NDC Caucus in Parliament holds the view, that at a time that the country is in dire need of foreign exchange and non-tax revenue, it is unconscionable that the Akufo-Addo/Bawumia government will hand over the precious and highly sought-after 5G spectrum of the country to a shell company for a pittance.

Clearly, this deal for all intents and purposes is inimical to our national interest.

The NDC Minority Caucus has, therefore, flagged this transaction for eagle-eye scrutiny. In the coming days, we shall be addressing the media and, by extension, the Ghanaian people on these vexed matters and collaborate with other stakeholders to ensure that our national interest is upheld.

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MINORITY LEADER**

MONDAY, 3RD JUNE, 2024  
PARLIAMENT HOUSE  
ACCRA.

