

# ntel Insights



## AMAZON IN TALKS TO BUY \$9BN SATELLITE GROUP GLOBALSTAR IN BID TO RIVAL ELON MUSK'S STARLINK

REUTERS

Amazon is in talks to acquire the satellite telecommunications group Globalstar, a deal that would bolster the ecommerce giant's effort to build its own low Earth orbit satellite business.

The two sides were still negotiating over some of the complexities of a deal after lengthy talks, according to people familiar with the matter. One complicating factor has been Apple's ownership of a 20 per cent stake in Globalstar, necessitating negotiations between Amazon and Apple, the people said.

Acquiring the satellite group would accelerate Amazon's push to compete with Elon Musk's SpaceX and its Starlink orbital internet service.

## NCC DIRECTS TELCOS TO COMPENSATE SUBSCRIBERS FOR POOR SERVICE

THISDAY

The Nigerian Communications Commission (NCC) has directed telecoms operators across networks to provide compensation to subscribers whose network quality of service experience is below specified targets within specific locations. NCC gave the directive yesterday in a statement signed by its Head, Public Affairs Department, Nnenna Ukoha.

According to NCC, subscribers should not be made to bear the full burden of service disruptions where operators fail to meet prescribed standards of service delivery. Under this directive, erring operators will compensate affected users directly for breaches of Quality of Service (QoS) Key Performance Indicators (KPIs).

The compensation will be provided in the form of airtime credits, calculated based on subscribers' average spending patterns and their presence within Local Government Areas where service failures occur.



## FG TARGETS 1,000 RURAL TELECOM TOWERS IN 2026

BUSINESSDAY

The Federal Government of Nigeria, through the Ministry of Communications, Innovation, and Digital Economy, has unveiled a strategic infrastructure roadmap aimed at achieving universal digital inclusion by 2026. At the heart of this initiative is a presidentially approved plan to deploy 3,700 telecommunication towers nationwide, with a specific target of delivering at least 1,000 units within the coming year. This project is designed to provide critical access to the estimated 20 million Nigerians currently liv-

ing in "blind spots" where telephony and data services are entirely unavailable.

Minister Bosun Tijani has articulated a shift in the nation's digital philosophy, moving away from fragmented hardware deployments toward a coordinated, multi-layered infrastructure strategy. This model simultaneously integrates the rollout of rural towers with a 90,000-kilometer fiber optic backbone and significant upgrades to Nigeria's communication satellites. The Minister underscored that while towers provide the initial wireless signal, "true real connectivity" that resolves long-standing service quality issues must be anchored in a ubiquitous fiber network reaching every local government and ward.

## NCC DIRECTS TELCOS TO COMPENSATE SUBSCRIBERS FOR POOR SERVICE



The Nigerian Communications Commission (NCC) has, in recent times, ramped up its efforts to effectively regulate the Nigerian telecommunications sector. In the last few months, the NCC has begun efforts to update and create new policies and has implemented new systems to protect customers and improve cybersecurity in the sector.

This week, the NCC directed mobile network operators to compensate subscribers directly whenever the Quality of Service (QoS) falls below prescribed standards. Previously, the NCC would simply fine the operator; now, they require that compensation flow back to the affected customers themselves, calculated based on each subscriber's average spending patterns and delivered as airtime credits. The NCC is also mandating tower companies to invest in infrastructure with measurable outcomes using sums collected from fines, in addition to other financial penalties the commission deems appropriate.

## AMAZON IN TALKS TO BUY \$9BN SATELLITE GROUP GLOBALSTAR IN BID TO RIVAL ELON MUSK'S STARLINK



Amazon is reportedly exploring the acquisition of telecommunications group Globalstar as it looks to accelerate the expansion of its low-Earth orbit (LEO) satellite business and compete more directly with SpaceX's Starlink. Globalstar currently operates its own constellation of LEO satellites, providing voice, data, and asset-tracking services across enterprise, government, and consumer markets. Notably, Apple owns a 20% stake in the company following its \$1.5 billion investment to support the Emergency SOS satellite feature on iPhones. This Apple stake has reportedly become a key factor complicating negotiations, effectively requiring a three-way discussion between Amazon, Globalstar, and Apple.

Amazon's core objective appears to be using the proposed \$9 billion deal to buy both time and a strategic foothold in the satellite

market. Such an acquisition would allow it to bypass the months or even years required to build the infrastructure backbone of a satellite business from scratch, particularly as it races against Starlink, which already operates over 9,000 satellites and serves more than 9 million users globally.

For ntel, the implications of this story are very similar to the FCCPC enforcement story discussed in *Issue 6* of this newsletter. Any operator launching services in this environment now enters a market where poor service quality does not only create reputational damage but also leads to direct financial liability. For Project Beam, which depends on national roaming agreements with other operators for the underlying network infrastructure, there is a question of who bears the consequences of QoS failures. Currently, the compensation obligation technically falls on the licensed operator serving those customers, meaning ntel would have to bear liability for infrastructure it does not control. This means that the Quality of Service level agreements negotiated with host operators are even more consequential than they already were.

However, the more interesting side of this story is that the NCC has identified QoS as a major issue plaguing the industry. With the yearning for more consumer-centric practices, an entrant that builds extensive and transparent compensation frameworks into its service agreements would meet Nigerian customers at their point of need, improving the company's competitiveness and attractiveness to customers.

From a Nigerian and broader African perspective, a stronger Amazon LEO presence could materially accelerate satellite deployment across the region. This is particularly significant given the role LEO satellite technology can play in closing Africa's persistent connectivity gap. Amazon's Project Kuiper has already secured landing rights in Nigeria, positioning it to provide meaningful competition to Starlink, especially at a time when Starlink appears to have reached its current capacity limits in the country, with individual customer kits reportedly unavailable for several months. *See Issue 4* for more details.

The direct threat these developments pose to ntel and other terrestrial network providers lies in satellite technology's growing ability to strengthen its competitive position against ground-based networks. One company that has already recognised and moved proactively against this risk is Airtel Africa, which is partnering with Starlink to launch direct-to-cell services in rural areas across multiple African countries.

For ntel, both the risks and opportunities are equally direct. On one hand, wider satellite adoption could challenge the commercial success of the fixed wireless access Tarana deployment. On the other hand, it presents a clear opportunity for Project Titan to position ntel as a provider of base station infrastructure and related support services for satellite operators entering the market.

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As the Ministry of Communications, Innovation and Digital Economy continues to pursue its ambitious Project BRIDGE, the Minister continues to update the public on the finer details of the project's execution. This newsletter has previously covered the Minister's plan to build 4,000 towers in rural areas in a bid to improve connectivity and extract value from rural economies. The Minister has now shared that the Ministry plans to deliver at least 1,000 of those towers in 2026, which represents the first specific yearly target released for a plan expected to be completed by 2030.

The timing of this announcement is particularly notable, as one of the major operators suffered a significant outage in three north-western states this week. The Minister has previously identified the northern region as underserved and stated it will house 80% of the government-built towers—a strategic decision for the development of connectivity in Nigeria. This situation presents another opportunity to emphasize the importance of Project Titan and to engage the Ministry on the possibility of partnering with the Federal Government as an operator.

For Project Eden, ntel can similarly unlock value from its vast real estate portfolio by leasing property assets in target regions that currently have low commercial viability. These assets could serve as sites for the Federal Government to build out towers, especially in areas where constructing our own infrastructure would be of low financial value to the firm. This would be a clear case of generating value from underutilized assets.

Furthermore, the Minister discussed the newly launched National Digital Economy Research Clusters Programme, which aims to integrate university researchers into the policymaking process for the first time. This is particularly relevant for ntel as it signals a renewed focus by regulators (the Ministry and the NCC) on policy improvement. It is, therefore, crucial that ntel monitors the policy direction of the regulators closely to ensure our business strategy remains aligned. For now, that direction is anchored on two primary pillars: consumer satisfaction and digital inclusion.