

Keeping Content Local

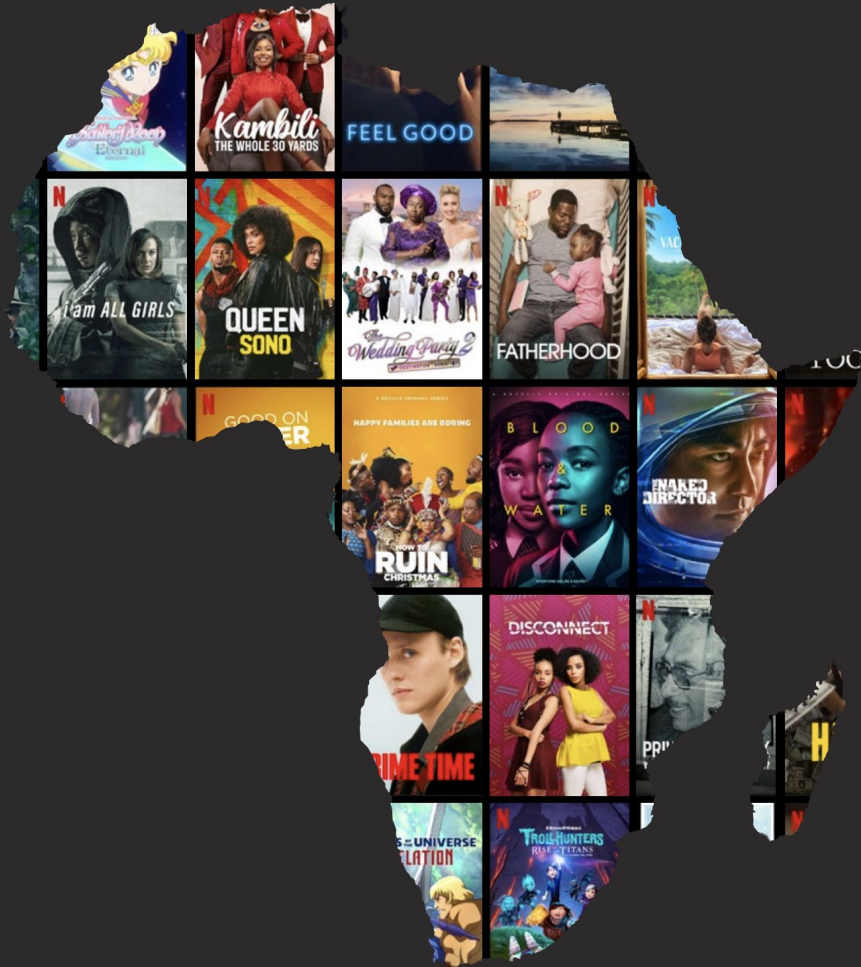
AFPIF

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Kigali, Rwanda

Presentation by:

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AGENDA

- 01 **About Netflix**
- 02 **Netflix Pledge**
- 03 **Local Content Beyond Streaming**
- 04 **Streaming in Africa**
- 05 **Challenges and Opportunities**





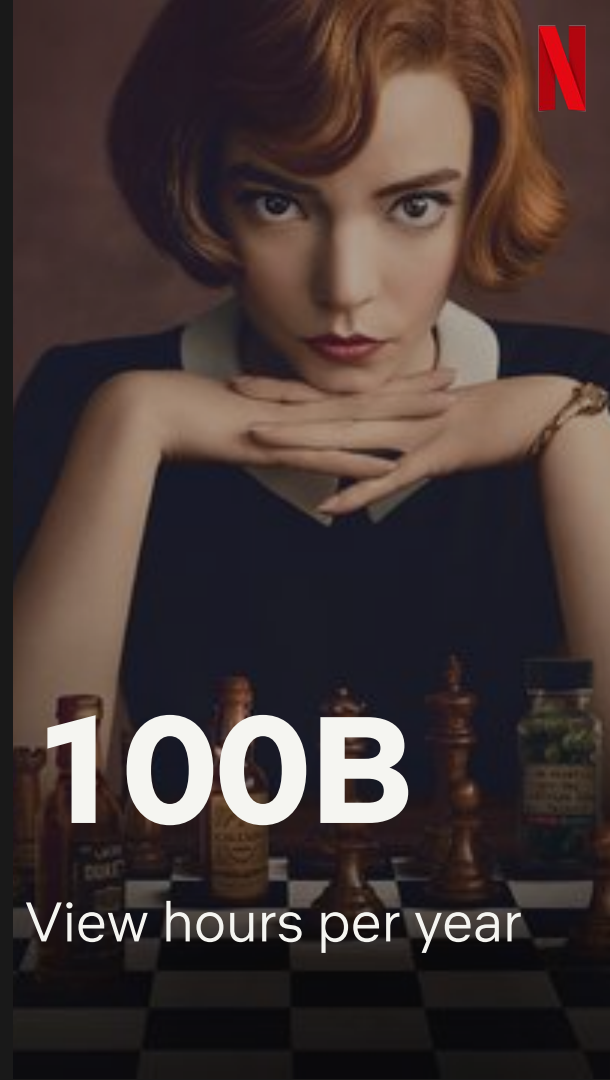
220M+

Members worldwide



450M

Viewers / Profiles



100B

View hours per year



The background of the slide is a dense, repeating pattern of people wearing red jumpsuits. Each person's face is obscured by a black mask with a white geometric symbol: a circle, a triangle, or a square. They are all holding black rifles. In the center of the image, a single person is wearing a grey suit and has a human face, standing out from the crowd. The text "The Netflix Pledge" is overlaid in white, bold, sans-serif font across the middle of the image.

The Netflix Pledge

ITU WTDC Kigali (April 2022) Netflix Pledge

- Partner2Connect pledge
for expanding Open
Connect presence in
public exchange points
- We aim and expect to
achieve 80%+ of content
streamed locally

Netflix Open Connect Pledges Expanded Local
Access For Over 100M Internet Users



A group of six young Black people, three men and three women, are shown from the chest up, wearing school uniforms. They are arranged in a line, looking towards the camera with serious expressions. The background is a dark, gradient purple and blue. The text "Local Content Beyond Streaming" is overlaid in the center, with "Local Content" in white and "Beyond Streaming" in red.

**Local Content
Beyond Streaming**

Economic Impact Of Netflix's Activities In Africa:

250+ Local Titles

Netflix has invested in licensed titles, co-productions & commissioned content from the Sub-Saharan Africa region

200+ Films and TV Series

From Africa available on Netflix

Capital injection & socioeconomic value

2/3 of production spend on commissioned projects in key markets (SA & Nigeria) supports sectors outside of film & TV

Partnerships & collaboration with Government + industry bodies

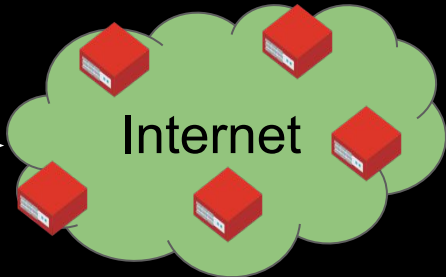
Cooperation on common objectives:

- **Initiatives to promote talent development** & create creative sector jobs: Realness Institute Episodic Lab in Nigeria, South Africa and Kenya & Post-production Workshops with KAP in Nigeria.
- **Build a pipeline of creative talent: \$1 Million Pan-African Creative Equity scholarships;** Screenwriting scholarships for 3 African creatives to study in Italy, 6 scholarships for African animators to study at Gobelins Animation School in France
- **Making place for co- and self-regulation** - Collaboration with NFVCB in Nigeria and FPB in South Africa
- **Provide new voices of storytelling with a platform to shine** on the global stage - Netflix/UNESCO *'African Folktales, Reimagined'* short film competition & Netflix/NFVF Film Fund for emerging and established filmmakers

JOURNEY OF AN AFRICAN COLONY



The building blocks of **Netflix streaming**



Production

Encoding

Open Connect

Streaming

High quality watching experience while sending the least amount data

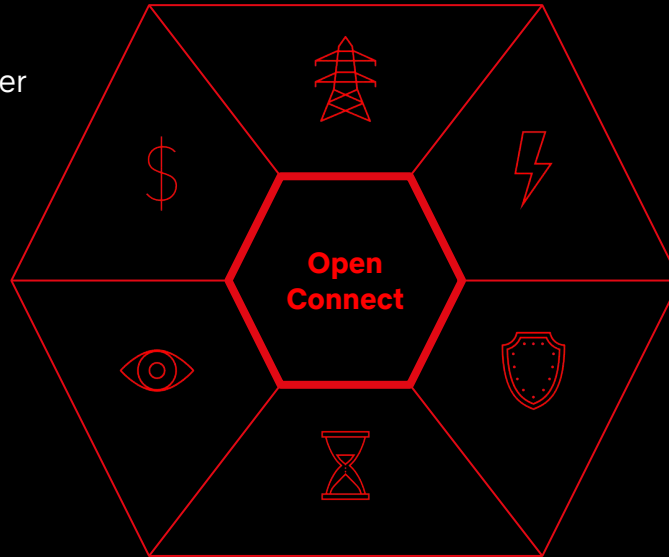
OCA Efficiencies

Power Efficient

It takes just 5.6kW to power a half rack

Cost Savings
Bring content closer to the member
Avoid paid transit or long haul connections

Best in-class Encoding
5 Mbps to stream one movie
200% increase in number of hours streamed with 1 Gbps over 5 years



Small but mighty
A country's entire Netflix library fits into about half a rack of servers
A half rack can serve 200,000 streams simultaneously

Fault tolerance and Resiliency
Localization limits impact of incidents and eliminates single point of failure

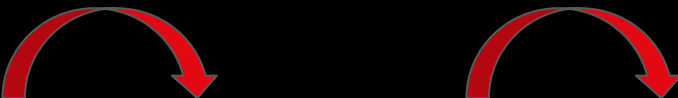
Timing is everything

Take advantage of the off-peak hours to load content which saves time, congestion and cost

A photograph of three women seated in a room. The woman on the left wears a red cape over a yellow top and a light-colored skirt. The woman in the center wears a large red circular headpiece and a colorful beaded necklace. The woman on the right wears a vibrant, patterned dress and a large green flower in her hair. The background features a framed painting and a silver statue. The text 'STREAMING IN AFRICA' is overlaid in the center.

STREAMING IN AFRICA

Phenomenal Growth



	2018	2021	2022
Peak Traffic	-	X6	X2
Netflix POP	JNB	JNB+NBO	JNB+NBO + RIX
OCA*s*	45 OCAs across 34 sites at 24 partners in 12 countries	227 OCAs across 139 sites at 84 partners in 19 countries	353 OCAs across 194 sites at 132 partners in 29 countries

Africa at a Glance

Traffic Source	Percent
Africa	81%
Outside Africa	19%
Total	100%



% Traffic Served from Africa

25% - 50%

Morocco, Egypt, Nigeria, Burkina Faso, Capa Verde, Cameroon, Ethiopia, Gabon, Ghana, Reunion,

51 - 74%

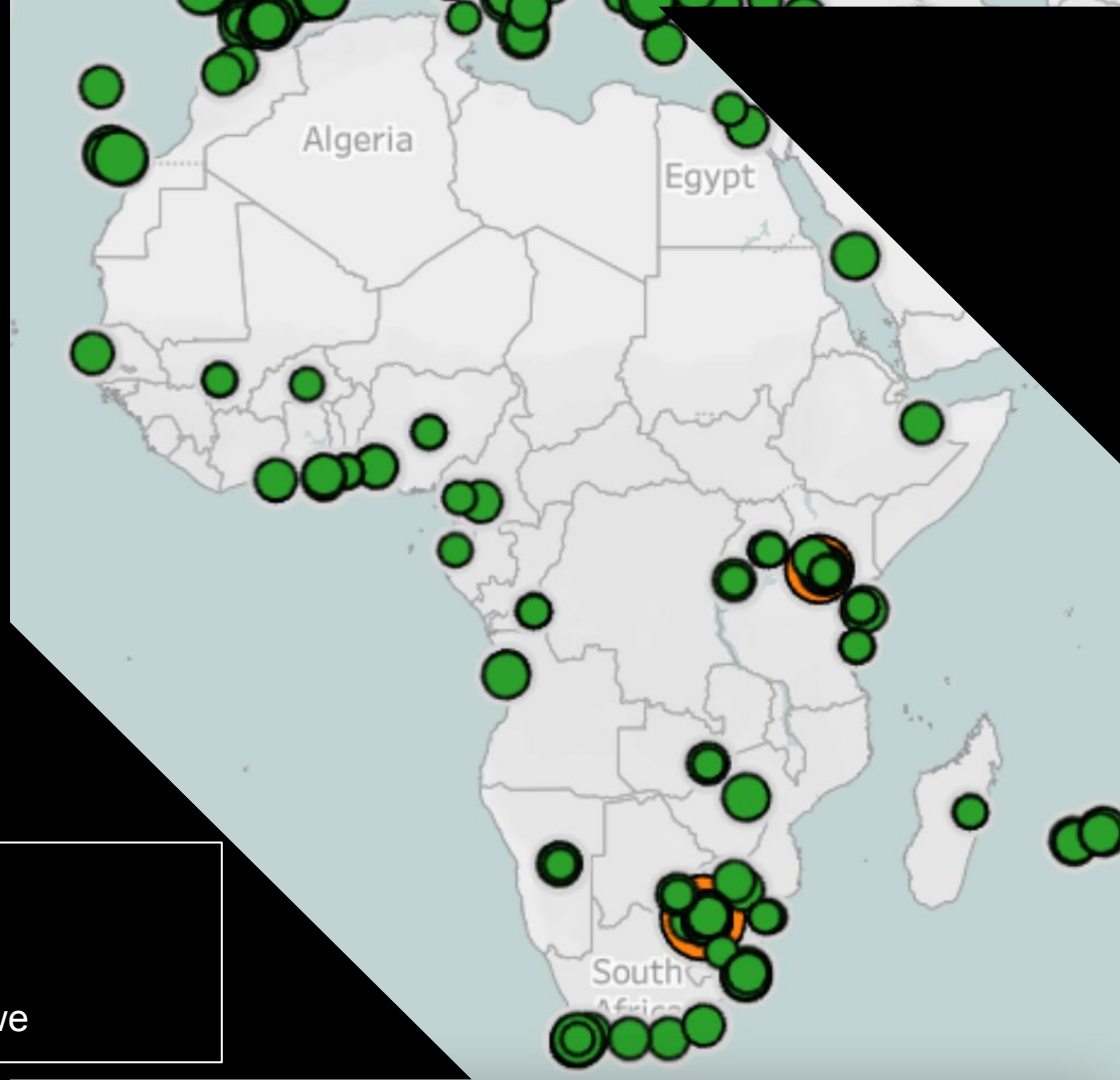
Congo, Cote d'Ivoire, Gabon, Ghana, Senegal

75% - 89%

Angola, DRC

> 90%

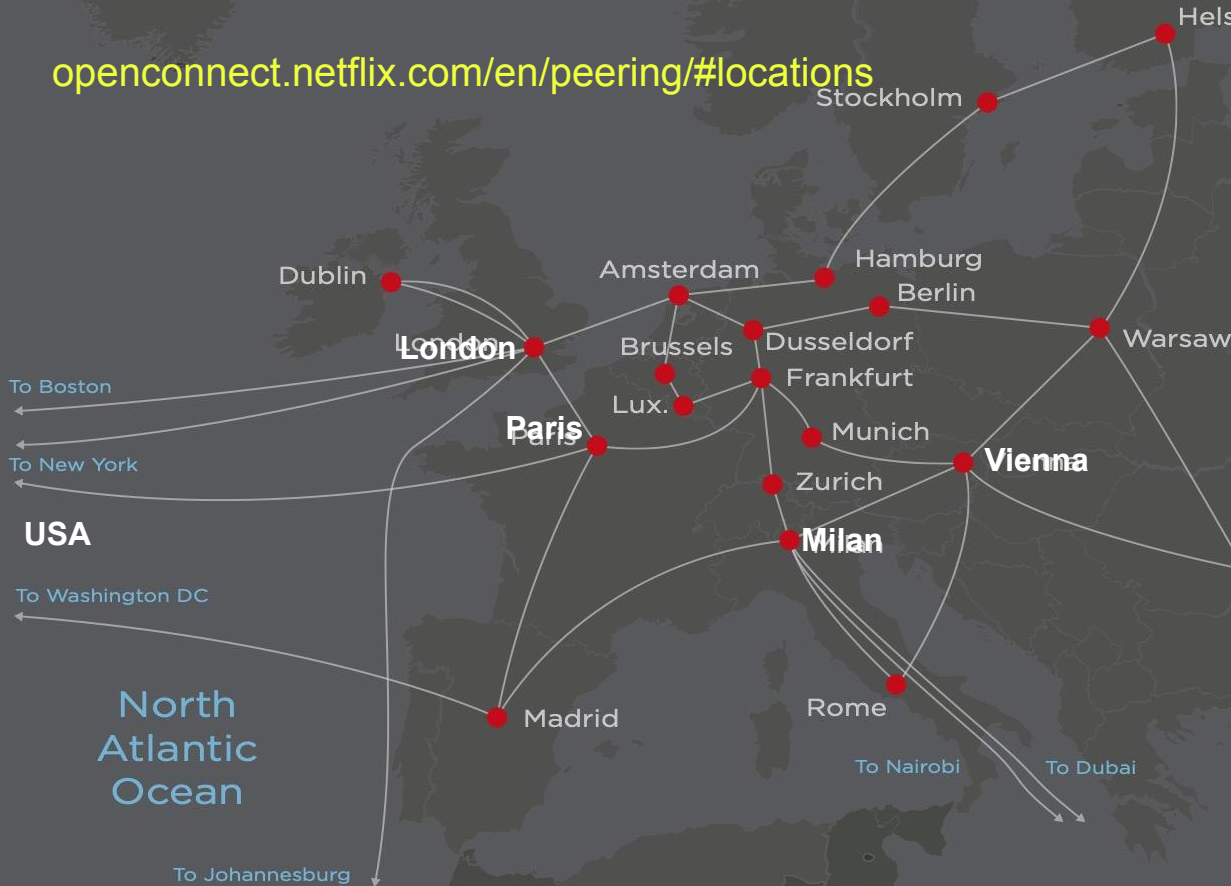
South Africa, Kenya, Mauritius Botswana, Namibia, Uganda, Madagascar, Mozambique, Rwanda, Tanzania, Zimbabwe



Africa Sources of Traffic

NETFLIX

openconnect.netflix.com/en/peering/#locations



Africa Points of Presence

South Africa

- NAP Africa Johannesburg
- JINX
- CINX (RIX)
- DINX (RIX)

Kenya

- KIXP Nairobi

DRC (RIX Coming Soon)

- Kinshasa

Private Peering

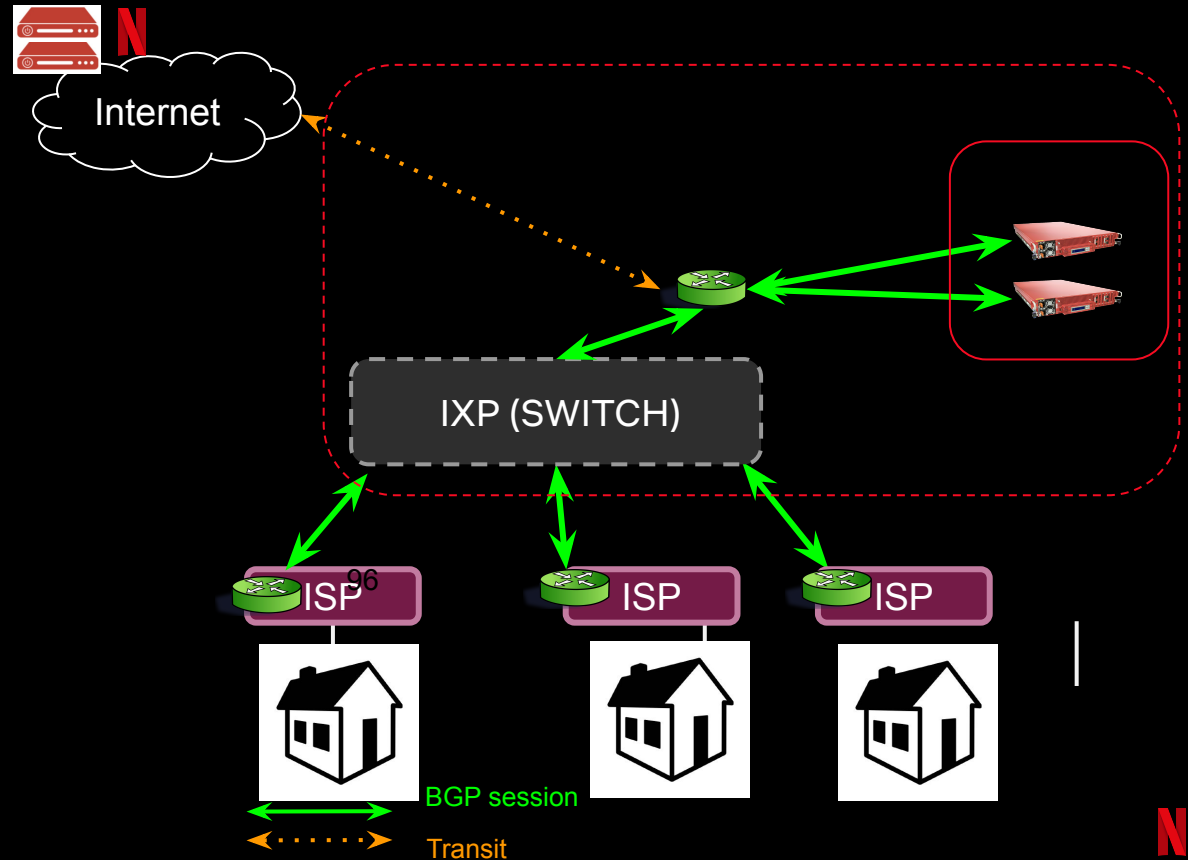
- Africa Data Centres, Nairobi NBO1
- Teraco Johannesburg Campus, ZA

Challenges & Opportunities



| Opportunities - Routerless IX (RIX)

- IXP needs to inform the participants that they need to Opt-in in order to receive Netflix service by using the BGP Community 40027:40000.
- The IX can neither Opt-in participants nor change this community. This is a major requirement as it will not work well otherwise.



| Challenges

- High Price of Transit*
 - Europe: Median \$0.18 - \$0.27/Mbps based on 10GE
 - Africa: Median \$2 - \$8/Mbps based on 10GE
- Cross-Continental Networks
- Stringent Regulation
 - High Customs Fees
 - Complicated Import Procedures



*Source: pricing-suite.telegeography.com (2021)



QUESTIONS?

Thank you!

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