



Deepening debate on liberalization of trade in ICT services in West Africa

Project start and end dates: June 2008 – October 2010

PIWA Program: ICT program

Country/region: West Africa (Senegal, Ghana, Nigeria and Benin).

Name of the project: Liberalisation of international trade in ICT services: issues for the private sector and for public policy in West Africa (LICOM)

Partner organisations:

Scientific research centres

Centre d'études, de formation et de recherche en développement (CEFRED) in Bénin ; Science and Technology Policy Research Institute (STEPRI) in Ghana ; University of Lagos (UNILAG), Nigeria ; CRES in Sénégal (Consortium pour la recherche économique et sociale).

Journalists

2 print journalists from Bénin, 2 from Ghana, 1 from Nigeria, 1 from Senegal, 1 on-line journalist from Senegal.

Sub-regional organizations

Sub-regional organizations: those responsible for regulation policy from West African Economic and Monetary Union (WAEMU) and ECOWAS

Objectives of the project:

The overall objective of the project is to contribute to better understanding of the challenges and implications of the liberalization of trade in ICT goods and services, in order to promote the development of public policies favourable to the Development of the ICT sector in West Africa.

The specific objectives of the project aim to:

- Identify and analyse the key legislative measures regulating trade in ICT goods and services in West Africa, including national engagement in access to markets and national treatment following the adoption of GATS (General Agreement on Trade Services);
- Present a characterization of the ICT goods and services sector in West Africa;
- Study the state and challenges of the liberalization of trade in ICT goods and services in the sub-region;
- Evaluate the cost-benefits of trade liberalization in ICT services for West African countries and in particular, for their ICT sectors;
- Develop recommendations enabling decision-makers to put in place relevant policies and to participate more effectively in future international negotiations in the field;
- Promote the dissemination of results and research recommendations and their appropriation collectively by public decision-makers, those in the private sector, the media and civil society organisations.

Problems to be solved:

The fundamental assumption of the project is that a thriving ICT sector providing affordable goods and services can play a major role in facilitating development, at the level of services and small enterprises as well as for larger economic actors. In West Africa, trade in ICT services has recently been liberalised (for most of the countries after 2000) To conform with GATS/WTO but governments and the sector have failed to respond with appropriate regulation and support that would enable healthy and pro-development growth of the sector and manage some of the risks of liberalisation.

If liberalisation is not adequately regulated, it risks stifling national private sector and impeding the possibilities of regional economic integration. More appropriate strategies and policies need to be introduced which would enable the sector to grow and enable development.

Barriers to the development of the ICT goods and services sector include:

- Insufficient credit,
- lack of capacity at national level
- hard to access regional and international markets
- the private sector is marginalised in strategy and policy discussions
- market is fragmented; lack of holistic and coherent strategies for the sector
- weak regulation, or non-independence of regulators
- anti-competitive practices

Efforts to address these barriers are absent, due to

- Lack of awareness by policy-makers of the issues and of the risks of liberalisation
- Lack of knowledge among policy-makers of legal texts and issues at regional and international level, and lack of integration of these texts into national legal texts (Only Burkina Faso has integrated the texts of WAEMU; five states have integrated the texts of ECOWAS - Gambia, Ghana, Cape Verde, Bénin and Burkina Faso).
- Difficulty of harmonising national legal frameworks
- National laws are not thoroughly implemented and lack participation of/buy-in from national actors due to lack of consultation
- Nations have signed up to international/regional agreements without thoroughly elaborating the implications at national level, and have not made much progress in implementing the international agreements
- Low capacity of leading actors to engage in developing regional policy and strategy
- Lack of political will
We note a form of weariness of the actors, in particular the private sector and the civil society because there are plenty of regional-level organized on this issue. But recommendations are not effectively taken into account

Baseline figures:

- 8 media outlets, 6 print and 2 online. 1 newspaper in Bénin (*La Nation*) ; 1 newspaper in Ghana (*The Ghanaian Times*) ; 1 online journal in Nigeria (*ITRealms Online*) ; 1 newspaper in Senegal (*Walfadjiri*) et 1 online journal (*PressAfrik*)
- None of these had previously produced in-depth articles on the topic.

Major activities:

- Regional orientation and methodology workshop; (organized in Senegal, 24 participants : two members of each pool of research four journalists from Ghana, Benin, Senegal and Nigeria, three representatives from private sector, a representative of Ministry of new technologies of Senegal, a few representatives of civil society organizations and NGOs, the representative of the Canadian research institute for development)
- A number of studies of the ICT sector in West Africa and issues around the liberalisation of trade in ICT goods and services. Four studies per country, on:
 - Evaluation of Legislative Frameworks ;
 - The Characterization of the ICT Services Sector ;
 - Perception of Stakeholders ;
 - Impact of Liberalization: Cost and Benefits).
- National and regional workshops bringing together key state, private, academic and sub-regional actors to discuss the challenge of adapting and harmonising national and regional strategies and legislation to ensure that the ICT sector can develop in a way that will foster inclusiveness and development in the region.
 - **Benin:** workshop organized on June 2 2010 by PIWA/CEFRED. 28 participants : Director of the general direction of information and communication technologies (DGTIC), Autorité Transitoire de Régulation des Postes et Télécommunications (ATRPT), representative of Trade Ministry, Représentative of General direction on economic competition, private operators (Bénin Télécoms SA), journalists, scientists from CEFRED and laws' specialists
 - **Senegal:** Workshop organized on May 26th 2010 in Dakar by PIWA and CRES, 33 participants among whom representatives of medias, civil society organizations and public authorities. The private sector was less represented, excepted the network of the ICT's professionals.
 - **Nigeria :** Workshop organized on May 5th 2010 in the University of Lagos. 46 participants among whom the majority gathers together researchers and scientists, private operators. The representatives of the public's authorities were absent.
 - **Ghana:** workshop organized on april 9th 2010 by the STEPRI. 52 participants among whom 28 public institutions were represented. The opening session was undertaken by the chief of cabinet of the Ministry of communication Hon. Gideon Quarcoo. The debates were moderated by Dr. A.B. Salifu, general director of the Council for Scientific and Industrial Research.
 - Regional multi-stakeholder workshop for exchange and advocacy : organized in Dakar between July 1st and 3rd 2010.36 participants among whom representatives from sub regional institutions (ECOWAS, WAEMU), from national public institutions of the four countries (Ministries of Telecommunication, ADIE, Grappe TIC, DTIC,

ARTP, APIX), from university and research centers, private operators from Senegal, Benin and Nigeria), some representatives from civil society organizations such as ISOC, Gorée TIC, OSIRIS, Enda. Representatives of medias involved in the project (La Nation – Bénin; TV3Network Ltd –Ghana ; Pressafrik.com- Sénégal)

- Support for media coverage of the issues
- Establishment of website and dissemination list (<http://www.cipaco.org>)
- Final publication

Opportunities offered by the scientific production and the debates to solve these problems:

The project was highly relevant as an issue impacting on a key sector of the economies of West Africa and the well-being of their citizens. The original approach was to compare the results of scientific research from four countries in the sub-region and to disseminate these results through the media partners to sensitize public opinion on issues covered by the liberalization of ICT. As part of an international perspective and adopting a comparative approach, it has to go beyond national visions.

It was implemented by credible players with a high level of experience regarding the approach to issues of information society in general and the information economy in particular.

It permits:

- To stimulate and support the development of public policies that will bring strong support to the national private ICT sectors ;
- To raise awareness of national legislation, particularly among private sector actors ;
- To stimulate and support national-level appropriation of regional and international treaties (GATS, ECOWAS etc) and processes towards harmonisation of national legislative frameworks within the West African sub-region.

Recommendations emerged from the studies, the workshops and the media outputs that will enable private sector actors to profit from the opening of the market:

On the regulatory framework:

- Define the scope of ICT and Telecoms;
- Follow-up evaluation of standards;
- Raise awareness among stakeholders on the content of provisions relating to regulatory framework and the challenges of these activities;
- Increase the involvement of actors (trade unions, civil society, private sector, consumerist associations, environmental organizations, etc.) in the process of negotiation and drafting of liberalization;
- Enhance the powers, transparency and independence of regulatory bodies in the telecommunications and broadcasting sectors in the granting of licenses and frequencies;
- Evaluate periodically the national regulatory framework involving ICT stakeholders to reflect rapid changes of the latter;
- Integrate the issue of digital convergence in the regulation.

The perception of stakeholders

- Refocus the role of government in the ICT sector;
- Strengthen the private sector support with "lower taxes";
- Caring for Universal Access;
- Strengthen the capacity of media to inform and produce on ICT issues regulation funds.

The characterization of the sector

- To highlight the characteristics of the sub sectors of tele-services;
- To study the question of the data of the process;
- Adopt a common typology of the business sector in the ICT sector, which would bring together business type as the formal sector than the informal sector;
- Develop a report to assess the exact contribution of the sector of ICT towards gross domestic product (GDP) and the national economy.

The costs and benefits

- Take institutional measures to support the private sector "tax code";
- Promote the development of tele-services;
- Strengthen the support to the private sector "(tax reduction) by taking institutional tax to support the private sector (tax code, for example);
- Strengthen the development of fixed telephone at Community level through the use of fiber optics and the resumption of the role of the state on unprofitable segments, including fixed telephony.

Other recommendations

- Further deepen and expand the study to the entire service sector of the sub region;
- Establish a partnership between research institutions, institutions that specialize in data collection and the private sector for the establishment of observatories of ICT in the region;
- Strengthen the capacity of media through regulatory funding;
- Promote research data and the quality of research;
- Reflection on harmonisation or consolidation of regional legal frameworks on trade in ICT goods and services, in collaboration with regional organisations such as ECOWAS, WAEMU, the Assembly of West African Telecomms Regulators, and the Organisation for the Harmonisation of Business Law in Africa (OHADA);
- Strengthening links between the various actors.

Outputs:

- 24 articles were expected. 42 media outputs were finally produced (twice the expected number).
- In Ghana in particular, these stories were covered by news agency, Press and six (6) video reports broadcast by private television channel TV3 (one of the major TV stations in Ghana).
- One website created. Since its creation, the website was regularly documented till October 2009.

Outcomes: According to the different actors who benefited from the project, the debates made:

- the journalists have a better understanding regarding ICT's issues in a context of liberalization ;

- Media outputs are founded on better technical and contextual information;
- Media outputs present valuable information on national initiatives and solutions that helps economic actors seize the opportunities offered by ICT liberalisation;
- Built relationships between the world of research and journalists.

Outcomes regarding sustainable dialogue/debate and incidence on policy change

Research institutions: the project produced new knowledge, and the research institutions of the four countries are now linked so that they can work together on the issues.

Public policy makers: they are better informed for taking decisions which will enable their societies to benefit from the opportunities provided by trade liberalisation of ICT goods and services. Institutional actors participating engage to:

- Focus more on the role of the state in the ICT sector;
- Reinforce ways of supporting the private sector;
- Improve the legal environment;
- Involve all actors in reflections and policy development through progressive and iterative processes;
- Establish a strategy for financing the sector including state responsibility for non-profitable areas.

Regional policy makers (ECOWAS, WAEMU) are strongly mobilised and engaged to harmonise the legal frameworks, taking into account the recommendations emerging from the studies.

Journalists are better-informed on the issues. Their outputs will support public governance on these questions. Till 2010, journalists have continued to produce on ICTs and pursue collaboration with scientific research centers.

Finally, a multi-actor national and regional dialogue has been initiated, towards establishing public policies favourable to the development of small enterprises and accessible ICT services.

Testimonies of beneficiaries:

Emily Niarko (journalist –TV3 network Ltd. – Ghana): « *The studies carried out by the sub-regional research teams gave me a clearer overview of the state of liberalised trade in ICT services at regional level. Beyond the role of journalists in disseminating information, I am very involved in the question of incorporating regional texts into national legislation, which is a fundamental issue* ».

Raphael Koffi (Head of telecoms division of ECOWAS): « *I learned a lot during the regional exchange and advocacy workshop, both in relation to knowing the legal and regulatory framework and how they relate - international texts such as GATS, regional ones like ECOWAS and WAEMU, and national frameworks* ». This confirms that it is important to continue activities of awareness-raising on these key texts, which are too little known by many stakeholders in the ICT sector, particularly national and sub-regional decision-makers.