

**ANNUAL ACTIVITY REPORT
PERIOD: 2003**

Margarida EVORA-SAGNA
Senior Advisor for West Africa

ITU/Dakar

1. INTRODUCTION

This report covers activities carried out under my responsibility as Coordinator of Dakar Office and in the field of Reform and Regulation.

Activities were implemented under the framework of the BDT 2003 Operational Plan. Some of these actions although not specifically indicated in this Operational Plan have been implemented to respond to urgent needs of the Members, in particular of the Least Developed Countries.

The first part of this report is dedicated to a brief assessment of the actual situation on the field of the Telecommunication Regulatory Reforms in the West African sub region. Following this assessment, I will detail how the BDT Operational plan for 2003 was implemented and the results achieved.

Before concluding, brief reference will be made to the activities and projects scheduled for implementation in 2004. Suggestions to improve the ITU work in the Western Africa Sub Region will also be made .

2. ASSESSMENT OF THE REGULATORY STATUS IN WESTERN AFRICA

2.1 Regulatory Instruments

The regulatory reforms carried out in the Western Africa Countries contributed to accelerated and remarkable progress in the development of the telecommunication sector. As a result, there was a general increase in penetration rates in all countries, although this increase was mainly registered in the mobile branch of the telecommunication sector.

In this reform process, ITU continued its catalytic role by directly assisting Governments and providing studies, training tools, organizing workshops, forums and sponsoring regional and sub regional organisations. The focus of all these interventions was to accelerate creation of an environment which allows wider and rapid extension of access to communication and information.

Specific activities and action are detailed in the section on implementation of BDT operational plan for 2003.

Table 1, "Telecommunications Regulatory Instruments in West Africa gives an overview of the Regulatory instruments in West Africa.

TABLE 1- REGULATORY INSTRUMENTS IN WEST AFRICA

REGULATORY INSTRUMENTS	COUNTRIES in %									
	Draft		In use		Not in Use		Need update		Not available	
Year	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003
Telecom Act	100	100	90	90	10	10	50	40	0	0
Regulatory Body Charter	90	90	60	70	20	10	50	50	10	10
Competition rules	70	80	50	50	20	20	40	40	30	30
Licensing Rules	70	80	50	70	20	0	60	50	30	20
Frequency Plans	70	80	40	60	10	5	40	20	30	20
Frequency Use Tariffs	70	80	70	60	0	0	50	30	30	20
Frequency Monitoring tools	N/A	70	10	50	10	10	N/A	40	80	30
Numbering Plan	100	100	100	100	0	0	70	80	0	0
Interconnection Rules	90	90	60	80	30	20	75	50	10	10
Universal Service/Access Obligation	80	100	30	50	50	50	70	50	20	0
Universal Service/Access Funds	5	20	5	10	95	80	5	10	95	80
Cost Oriented Tariffs Rules	25	50	30	30	5	20	0	30	75	50
Monitoring tariffs	10	50	80	80	0	0	50	40	90	50
Service Quality MIS	0	0	0	0	0	0	0	2	100	100
Technical Standards	0	0	0	0	0	0	0	0	100	100
ICT Policy	60	60	30	40	30	20	50	50	40	40
Call back										
IP Telephony										

As seen on table 1, all sixteen countries have draft Telecommunication Acts. Most of them have been approved. Only Sierra Leone, the Gambia and Liberia have not yet approved their Telecommunication A-acts.

It is worth noting that , between 2002 and 2003, significant improvements have been registered in the implementation of some technical regulatory tools such as Frequency and Numbering plans. ITU contributed to this improvement, either through direct assistance to the countries or through technical training and facilitating exchange of experiences among regulatory staff, by funding study trips, workshops, meetings, forums or simply sponsoring related activities by sending expert missions to provide on site coaching and training on all relevant aspects of the subjects.

Draft Interconnection tools exist in most of the countries however in some of these countries either they are not in use or they need to be updated to take into account new technologies and in particular the convergence of technologies. This has been a source of conflict among operators.

Despite some incumbent Operators proposing interconnection regimes, and setting all interconnection rules upfront to new entrants, , some difficulties have been faced in implementing these at the technical level. In some countries protracted disputes have been registered when settling interconnection accounts . Due to failure of arbitration by some regulatory bodies, some of these cases ended up in courts.

It is encouraging to note that already some of the regulators have started to acquire skills to arbitrate and resolve most of the conflicts .

Contrary to the previous practise where some Telecommunication Ministries were working on their Telecommunications Acts and other regulation without first having an approved basic but fundamental document, the policy declaration at the country level, many are now starting the process by adopting a relevant policy .

Ghana is one of the countries which just reviewed its policy paper and clearly defined that disputes will be settled in court.

All regulators have Universal Access/services as one of their major objectives in West Africa.

Tools to enforce the Universal Access/services to the operators are not in place in most of the regulatory bodies. Taking into account that less than 20% of the population in West Africa live in poor and rural areas, the creation of a Universal Fund to provide an incentive to operators to cover those areas is necessary in order to achieve Universal Access targets.

Due to lack of tools for Universal Access Funds , some regulators started implementing an ECOWAS recommendation for Universal Access Funds that recommended a UA fund contribution of 2% of the annual revenues of each licensed operator.

Call back is prohibited in most of the countries and Voice Over IP has been authorised in some countries. However, it was not possible to obtain precise information on mechanisms on how it is being authorized.

2.2 Telecommunications Sector Structure in West Africa

The Governments, Regulators and Operators each continued playing their roles in the development process despite the fact that “borders” for their mandates, were not completely clear in some cases.

The region continued having countries whose Regulatory Bodies are still attached to the Ministry structures and remain financially and organizationally dependent on the Telecommunication Ministries .

Apart from Cape Verde and Ghana, no major changes occurred among the existing Regulatory Bodies between 2002 to 2003. Most of them are now seeking ITU's assistance to help them restructure and update regulations and procedures and be able to "anticipate" and programme any technologically driven developments.

At the recommendation of the World Bank , Cape Verde enacted laws for the creation of two separate regulatory bodies. . The "Instituto das Comunicações de Cabo Verde", which is under the Ministry in charge of the Telecommunication sector is responsible for all Telecommunication technical issues, while the "Agencia de Regulação Economica", a multi sector regulatory body under the Ministry of Finance is responsible for all telecommunications economic matters. .

Ghana also reviewed the telecommunication structure at the Ministry level which split the former Ministry of Communication and Technology and created the Ministry of Telecommunications which is only responsible for the telecommunication sector y. The new Ministry's main priority is to create mechanisms and incentives to attract investors to the rural areas. Matters related to ICTs have been transferred to the Ministry of Science and Technology.

The Gambia announced creation of a multi sector regulatory body.

Major changes in the Western Africa Telecommunication Sector are expected to take place in 2004 where countries such as Senegal, Cote d'Ivoire, Nigeria and Ghana will be involved.

Ghana will continue its restructuring and will approve a new Policy for the Telecommunication Sector Development shortly. Sénégal, Cote d'Ivoire and Nigeria have announced full liberalization to take effect during the first semester of 2004.

Nigerian Communication Commission actively continued making the sector move forward by taking action to review and update its legal framework. Incentives put in place and a multiplicity of licenses for Wireless local loop ,broadband and ISP were issued.

ITU gave priority to countries in special needs and the LDCs offering assistance in particular to the three remaining countries without a formal regulatory body, Sierra Leone, Liberia and the Gambia. BDT sent several missions to Liberia during the last three years and allocated funds for a project that should have been implemented in 2003. However, due to security concerns, it was not possible to send missions to this country. Sierra Leone and the Gambia had their Telecommunication Acts reviewed by ITU/BDT experts. Nevertheless, these legal instruments are yet to be presented and approved by their respective parliaments.

With the convergence offered by new technologies, in particular broadband, the West Africa sub region started offering Internet services at more affordable prices. This has increased the use of Internet at different levels and has contributed to accelerate access to ICTs. However, the region did not exceed the 1% Internet penetration rate compared with other continents which exceeded 10% (except for Europe and USA).

In general, the new regulatory environment has driven an increase in penetration rates all over the Africa sub region, although this increase has been registered mostly in the mobile sector. Even for those countries not having a complete legal framework to issue licenses, some Governments took advantage from experiences of neighbouring countries and issued licenses to operators who presented proposals to invest in the sector. Benin, Gambia, Sierra Leone and Liberia took this route and each of them now have more than 2 mobile operators.

Table 2 gives some indicators concerning the actual telecommunication sector structure in West Africa.

Table 2 –Telecommunication Sector structure in West Africa

SECTOR STRUCTURE	Number/Statement
<i>Nature of Regulatory Body</i>	
- Collegial	13 regulators representing aprox. 80% of West African Regulators (three RB are not implemented yet)
-Separate	11 Regulatory bodies are separate from the Ministry
-Not separate	2 are not separate and 3 are not implemented yet
-Multi Sector	4 Regulatory bodies
<i>Status of Operators</i>	
-State owned	11 incumbent operators are partially state owned 5 are state owned.
-Private	Second Fixed Operators, second Mobile operators, ISPs are fully private.
Number of Monopolies	4 duopolies in fixed lines. Remaining countries have Monopolies for fixed lines (in 2004 it is expected full liberalization of telecommunication in 4 countries)
Level of Competition	Basically on mobile, value added services and ancillary services.
*Number of ISPs	>250
Number VoIP	Not none (some countries started licensing VoIP)
*Number of Mobile Operators	50
*Fixed Wireless Access operators	24

* Licensed

2.3 Regulatory staff in West Africa

BDT continued providing facilities for improvement of skills in regulatory matters either through direct assistance by including in each expert's job description, the task of training counterparts in the expert speciality or organizing workshops and training at national, regional and global levels.

In addition, the Centre of Excellence in Dakar played a key role in capacity building (this point will be revisited by our colleague in charge of Human Resources Development).

In addition to traditional fellowships for capacity building through ITU/BDT sub regional or regional workshops, short medium term training, we prioritised capacity building in Regulatory issues by providing fellowships for participation in ITU Study groups and field trips.

Special regulatory training was organized at the regional level in Numbering planning and Universal Access.

ITU gave priority to countries in special need and the LDCs offering assistance in particular to Sierra Leone, Liberia and the Gambia .

2

3. IMPLEMENTATION OF THE BDT OPERATIONAL PLAN FOR 2003

All sixteen countries in the sub-region have been assisted in all telecommunication fields. However, this report will focus on the scheduled activities and ad hoc assistance based on the 2003 BDT Operational Plan.

Activities in West Africa were implemented based on Members recommendations and expressed needs indicated in the Istanbul Action Plan or by individually requesting direct assistance to ITU. The BDT as the sector for development played its role in close cooperation with Western Africa Countries as well as with the other ITU sectors(BR, TSB and the General Secretariat) 1 in a complementary way with the final objective to offer assistance to its members.

This section will however, only focus on the BDT operational plan for 2003 .

All actions scheduled under my responsibility for implementation were successfully implemented. Only activities for direct assistance to Liberia were not implemented due to the war situation.

Some of the implemented actions had a regional coverage to maximise use of regulatory tools and to facilitate exchange of regulatory experiences between countries.

Experience showed that better and faster results could be achieved when experiences are exchanged not only at the regional level but also with other continents. This will enhance the quality of our work when assisting countries

Gender issues continued being among BDT's priorities. To this effect, special actions and projects targeted at women in Western Africa were carried out. Among them was special MCT project for Women which started in 2003.

A summary of actions based on the ISAP structure , implemented in 2003 and corresponding achievements are given in Table 3 below.

- **Programme 1:** Regulatory Reform,
- **Programme 2:** Technologies and Telecommunication Net work Development
- **Programme 3:** E strategies and E services applications
- **Programme 4:** Economics and Finance
- **Programme 5:** Human Capacity Building

- **Programme 6: Special programme for Least Developed Countries**

The following specific activities were implemented in Western Africa sub region:

Table 3: *Actions and projects implemented in 2003*

Action/Project	Description	Results	Comments
5690	Workshop in Universal Service for Africa	Implemented. Most of Participants shared their UNIVERSAL ACCESS models.	19 Countries Attended the Workshop. Fellowships offered to the LDC. Travel and accommodation provided. Workshop organized in collaboration with Common Wealth Telecommunication Organization and ITU Members
5789	Workshop in Numbering Planning for Francophone Africa	Implemented. Most of participants either brought their numbering plan to exchange with the other participants or started a new project for their national numbering plans. After this workshop some of the countries updated and implemented new numbering plans in their countries. Three consulting groups have been created and have been exchanging experiences after the workshop.	Partial fellowships offered to LDC countries. CTO joined us in this preparation and Anglophone countries as well. Excluding countries belonging to TRASA who already attended the same workshop.
5434	Frequency management and radio monitoring in Benin	Implemented. BENIN started its frequency registration and training was offered to two staff in collaboration with BR.	Assistance to Benin shall continue on Frequency planning
*5391	1- Establishment of e-commerce legislation and IACC in Mauritania	Implemented. One expert mission in e-commerce undertaken. Equipment for MCT project for women procured and installed.	MCT inaugurated. Training of women shall continue in 2004

*5391	2- E-commerce in Cape Verde	Implemented	Cape Verde Government approved e-commerce legislation.
6692	Assistance in regulation to Cape Verde	Implemented. Assistance was in traffic and tariffs analyses. Regulatory Body in Cape Verde has now software for business plans scenarios and better make follow up of traffic and tariffs indicators.	This action replaced action 5407. Funds from 5407 had been transferred to 5408.
5408	Assistance to Senegal in tariffs and traffic analysis	Implemented. This action has been converted in a broader one. Assistance to Senegal in regulation. It has started with the analysis of the Telecommunication code and interconnection law.	This action has been implemented by a consulting enterprise under a subcontract expenses.
5281	Frequency management and radio monitoring in Mali	Implemented	Two staff trained through two study trips instead of receiving a short-term expert mission.
5403	Women Led MCT Project	Action has been reviewed to allow the implementation of telecenters for women. Standard business plan models have been sent to the countries and equipment purchased for one telecenter in Tanzania.	This action/project will be cost shared with other partners. Initial available funds will be allocated to the first adequate projects. Implementation of the project through other 2004 actions will continue.
5537	Frequency management and radio monitoring in Burkina Faso	Implemented. This action has been split in two different specialties. One in numbering planning another one in frequency planning. This last one co-financed with Burkina Faso Regulatory Body for acquisition of spectrum monitoring equipment.	The numbering planning has been complete with cost sharing among BDT, Burkina and Morocco.
5932	Assistance to the Gambia in Regulation	Implemented. Gambia Telecommunication Act has been reviewed.	Gambia has not a Regulatory Body yet. Changes in the Government and the Regulatory staff did not allow the follow up of this action as planned. Gambia

			will continue being assisted in 2004 on this issue.
6693	Assistance in Regulation to the Ghana	New action created at the end of the year. Implemented partially. New National policy for the Ghana reviewed.	BDT travel not implemented only. Waiting for the country to indicate dates for workshop to discuss the new Policy Paper.
6694	Assistance to ECOWAS	Implemented. ECOWAS Database server audit.	Although this action is in the system with my name, our colleague Bassave who implemented it has originated it.
4741	Sector Reform assistance to Liberia, legal framework	Cancelled due to security reasons	Telecom surplus and Government project
4742	Sector Reform assistance to Liberia, Spectrum monitoring and interconnection	Same as above	Same as above
ECOWAS Market Study	Harmonization of telecom Policies	Project will be complemented with additional funds from EC. New Project signed. First draft completed and participation in Workshop for discussion with Countries.	ITU/World bank/ECOWAS Project. Steering committee created for follow up. New phase of the project started in 2004.
MCT for Women in Niger	MCT for Women in Niger	Project in implementation phase. 10 computers sent to the country	The colleagues in Geneva have started this project. Lack of funds to buy equipment made us accept the idea to offer reformed ITU PC
MCT project for women in Benin	MCT project for women in Benin	Project on -going. An UNDP/ITU mission went to Benin to discuss with Authorities the project revision.	
Telemedicine in Guinea	Telemedicine in Guinea	Mission sent to Guinea and project restarted.	Government sent letters to UNDP and OMS to confirm their participation in project.
Telemedicine Mauritania	Telemedicine in Mauritania	Funds approved by telecom surplus.	This project is co financed by Canton de Geneva and National Authorities

9/Sen/99/002	Telemedicine in Senegal	First phase of project implemented. Second phase on going. Doctors training complete.	Funds have been allocated to buy equipment for the University of Cheick Anta Diop and train doctor.
9-CVI-01-001	MCT Sta Catarina, Cape Verde	Equipment for second phase of project procured.	No additional fund for this project. Cape Verde will complement it in particular in the training budget line.

* Action covers Mauritania and Cape Verde in E-Commerce.

4. OTHER ACTIVITIES

Other actions and projects were started and some of them completed in 2003. The actions were created at urgent requests from the countries. Some of them were related to needs in computers either for the new regulatory bodies or to assist small groups of women in the creation of telecenters.

Preparation and inputs for the project document referring to the telecommunication market harmonisation consumed an important part of our working hours. This project was partially funded by the European Union and implementation starts in 2004.

For the first time in this sub region, a Telecommunication Public Private Forum, co-organised and sponsored by the Telecommunications Authorities in Senegal, took place in Dakar.

The Forum of African Regulators also took place in Accra, Ghana towards the end of 2003.

Immediately after this event, a mission to provide assistance on regulatory reform was conducted in Accra. ITU provided guidance to the Government of Ghana in the preparation of the new Telecommunication Policy document. This was later finalized in Dakar during a specific mission of a Ghana Government Counsellor fully funded by ITU.

The WSIS was part of our activities in year 2003 as well. We directly assisted the countries to have better comprehension and successful participation in the WSIS Forum in Geneva, and participated and represented ITU in sub regional WSIS activities. These activities culminated with a CINU/ITU round table in Dakar where the Director of BDT presented the ITU vision of the World Information Society.

5. REGIONAL AND SUB-REGIONAL COOPERATION AND PARTNERSHIP WITH SECTOR MEMBERS

ITU continued playing its leadership role on the development of telecommunication in the Africa Sub region notably through activities developed in collaboration with partners like ECOWAS, UEMOA, WATRA, UNDP, UNESCO, etc, with the local Governments and with the Regulators and incumbent operators as well as the private sector in general.

In line with Resolution 124 (PP) on the NEPAD project, and as a follow up to the Arusha meeting, the Director of the Telecommunication Development Bureau and staff in collaboration with Minisyster of Communication in Tanzania and a representative of the African Development Bank presented the recommendations of the Arusha meeting to the President of Senegal, who is responsible for ICTs under the NEPAD. Other projects like the CISCO academies continued to be implemented in the sub region in close collaboration with r colleagues at Headquarters.

A Cisco Meeting took place in Dakar where Dakar staff participation in this high-level CISCO event with the Director of BDT.

6. ACTIVITIES FOR 2004

The activities for 2004 will be implemented guided by the Istanbul Action Plan as well as Recommendations and Resolutions from the Marrakech Plenipotentiary Conference. These have been consolidated in the BDT operational Plan 2004.

Activities concerning on-going projects will be part of our work for 2004. In addition, we will start the implementation of other recently funded projects. Special attention will be given to the NEPAD and West Africa Telecommunication Market Harmonization projects.

The NEPAD project is being implemented in a broader context and at a regional level, while the Telecommunication Market Harmonisation is at the sub regional level, but being implemented in close collaboration with some regional and sub regional organizations.

Direct assistance in the field of regulation to member countries will be one of our major priorities.

Under the Least Developed Countries BDT programme, Guinea, Sierra Leone and Liberia will get priority assistance.

Strengthening partnerships and getting more sector members will also receive close attention in the sub region.

In particular the following activities will be undertaken in 2004:

- Continue the implementation of the Women Led MCT project;
- Capacity building of the regulators staff in training on technical and financial audit;
- Assistance in developing tools for cost-oriented pricing mechanisms
- Special assistance to Guinea as un LDC (Telecenters projects, Frequency management, and radio monitoring, creation of a National Directorate of Communications and Information)
- Telemedicine project for Guinea;
- Capacity building for women in the Centres of Excellence;

- ICT training in countries emerging from war;
- Preparation of the Forum of the African Regulators;
- Assist countries, groups of countries and regulatory associations in telecom and ICTs regulatory reform matters;
- Assist the Governments in West Africa to design and/or review and update their telecommunications policy, focusing on the need to accelerate investment in the rural and poor areas for Universal Access;
- Collect and regularly update information and data related to the telecommunications and ICTs sector reform in West Africa;
- Administer and Manage ITU Dakar Office in collaboration with the colleagues in the Bureau.

7. SUGGESTIONS/RECOMMENDATIONS

First of all, I deeply thank all our colleagues and in particular, the Head of the Regional Office, Mr. Sanou who supported me all over the years and helped me complete the actions noted under section 3. This could only be achieved with the team spirit that prevails within our African regional group.

Our colleagues in Headquarters, in general, cooperated very well and started understanding some of the difficulties we face here in the field to get the expected results.

I take this opportunity to suggest that:

- 1) One meeting between field staff and focal points in the headquarters be held at least each two years.
- 2) Rotation of professional staff between field and headquarters.
- 3) Participation of the field personnel through conference call or videoconference during the final meeting for approval of the Operational Plan.
- 4) To continue reinforcing the assistance to members in particular in the field of Regulation and Reform, Quality of Services, Interconnection and Universal Access and Auditing.
- 5) Focus on creating tools and building the African Regulators skills to become real facilitators for Telecommunication Development in sub-region.
- 6) ITU to continue playing the role of upper level coordination of the regional and sub-regional Telecommunications Organisation and Associations in Africa, by providing guidance to these authorities and guarantee efficiency and avoid duplication of implementing similar activities as was the case in the past.

- 7) Getting young professionals, P1, P2 or UNV to assist the senior professionals.

8. CONCLUSION

Field staff in the Western Africa Sub region fulfilled the mandate ITU had to assist the sixteen countries in 2003.

With the exception of Liberia, all actions and projects scheduled for 2003 were successfully implemented.

UNDP could not issue security clearance for ITU missions to Liberia.

We will continue our activities in the field of reform and regulation and in particular assisting members to create skills for effective regulation and harmonised telecommunication development within the Western Africa Regulators.

Taking into account the shortage of funds to get one more P5 to replace the retired one, we suggest getting young professionals, P1 or P2 or either UNV to assist the professionals in Dakar Office.