

**GLOBAL INDICATORS WORKSHOP**

**ON COMMUNITY ACCESS TO ICTS,**

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## **1. INTRODUCTION**

This essay seeks to identify Global Indicators on Community Access to ICTs in Malawi. The ICT Policy formulation in the telecommunications sector is in process and the final document is not yet out. The essay will identify some of the major national and regional policy changes that have taken place in telecommunications environment and discuss their significance in relation to global trend towards liberalization.

This document will also point out The Malawi ICT Industry and Infrastructure and ICTs in Malawi Educational Institutions. The ICT Human Resource development will be discussed to some extent. The Malawi's ICT Policy is not yet out but it is hoped that it will be finalized so soon.

The following are some of the major policy changes in telecommunications environment that have taken place in Malawi:

- o Communications Sector Policy;
- o Rural Telecommunications Policy;
- o Uplifting of tariffs on imported computers imported

The following are some of the major regulation/policy changes in telecommunications environment that have taken place in the Southern part of Africa:

- o COMESA ICT Policy
- o TRASA Wireless and Satellite Regulations

### **2.1 COMMUNICATION SECTOR POLICY**

The Malawi Government adopted the Communications Sector Policy in 1998 together with the enabling Communications Act. The Communications Policy Statement was released to outline government's policy for the development of the country's communications sector, covering broadcasting (radio and television), telecommunications and postal services. The aims are to ensure that a full range of modern services is accessed by all population of Malawi. This could be achieved by focusing on the efforts of service providers more closely and the need to restructure the existing institutions in the sector in order to meet the challenges that lay ahead.

The legislation enabled the following:

- o Liberalization of the communications sector
- o Establishment of the Malawi Communications Regulatory Authority (MACRA).
- o Restructuring of the Malawi Posts and Telecommunications Corporation (MPTC) into separate telecommunications and postal business
- o Privatization of the telecommunications business
- o Separation of the administration and provision of telecommunication services from postal services;

- o Reconstitution of the Malawi Broadcasting Corporation (MBC) as a public broadcaster;

### **2.1.1 SIGNIFICANCE OF THE COMMUNICATIONS SECTOR POLICY**

Establishment of the Communications sector has the following impact on the growth the communications sector:

- o Liberalization of the air waves so that currently, there are private and community broadcasting stations in the country as opposed to the era before the establishment of this policy.
- o The telecommunication sector has been liberalized so that there is competition in the industry and this enhances better service provided to the consumer as operators would loose to its competitors.
- o The percentage of people who have access to basic telecommunication services (telephone and mobile) has increased.

### **3 RURAL TELECOMMUNICATIONS SECTOR POLICY:**

This policy is an integral part of the Communications Sector Policy; it was established to enable all Malawians to have access of modern information and communication technologies in the rural and underserved areas. Telecommunication is seen as one of the most important tools in the poverty reduction strategy struggle for the rural population, therefore the policy would support the economic, social and political development of the country and its integration into the global information society. There are five initiatives in this policy:

#### **Initiative 1: Universal service obligation:**

This would be involved obligations to be incorporated in the license of providing telecommunication services; inclusion of some commitments in the license in order to expand fixed and mobile services.

#### **Initiative 2: Payphones in Rural areas:**

This enables the issuance of a license that would enhance the establishment of independent local telephone networks in rural areas. Any operator may choose to install and operate payphones, bureaus, community phones or telecentres. The operators could also contract other service providers. Any rural resale service providers would be charged a lower license fee than that charged for urban areas.

#### **Initiative 3: Identifying target rural areas:**

A model has been designed for determining if an area is capable of being served profitably or not. MACRA has been mandated to use the model and other information to identify the specific rural areas. This will provide the factual basis for the Rural Telecommunications Policy.

Initiative 4: Rural Telecommunications development Fund:

The government has decided to establish the Rural Telecommunications Development Fund (RTDF) to promote improved access to services in the rural areas that cannot be serviced by commercial interests.. The fund will contribute to the capital cost of local network equipment and of facilities like telecentres; it will be used to subsidize operations. The RTDF will be administered by MACRA.

#### **Initiative 5: Rural Telecommunications Forum**

This has been put in place to focus on the rural Telecommunications development so that the policy doesn't lose track. The Ministry of Information will be responsible for describing the framework for the activities of the Forum. The framework shall be composed of the following tasks for the forum:

- Review implementation of rural network plans
- Propose priorities for new policy initiatives
- Advise MACRA on the use of the RTDF
- Promote contributions to the fund and
- Report to the Minister of Information on yearly basis.

### **3.1 SIGNIFICANCE OF THE RURAL TELECOMMUNICATIONS SECTOR POLICY**

Establishment of the Telecommunications sector policy has enabled many resale service providers to get Rural resale license because of the lower license fee, however the main telecommunications operators have not yet covered most parts of the rural areas since most parts lack telecommunication supporting facilities like electricity supply.

### **4.0 UPLIFTING OF TARIFFS ON IMPORTATION OF COMPUTERS**

Because of the multiplier effect of computers to Information and Communication Technologies, the Malawi government had uplifted tariffs on importation of computers. This policy encourages people to buy computers without government interventions and as many computers as one would like to buy. Though the significant of this policy may not be felt directly to the global trend towards liberalization, it is very significant tool to the universal access of ICTs.

### **5.0 COMESA ICT POLICY**

Considering the effect of information and communication technologies on growth, economic and social development, COMESA member states are implementing reforms aimed at promoting

investment in the ICT sector. To harmonize the reforms, the region adopted the COMESA ICT Policy and Model Bill in March 2003 and member states are in the process of integrating them in their regulatory framework.

The Policy and the Bill provide a framework for institutional and policy changes that need to be made over a period of time to achieve ICT development and applications through lubrication and other strategies of encouraging investment. The ultimate goal is to make the COMESA region an active participant in the global Information Society. To facilitate the implementation of the ICT Policy, regional guidelines have been developed in several areas of regulatory interest and the development of additional is ongoing.

### **5.1 SIGNIFICANCE OF COMESA ICT POLICY**

This policy is significant since it can enhance effective integration and application of ICTs and therefore can accelerate economic growth, social development and help in achieving the African Union objectives.

It can also help the member states create their regulatory framework and environment for sustainable ICT networks and services;

- This policy significance covers improvement in interconnectivity between operators and service providers in member states; it is therefore vital for the liberalization of the telecommunication sector.

### **6.0 TRASA GUIDELINES ON WIRELESS AND SATELLITE REGULATIONS**

The objective of these guidelines is to outline policy and regulatory recommendations for wireless technologies development in the SADC region. There are several technological issues in these guidelines but the policy emphasized on Very Small Aperture Terminals (VSATs) because of their implications for Internet diffusion in the SADC region. The guidelines review the regulatory environment shaping the use and licensing of wireless and VSAT technologies in TRASA member states

### **6.1 SIGNIFICANCE OF TRASA GUIDELINES ON WIRELESS AND SATELLITE REGULATIONS**

The significance of these guidelines in relation to global trend towards liberalization is discussed below:

- o Liberalization of the telecommunications has meet opportunities since many member states have authorized VSATs usage in their countries so that the effect of VSATs in providing reliable services and unrestricted coverage area is now being felt.

- VSATs are easy to deploy and upgrade; the incremental cost per unit is low and they allow single platform for delivery of voice, video and data.

## 7.0 THE MALAWI ICT INDUSTRY AND INFRASTRUCTURE

- **Telecommunication Infrastructure and Services**

Malawi has one national fixed line public telecommunication service provider; Malawi Telecommunications Ltd. There are plans to license a second fixed line operator. On the whole the telecommunication infrastructure and services is concentrated in the urban areas with very little coverage in the rural areas.

- **ICT Level, Penetration and Utilization**

Computer penetration of computers within the private and public sector is fairly high. All the Banks are computerized, most of the large private sector organizations used computers to support some of their activities. A number of the NGOs (in particular the international ones) and the International Agencies operating in Malawi are reasonably computerized.

Most of the Government Ministries are computerized. Although the level of penetration of computers within the civil and public service is reasonably high the level of utilization of computers to support organizational activities and operations is very low. In most cases computers are being used for basic computing work like word-processing. Many organizations are not utilizing their computer systems for high-end value-added applications like: information systems (MIS, DSS), databases, personnel management systems, accounting and budgeting and so on

In the area of computer related services, there are a number of computer hardware vendors in Malawi --- most of these are distributors or agents of computer companies operating outside Malawi. They mainly sale computers assembled outside the country

- **The Level of Internet Connectivity and Spread**

There are a number of Internet Service Providers in Malawi, the key ones are Malawi Net, SNDP, Epsilon and Omega; Global Internet, Africa online among others.

A number of organizations within the civil and public service are connected to the Internet. In most of these cases the Internet is not used to support the organizational activities of these organizations. The main use is for e-mail and occasional Web browsing.

A number of business organizations in the private sector including, the banks are connected to the Internet mainly by dial-up access a number do have leased line access (cable-based or wireless system). A fair number of organizations in the NGO, diplomatic and the international agency communities are connected to the Internet.

- **The Local ICT production industry**

Most of the ICT equipment used in Malawi including telecommunication equipment, radio and TV equipment, and communication equipment like fax machines as well as computer hardware are imported. Very little local assembly or production of ICT equipment and products is done. Some of the ICT vendors provide equipment maintenance and repair services on contract. There is no active local industry for computer system servicing and repair. Also there is very little local computer software development going on in Malawi. Most of the organizations in the private and public sector use customized off-the-shelf software and packages.

- **ICT Human Resource Development**

Malawi like most African countries is facing a serious shortage of skilled ICT manpower in key sectors. On the whole there is a serious lack of computer system development, implementation and maintenance skill in Malawi. The key areas of hardware, software and computer network systems development, and installation are equally affected.

There are no existing specific government policies or plans to develop this sector to encourage the local production and development of ICT tools and services. Policies in the area of development of local ICT skills forms part of the overall government plan for the development of human resource capacity for the country. There are no specific policies targeted at the development of ICT human resources.

- **Information and Mass Media Sector**

Malawi has only one national Television network, Television Malawi (TV Malawi) and a number of FM stations. There are a number of national daily and weekly papers in English and in local languages. The mass media sector has been liberalized with a number of private operators involve in both the electronic and print media sub-sectors

- **Government Policies and Incentives to Promote the ICT Sector/Industry**

Although the Government recognized the role that ICTs could play in the socio-economic development process, there is currently no specific government policy designed for promoting the growth of the ICT industry and service sector.

There are some incentive packages like tax incentives, investment promotion incentives designed for promoting the development of the ICT sector or industry. There are however still a number of disincentives that could hinder the growth of the ICT industry and sector.

- **The Role of the Private Sector in the Development of the ICT Sector in Malawi**

The private sector in Malawi has so far played little role in the development of the ICT sector in Malawi. Apart from a number of companies providing ICT services and using computers to support their own activities and operations, there had been very little investment by the private sector in ICT infrastructure development in the country.

In the area of ICT human resource development, apart from a number of private computer training centers mainly involve in at the basic level training and a number of businesses like the banks providing their computer staff in-house and out-house training, the private sector involvement in this area is minimal.

#### **7.1 ICTs in Malawi Educational Institutions**

##### **Primary and Secondary Schools**

Currently there is not much deployment of computers in the schools. Apart from a number of well-endowed schools, the vast majority of Malawi school children have not been exposed to the computer technology in any shape or form.

The Ministry of Education has not introduced a computer curricula the Malawi school system and there is currently no specific government incentives to promote and encourage ICT base education and basic computer training in Malawi schools. There is no specific IT awareness promotion programme in the schools either.

The vast majority of the Malawi schools do not have in place trained computer teachers who could be deployed to teach basic computers in the schools.

- **Colleges and Universities**

A number of the colleges and higher-level institutions have introduced some element of computer education and training into their programmes. But not all departments in a number of these institutions do make basic computer studies and computing an integral component of their courses and programmes. A number of the universities and colleges are offering specialist diploma and degree level programmes in computer science. There is however a need to introduce more of these courses in some of the institutions to meet increasing demand.



**References:**

1. The Malawi Communications Sector Policy, 1998, Ministry of Information
2. The Malawi Communications Act 1998, Ministry of Information
3. The Malawi Rural Telecommunications Policy, 2002, Ministry of Information
4. COMESA ICT Policy Document, 2003,
5. TRASA Guidelines on Satellite and Wireless Regulation, 2004

**Abbreviations**

<b>TRASA:</b>	Telecommunication Regulatory Association of Southern Africa
<b>COMESA:</b>	Common Market for Eastern and Southern Africa
<b>SADC:</b>	Southern African Development Community
<b>MACRA:</b>	Malawi Communications Regulatory Authority
<b>NGO:</b>	Non- Governmental Organization
<b>VSATs</b>	Very Small Aperture Terminals
<b>MIS</b>	Management Information Systems
<b>DSS</b>	Decision Support Systems
<b>TV</b>	Television