Enhancing ICT development and connectivity

for

the Landlocked Developing Countries (LLDCs)

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STATEMENT

By

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Speech by Mr. Sushil Kumar Ojha(Joint Secretary),
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His Excellency Dr Hamadoun Toure, Secretary General of ITU

His Excellency Mr. Gyan Chndra Acharya, USG and High Representative

(UN-OHRLLS)

Honourable Minister of People's Democratic Republic Laos

Hon. Minister of ICT, Uganda,

Distinguished Guests, Ladies and Gentlemen!

First of all, I would like to thank ITU and UN-OHRLLS for inviting His Excellency Madhab Prasad Paudel, Minister for Information and Communications, Government of Nepal, a Speaker in this Global South-South Development Expo Mini Partnership Forum entitled Enhancing ICT Development and Connectivity for the Landlocked Developing Countries (LLDCs).

Since Nepal is holding Constituent Assembly election on 19 November 2013, H.E. Minister Madhab Prasad Paudel being the part of Election Government found it difficult to attend this event. On behalf of Honorable Minister, I am happy to be present here as Speaker and would like to thank ITU and UN-OHRLLS for providing me this opportunity.

I am extremely glad to be among you and talk about this crucial topic: ICT Development and Connectivity for the Landlocked Developing Countries (LLDCs), with special focus on special development challenges of landlocked developing countries and way forward to address these needs.

- Landlocked developing countries indeed face special development challenges due to:

- lack of access to the seaport,
- long distances to the ports,
- inadequate telecommunication and ICT infrastructure
- inadequate transport infrastructure, and
- cumbersome customs and border crossing procedure

- LLDCs also face unique challenges including their remoteness from major international markets and high transport and trade transaction costs.
- In this scenario, the United Nations recognized special needs of the LLDCs and the UN adopted the Almaty Program of Action in 2003 in order to address these special needs of LLDCs.

With great satisfaction, I recall the resolution on "special measures for landlocked developing countries and small island developing states for access to international fiber optic network" unanimously passed by the ITU World Conference on International Telecommunications(WCIT-12) held in Dubai in 2012.

- The importance, relevance and indispensability of the telecommunications and ICTs including broadband for the overall socio-economic development of the country have been unquestionably accepted by all.
- The telecommunications and ICTs spans across all sectors of human life. It is not only an industry in itself creating employment opportunities and contributing to economic growth but also an agent and means for other sectors of the economy to be competitive, efficient and accessible for all.
- With the advent of e/m governance and the proliferation and extensive adoption of the social media by general public, internet is now indispensable for institutionalizing democracy and the internet ensures a greater extent of people's participation.

ITU has done a tremendous job to promote the development and use of telecommunications and ICTs including broadband and has produced a

huge repository of knowledge database of international best practices and specific country cases-accessible for member states and general public. In this regard, the ITU deserves a sincere appreciation.

- Many member states have in principle accepted many resolutions including Millennium Declaration, WSIS outcomes: both Geneva Plan of Action and Tunis Agenda, Targets set by Broadband Commission for Digital Development, commitments expressed through ITU-PP and WTDCs, WCIT etc.

- **The challenge lies in their implementations.**

The key issues on ICTs/Broadband confronting the LLDCs include but not limited to the following-

1. Lack of expertise to formulate custom designed policy, legal and regulatory framework suitable for the specific needs of the country.
2. We tend to copy the best practices of other developed countries which do not work properly in our case due to different kind of culture, political environment and enforcement capacity.
3. The protracted political transitions, political instability, lack of consistency in the policy, legal and regulatory regime, law and order situation creating difficulty in law enforcement etc. give rise to lower confidence in the private sector for investment.
4. Lack of investment results in lack of infrastructure development hampering quality of the services.
5. **The unnecessary delays in the process of decision in the issues like licensing and spectrum have been obstacles to stiff competition, diversification and introduction of the state of the art technologies.**
6. **The crucial and critical resources such as spectrum have remained unused on the one hand and on the other hand the governments are losing potential revenue from such resources and also the taxes from the potential service providers.**

7. Development of infrastructure particularly the broadband infrastructure has posed a challenge due to the lack of appropriate mechanisms of financing and the business models.

8. Many of our governments/regulators have collected the USO (Universal Service Obligations) Funds for providing telecommunications/ICTs services in the rural and remote areas. Again due to lack of expertise, appropriate mechanisms of project management and the business models, huge funds have remained unused.

9. Spectrum management including pricing mechanism, allocation and assignment in a timely manner facilitating the adoption of more advanced wireless technologies has been critical.

10. Many of the governments and the regulators have not been able to adopt a unified licensing regime, have not addressed the policy, legal, regulatory and institutional arrangements to cater to convergence brought about by the development of devices, networks and technologies. The service providers are ready to provide multimedia services but governments and regulators are not ready.

11. The service providers-especially traditional telcos now have become multi-media service providers. There is a tremendous pressure for them to build broadband infrastructure to cater to the increasing bandwidth demand both in the access network and backhaul. But the revenue from data service is still insignificant to finance the infrastructure cost. The proliferation of the Over the Top (OTT) services has proven to be a threat for the telcos. The telcos are now confronted with the appropriate business models for a sustainable existence.

12. Many governments have realized the importance of e/m governance for its obvious advantages. But the traditional bureaucracy is not ready for assimilating such changes. The IT and the telecom infrastructure for the implementation of e/m-government programs remains a great challenge.

13. We have emphasized the importance of broadband penetration. The adoption of the broadband services has been hindered by the lack of appropriate services/applications and contents relevant to the particular user or group of users.

14. Local contents have not been developed to the extent that broadband services become essential for the users.

15. The use of social networking such as facebook has contributed to people's interest in the use of internet. Such interest should be generated for e-health, e-education, e-governance etc. as well.

16. Access to international Internet Bandwidth has emerged a major challenge for service providers. How to minimize the requirement of international Internet Bandwidth appears to be a challenge for many of us.

17. To enhance public confidence in the use of ICTs, cybersecurity remains critical. Implementation of the existing electronic Transaction Act has had difficulties.

I am sure these are generic issues that possibly all LLDCs are confronted with.

In the Context of Nepal

Nepal has really worked hard to implement the Almaty Program of Action, particularly in the ICT development sector.

Nepal has adopted the policy of liberalisation in the ICT and telecommunication sector. Nepal has a total of 6 telecom operators: one semi-government and 5 private operators. They are:

1. Nepal Telecom
2. Ncell Pvt. Ltd.
3. United Telecom Limited
4. STM Telecom
5. Smart Telecom
6. Nepal Satellite

- So far as Nepal is concerned, despite a decade long insurgency spanning from1996-2006, the telecom sector remained growing.
- After the conflict ended in 2006, the growth has been tremendous since then.

- **The current teledensity stands at 81.72% as of August 2013.Similarly the internet penetration stands at 27%.**

- We have recently formulated a new spectrum policy.

- We have also migrated to a unified licensing regime.

- The implementation of these regime changes is underway.

- Nepal has recently formulated a draft on National Emergency Telecommunication Plan which is awaiting final approval.
- Convergence is on the top agenda of the government.
- We are in the process of utilizing our USO Fund mainly in building National Broadband Network, helping persons with disability for them to enable ICT accessibility and connecting schools through broadband.
- Quality of Service has remained one of the issues even after decades of providing mobile service to the people.
- We are coming up with new regulation for enforcing QoS of mobile services.
- Regulatory framework for infrastructure building and sharing is being prepared.
- IPv6 migration strategies are being considered.
- **The ITU allocated orbital slot for Nepal which Government of Nepal has seriously taken into consideration for utilization.**
- At the regional and sub-regional level the development of ICTs/Broadband has been taken into serious consideration. Through the SAARC development fund, community e-centers are increasingly being established.

- At the sub-regional level between Bangladesh, Bhutan, India and Nepal, SASEC Information Highway for laying optical fibre as well as community e-centers and also Regional Training Networks are being established and they are in the process of implementation.

- The "to do list" is long. This is where the cooperation and sharing the best practices remains critical. And why this preparatory is very important.
- **Let us work together to overcome the challenges and obstacles of ICT development in LLDCs with our full-fledged commitments by improving our connectivity and addressing our special needs.**

Conclusion

I would like to conclude by saying that Nepal would like to see the next Plan of Action with a focus on ICT and telecommunications development. LLDCs need early warning systems during disasters to save the lives of the people. It is only possible through the development of ICT and telecommunications. It's time to work together. Nepal believes in "action speaks louder than talk".

Thank You.