

Towards an evolution of universal service mechanisms and Universal Service Funds in ECOWAS?

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Objectives

1. Provide an overview of the state of connectivity in ECOWAS countries
2. Present the legal framework for universal service in the Zone
3. Adopt a strategic perspective to understand the evolution of universal service and universal service funds in the ECOWAS Zone

Agenda

- ECOWAS in brief and the state of connectivity in the countries of the Region
- The Legal Framework for Universal Service in the ECOWAS countries and USF
- What evolution for the Universal Service and USFs in the ECOWAS Region?

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- 1** ECOWAS in brief and the state of the connectivity in the countries of the Region
- 2** The Legal Framework for Universal Service in the ECOWAS and the Universal Service Funds - USF
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The Economic Community of West African States in a nutshell:



15 Member States: Benin, Burkina Faso, Cabo Verde, Ivory Coast, Gambia, Ghana, Guinea, Guinea Bissau, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone and Togo. **Total area of 5,112,903 km².** Regional population estimated at **409 million inhabitants** in 2022 (nearly 30% of the African population) with a high proportion of young people (over 60%).

“A community of fully integrated peoples in a peaceful, prosperous region with strong institutions that respect fundamental freedoms and work for inclusive development and sustainable”.

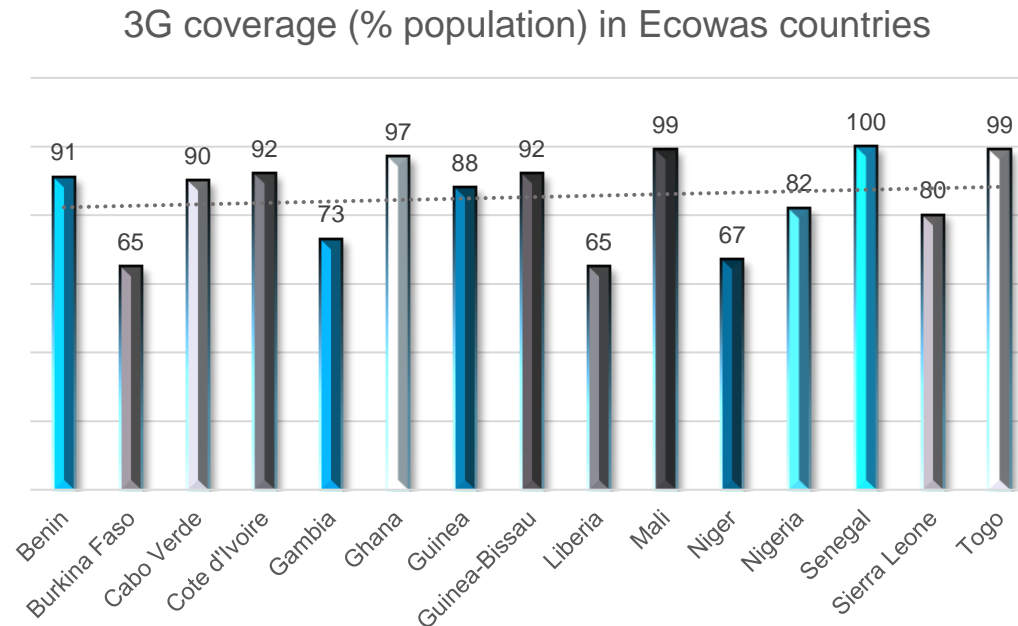
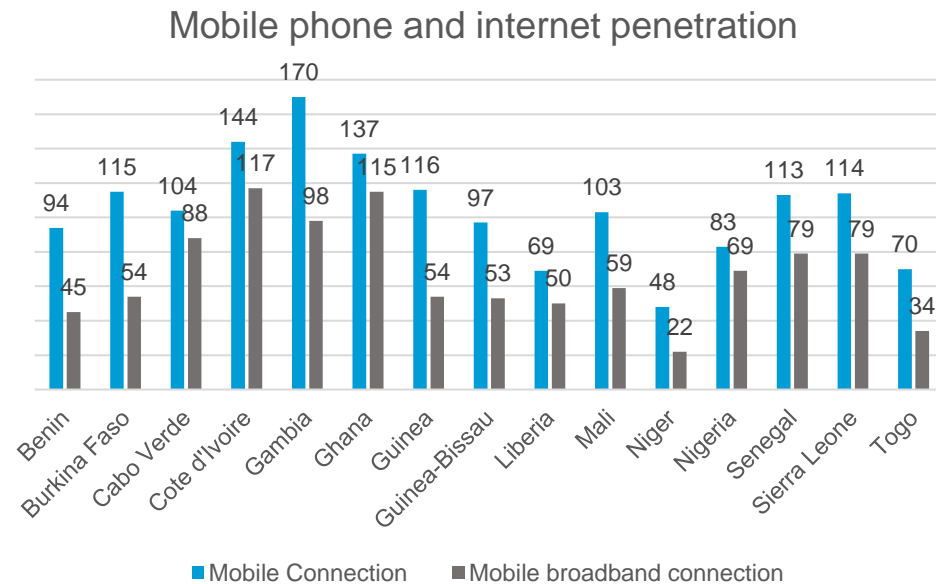
The ECOWAS strategic plan recognizes that digitalization provides solutions to the development challenges of the Region and that efforts are needed to guarantee universal access to digital.

- 1. Usages** : e-commerce, e-administration, e-health, e-agriculture, e-education etc. In this perspective, efforts must be made to guarantee access to digital technology and accelerate the technological transition.
- 2. Levers**: This involves, among other things, the establishment of an **appropriate regulatory framework**, a **governance adapted** to the sector, and **affordable, secure and quality digital infrastructures**.



However, upon analysis, the Strategic Plan doesn't reflect the structuring role of digitalization in achieving the Community's 2050 Vision.

In West Africa, mobile is the main platform for accessing electronic communications services, especially the Internet.



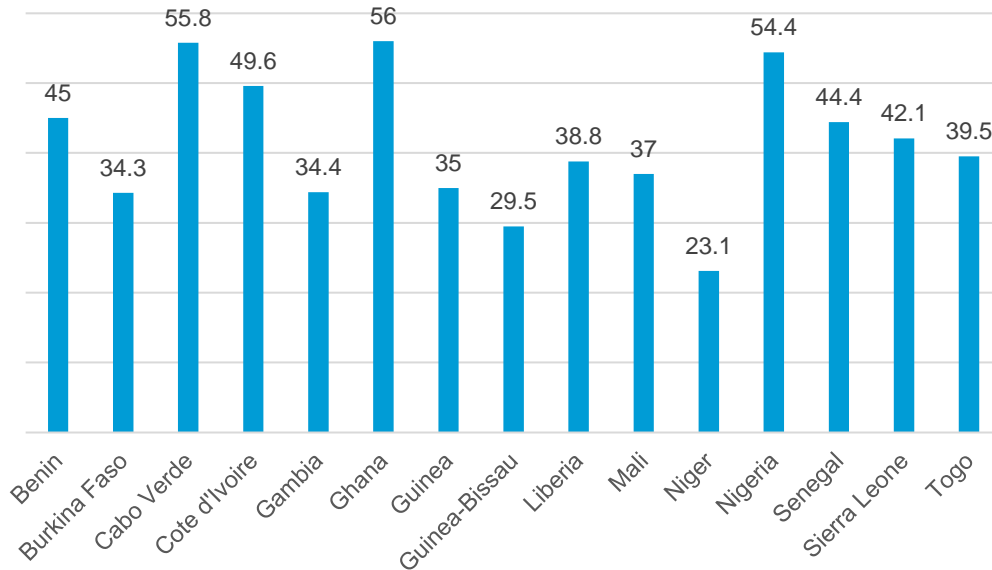
Sources: Internet World stats; GSMA Intelligence, 2021

Almost the entire population has access to mobile phones, while the average mobile internet penetration is 68%

3G networks cover on average 85% of the population while some countries reach or approach 100% coverage.

These statistics hide the reality of the under-use of (mobile) Internet services with fairly low connectivity indices for all countries.

Connectivity Index in ECOWAS country members



Source: GSMA Intelligence, 2021

On average in Sub-Saharan Africa, 61% of the population does not use mobile internet.

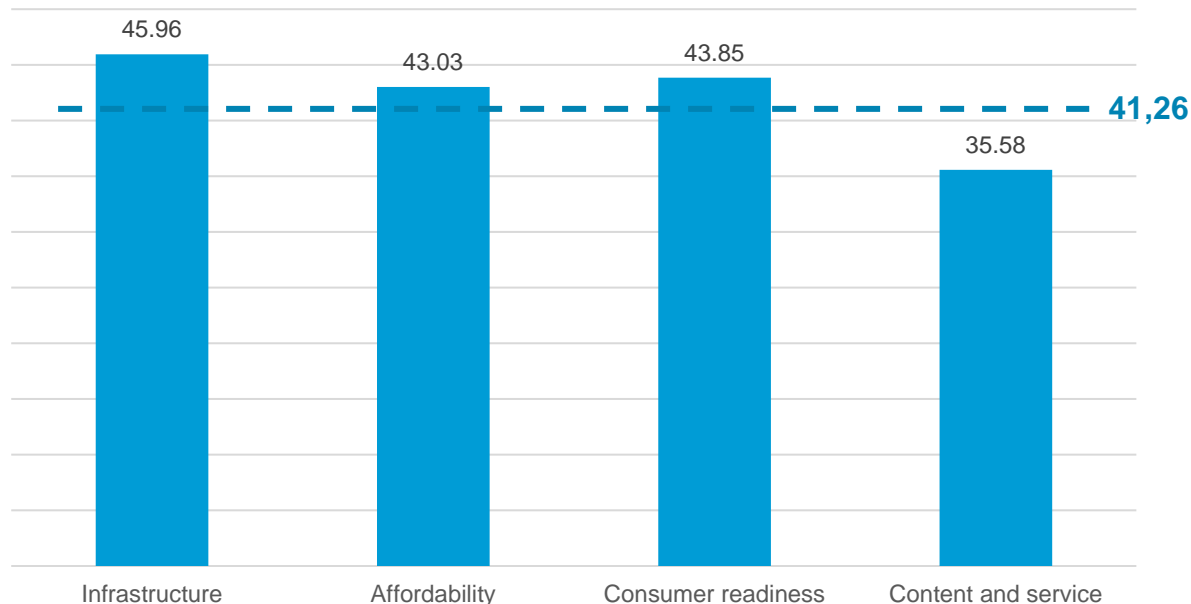
Connectivity Index: The Mobile Connectivity Index measures the performance of 170 countries against the key enablers of mobile internet adoption. Its objective is to support the efforts of the mobile industry, governments, and the wider international community to deliver on the ambition of universal access to the internet.

Countries are scored within a range of 0 to 100 across a number of indicators, with a higher score representing stronger performance in delivering mobile internet connectivity. This web tool allows you to explore the data used in the Mobile Connectivity Index, and to compare countries across a range of metrics.

www.mobileconnectivityindex.com

An analysis of the main factors in the adoption of the Internet reveals that the deficit in use is less the result of access to infrastructures than of affordability and the availability of content adapted to the needs of populations or even of the capacity populations to use mobile internet.

MOBILE CONNECTIVITY INDEX SCORE-ECOWAS:
DETAILS



The issue of universal access to electronic communications networks and services in the Region is no longer just a question of access to telecommunications infrastructure and services, but rather a question of the use of these networks and services.

Source: GSMA Intelligence, 2021

Reprocessing: calculation of the average of the indices of the countries concerned

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The Revised Supplementary Act A/SA.1/12/17 relating to universal access and universal service is the reference legal framework

1. **Definition of universal access:** access to a set of basic services for the entire population, regardless of **gender, ethnic origin, disability status, socio-economic level, or geographic location**, at affordable prices. (public access)
2. **Definition of universal service:** private or family access to a group of basic telecommunications/ICT services, available and accessible to all citizens, without distinction of sex, ethnic origin, state of disability, level , or geographic location, at affordable rates. (private access or for households)
3. **Note the evolution of the scope of the universal service compared to the former Supplementary Act A/SA/6/01/07 dated 19/01/2007** which defined...; access to a minimum set of services, defined in this Act (“universal service” Act), on the territory of ECOWAS Member States to the entire population, regardless of their **geographical location** and at affordable tariff conditions ". The mandatory minimum service package is as follows: Provision of the telecommunications service; Publishing of telephone directories and information services; Emergency services; Public access and public payphones; Special measures in favor of certain social groups.

Community texts list the services which must be accessible to all, ...

Member States shall take the necessary measures to guarantee at least access in their territory to **all consumers, regardless of their disability, sex, ethnic origin, socio-economic level or geographical location** and at affordable price conditions to the services listed :

1. Electronic communications services: **broadband internet**, voice communications,
2. Directories, directory inquiry services and customer service for operators and service providers
3. Emergency services
4. Public access points/centres and community access points (at least one in each locality of 500 inhabitants or more by December 31, 2022)
5. Special measures in favor of certain social groups
6. **Additional services which Member States may specify**

The ECOWAS legal framework deals very little with universal service funds, grants a preponderant role to the Regulatory Authorities and defines many complementary mechanisms to achieve access and SU

1. Each Member State ensures the effective establishment of a financing mechanism for the universal access/service,
2. The purpose of the fund will be in particular to compensate any company responsible for providing universal service by financing the net cost of universal service.
3. The fund can finance electronic and/or associated communications infrastructure
4. The fund also has the flexibility to set up models for sharing infrastructure, innovative use of the spectrum
5. **Regulatory authorities** are responsible, in particular, for: monitoring compliance with su obligations, providing communities with access to broadband internet, collaboration with partners, etc.
6. **Member States** are invited to take a **multidimensional approach** to achieve access and su objectives: investment in infrastructure, local content, digital industry, skills, innovative regulation, ...

In reality, the USF of the Region carry out both access projects and projects geared towards the use of ICTs, with more focus on usage projects.

EXAMPLES





Rural Connectivity programs

Projets

- ✓ Rural Telephony Project (RTP) connects rural communities (inf 1000) with voice and data services (3G), innovative technology (UMTS 900 rural star technology), tri partite partnership (GIFEC, MNO and investors) for an efficient capex and opex
- ✓ Ghana Rural Telephony and Digital Inclusion Project: extension of the RTP projects flagships
- ✓ Satellite hub, for schools for example

ICT capacity building and skills development program

Projets

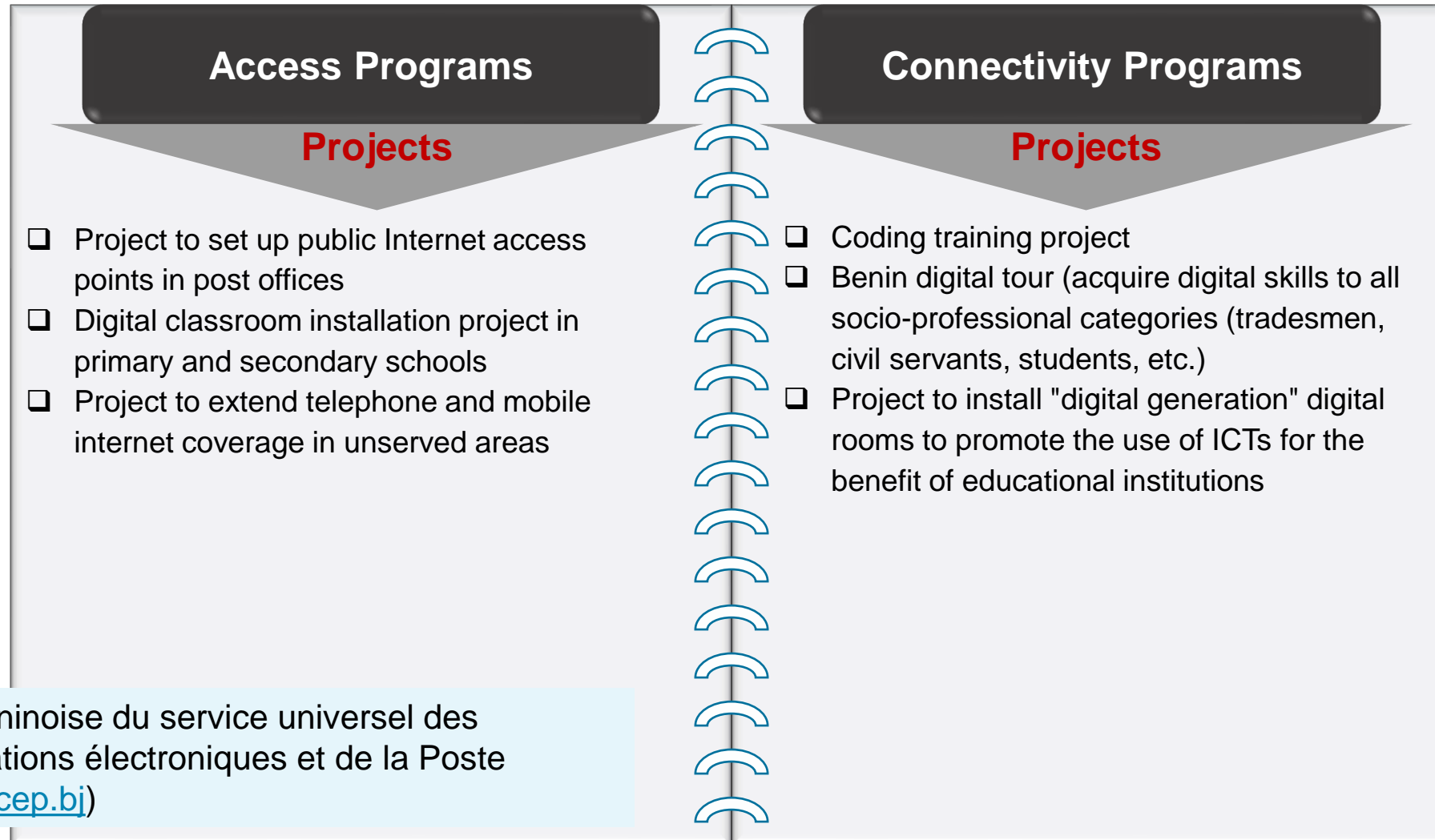
- At the community level for unserved and underserved:
 - ✓ Coding, women entrepreneur training
 - ✓ girls in ICT program,
 - ✓ education workshops,

Cyberlab program

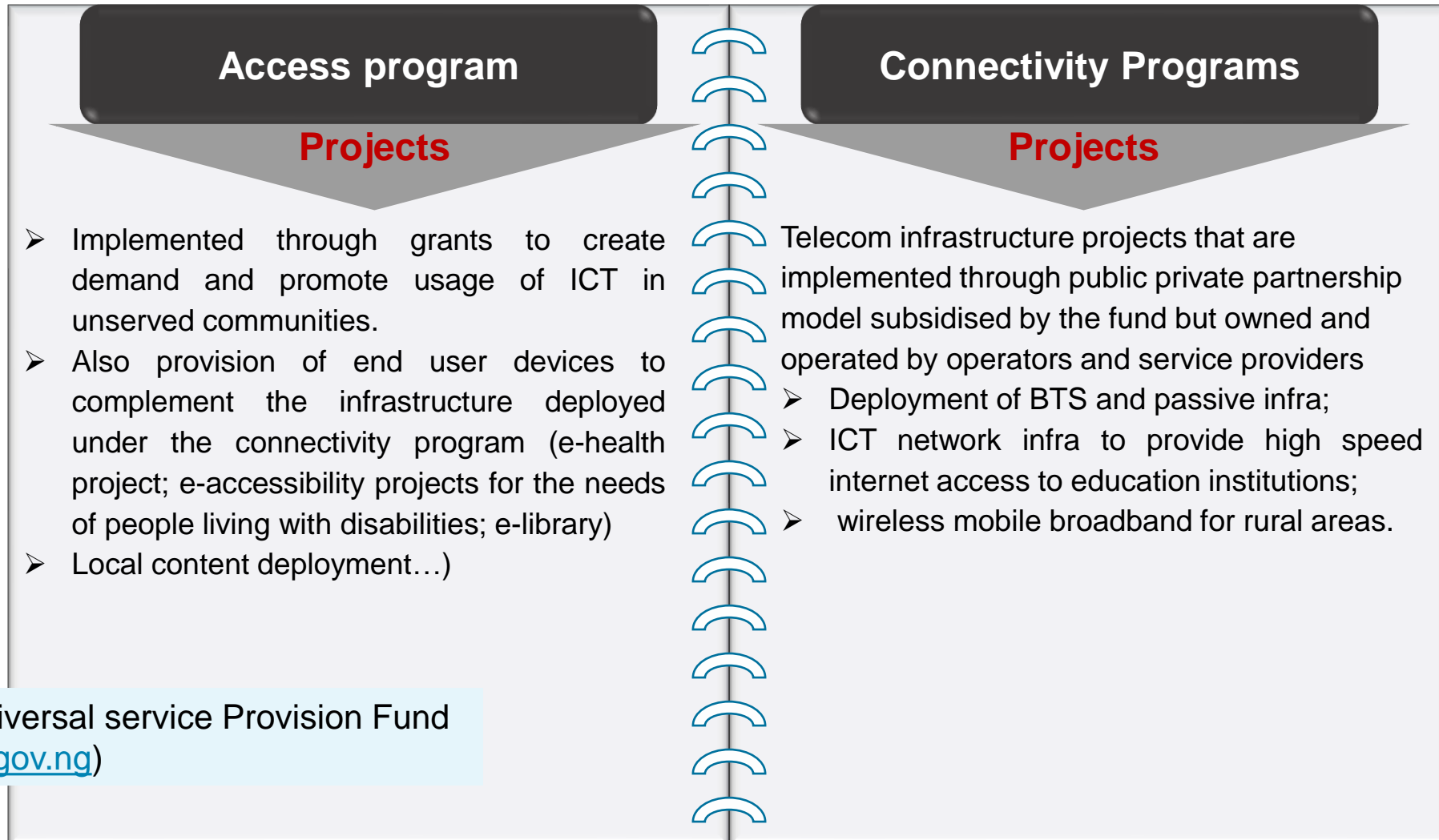
Projets

- ✓ School connectivity project to provide education institutions with fully equipped ICT laboratories (684 built)
- ✓ Community ICT Center within designated locations to provide community wide access to full service ICT at publicly available locations (214 CIC built)

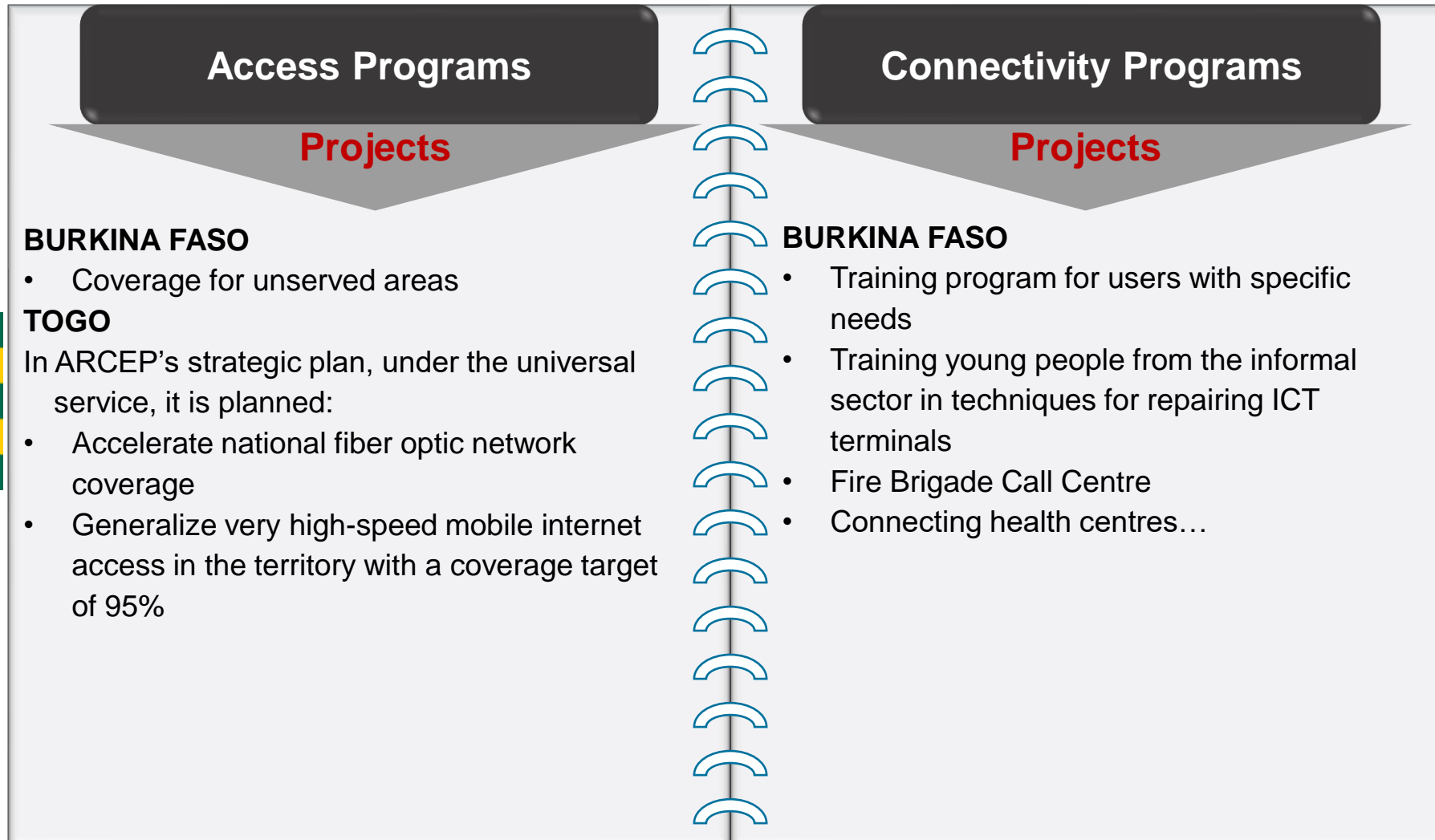
Ghana Investment Fund for Electronic Communications (www.gifec.gov.gh)





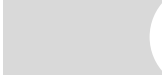
Agence Béninoise du service universel des communications électroniques et de la Poste (www.absucep.bj)



Nigeria: Universal service Provision Fund
(www.uspf.gov.ng)



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The evolution of the economic and legal framework of universal service and USFs could be conditioned by several factors:

- **The nature and evolution of the gaps to be bridged, coupled with the ambitions of the countries in terms of inclusion will impact the scope of the universal access/service**
- **Technological developments and their implications in terms of usage will also impacts the scope of the SU**
- **The megatrends that characterize the Region and their implications in terms of needs to be covered and competitiveness: youth of the population, urbanization, ZLECA single market**
- **The resources that exist to finance universal service and USFs: question of the relevance of certain resources such as the contribution of operators and service providers (relevance, adequacy, availability, sufficiency)**

What are the strategic perspectives for Universal Service and USFs in the ECOWAS region?

Questions	Implications
If the goal is to bridge digital divides, what are they? How to fill them?	Focus on gender Focus on poverty Focus on location (rural; urban disadvantaged)
What are the mega trends in the evolution of ECOWAS countries? How to respond to these trends from the point of view of access and use of ICT?	Focus on content and skills adapted to young people, on educational needs, on employment Urbanization Focus on access to smartphones Access to the common market

What are the strategic perspectives for Universal Service and USFs in the ECOWAS Region?

Questions	Implications
Which relevant funding mechanism? Is the contribution of players in the electronic communications sector (MNO, SP) still relevant?	Adverse effect of the operators' contribution on their investment capacities Play or obligations mechanisms only
What institutional and organizational scheme to meet these challenges?	Moving from economic models to cognitive and behavioral models Integrating change management into ICT projects Skills and capacities of regulators and USFs What relevant actor to provide leadership in this area?



MANY THANKS FOR YOUR KIND ATTENTION