

**ITUWebinars**

## **ITU Regional Economic Dialogue for Africa**

(RED-AFR)

*Meaningful and affordable digital  
connectivity for Africa*

11-12 November 2020  
13:00 to 16:00 (CEST), Online

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# **RED-AFR 2020**

## **Executive Summary and Way Forward**



# ITU REGIONAL ECONOMIC DIALOGUE FOR AFRICA (RED-AFR 2020)

Co-organized with the Guinea Bissau Autoridade Reguladora Nacional das Tecnologias de Informação e Comunicação (ARN) virtually, 11-12 November 2020

**Focus:** Meaningful and Affordable Connectivity in Africa– # **Building Back Better**

## **The Scene:**

- **900 million (50%) people** in Africa- mostly women, youth in rural communities have no access to Internet –With all health, education, social and commerce services being pushed online, we face a real concern of those without broadband access being left even further behind.
- **Affordability** – only 10 out of 45 countries in Africa could boast of having affordable Internet. That's not spending more than 2% of average monthly income on one gig of data.
- **95 billion U.S. dollars** (according to the [ITU Last Mile Connectivity in the Context of COVID-19 Report 2020](#)) is what is required to connect the last 50% unconnected in Africa- Addressing both demand (Digital skills, content, etc.) and supply (robust and resilient infrastructure) requirements.
- **Collective and coordinated approach** by all stakeholders in the digital ecosystem to meet this need.

**RED-AFR 2020** is a platform of dialogue to share experiences and insight in an effort to identify collective strategies and models for enabling affordable and meaningful digital connectivity and access in Africa. This year the RED-AFR organized:

- **3 high-level roundtable discussions** (11-12 November)
- Followed by the **ITU-D Study Group 4/1 session** on National, regional and global coordination on economic policies and methods of determining the costs of national services.



# Key summary

## Investment and Partnership

- Increase Public and private sector partnerships (PPP) for infrastructure development and last mile connectivity;
- Leverage further on collaboration with UN, Development Communities, Regional Associations and Regional and International Financial Institutions (ADB, World Bank, etc.);
- Support local digital innovation- increase Africa's footprint in the digital platform business ecosystem.

## Policy and Regulation

- Adopt long term investment friendly policies and regulations to ensure the predictability and regulatory certainty that is needed to promote business and to encourage sustainable investment models;
- Strengthen other sectors and industry involvement in policy formulation process;
- Adopt agile, fit for purpose and collaborative regulation.

## Demand side

- PPP approaches are required for massive digital skills development to reduce gaps in Africa;
- Give priority to Content and meaningful applications development in key sectors (education, health, agriculture, etc.);
- Inclusivity- Gender and Youth based approaches should be emphasised.

# Key summary

## Affordability and Access

- Review or revamp the Universal Service Funds (USF) models and approaches;
- Explore community network access models in underserved and rural communities;
- Extend access device subsidies and public community access points (WiFi hubs) to underserved and rural communities;
- Strengthen competition along the entire ICT value chain, especially for last mile connectivity;
- Consider satellite solutions for massive connectivity and economic growth;
- Review spectrum policies, consider increasing spectrum allocations- where appropriate, and review spectrum pricing strategies
- Broaden wholesale price regulation to include Digital Platforms;
- Consider reviewing government taxes on the ICT services, equipment and devices to encourage usage and adoption.

## Regulatory costing and pricing strategies

- Consider a regional revision and harmonization of regulatory regimes;
- Adapt and adopt open access interconnection regimes;
- Forbearance, light touch regulation where there is no competition;
- Promote cost-based interconnection between all local Internet Access Providers and Internet Service Providers, to avoid off-net high tariffs for clients;
- Operationalize RIXPs;
- Encourage development and investment in carrier neutral Data Centres;
- Mandate separation of wholesale and retail businesses, where appropriate;
- Promote infrastructure sharing- both passive and active;
- Industry should invest in network-based content delivery platforms (Deep Cache) and explore new revenue streams.



# Key summary

## ITU-D Study Group 1 – Question 4/1

- The adoption of the new **complementary Guidelines on Cost Modelling** can provide national regulatory authorities (NRAs) and telecommunication/ICT network operators with additional cost modelling basis that can be useful for their costing and pricing activities;
- Question 4/1 will continue to coordinate the efforts on economic aspects of Telecommunication/ICT within ITU-D Study Groups, ITU-T SG 3 and ITU-R SG 1;
- Question 4/1 will collaborate on using and developing relevant economic statistics and indicators in collaboration with the different ITU Bureaux and ITU Membership;
- The Study period 2021-2025 proposed new topics for Question 4/1 were presented and will continue focus on all the economic aspects of national telecommunications/ICT markets from the point of view of all stakeholders (countries, regulators, existing operators, new entrants, consumers);
- Active participation of ICT Policy Makers, Regulators, ICT Stakeholders, Private Sector, Academia, etc. on the ITU-D Study Groups activities.



# Way-forward

- BDT is putting together a report for the AFRICA region on the status of affordability and connectivity in Africa and a guiding frameworks for the region for meaningful and affordable Internet access;
- The discussions and recommendations from RED-AFR 2020 will be incorporated in the report and shared with all stakeholders, especially Governments and the ICT industry, to be used as to inform digital transformation policies in Africa;
- Need for continued engagement at national, regional and international level in identifying strategic solutions and business models that ensure meaningful and affordable connectivity for all;
- We call for the increased participation of ITU Member states and Sector Members, the industry and development community to the ITU Study Groups- for collective identification of ICT policy strategies and technical solutions;
- LETs ride the COVID-19 wave which has brought our sector to the fore front - digital connectivity is now the top of every nation's agenda- We should collectively fast track Africa's Digital Development Agenda.

