WEST AFRICA TELECOMMUNICATIONS REGULATORS ASSEMBLY WATRA



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THE WEST AFRICA REGIONAL SYSTEM PROJECT TO COMBAT COUNTERFEIT DEVICES

PRESENTATION SUMMARY

1. Background

With the liberalisation of telecommunications sector and completion through the establishment of modern legal and regulatory structures for telecommunications delivery in West Africa towards a common, virile common telecommunications markets, the number of mobile telephone users is increasing. Today, we have more than 250 millions mobile users in West Africa. In the majority of ECOWAS countries, the penetration rate is more than 100 %. One of the consequences of the development of telecom sector in West Africa is the proliferation of counterfeit ICT equipment and accessories. The counterfeit devices often use inferior components and, in most cases, do not comply with applicable national legal requirements regarding the certification, approval, distribution and sale of mobile devices. Counterfeit mobile phones also pose significant health and safety risks. Such devices may contain levels of chemicals that exceed established safety standards and they are more difficult to collect through e-waste management programmes. This has an impact especially in our countries which have limited or no environmentally sound recycling capabilities and with large volumes of counterfeit mobile devices. Tackling the counterfeit device issue by disabling these devices further compounds this problem for our countries. Device fraud is a growing worldwide problem and the estimated number of counterfeit mobile phones was 250 million devices worldwide in 2011 which was around 15-20% of the global mobile phone market, the figures are constantly increasing.

Counterfeiting is widely recognized as a significant and growing socio-economic problem. Looking for a range of means to combat the trade in counterfeit products in addition to a number of national and regional initiatives to combat the counterfeiting of mobile devices, WATRA would like to establish and implement a regional system.

2. Justification

Counterfeit mobile phone and accessories negatively impact society by, among other things:

- lowering the quality of service of mobile telecommunication services, thus impacting the experience of consumers and businesses;
- creating a safety hazard for consumers due to use of defective or inadequate components or materials;
- raising cybersecurity-related threats;
- jeopardizing consumer privacy;
- impairing the safety of digital transactions;
- evading applicable taxes and duties and hence negatively impacting government tax coffers;
- creating risks to the environment and consumer health due to the use of hazardous substances in the manufacturing of these devices;
- facilitating drug trade, terrorism, and local and international criminal activity;
- causing economic harm given the market distortion caused by the unfair competition and deceptive practices; and damaging the trademarks of companies who manufacture the original.