



INTERNATIONAL TELECOMMUNICATION UNION

**TELECOMMUNICATION
DEVELOPMENT BUREAU**

**Document 006-E
24 February 2009
Original: French**

7TH WORLD TELECOMMUNICATION/ICT INDICATORS MEETING, CAIRO, EGYPT, 3-5 MARCH 2009

SOURCE: Ministry of Posts and Telecommunications, Cameroon

TITLE: Measuring the impact of telecommunication development on the creation of
employment

Measuring the impact of telecommunication development on the creation of employment

Bertrand Kisito NGA

Head, Standardization and Statistics Service
Ministry of Posts and Telecommunications
Yaoundé – Cameroon

**7th ITU World Telecommunication/ICT
Indicators (WTI) Meeting
Cairo, 3 to 5 March 2009**

Introduction: the situation in Cameroon

- In his keynote address, the President of the Republic, His Excellency Paul Biya, stated that Cameroon needs Internet access for all.
- The Internet is the very cornerstone of ICT
- Mastery of information and knowledge is the key to economic and social development
- In this context, are ICT producer and user companies fostering the creation of employment? In other words, how can ICTs be used effectively in the fight against poverty?

Introduction: the situation in Cameroon

- Act 98/14 of 14 July 1998 governing telecommunications in Cameroon has enabled the:
 - introduction of a new legal and regulatory framework
 - separation of postal and telecommunication activities
 - establishment of the Agence de Régulation des Télécommunications
 - introduction of two private mobile operators
 - retention of CAMTEL, the fixed telephony operator

3

Presentation plan

- **1. Introduction**
- **2. Typology of ICT producer and user companies in Cameroon in regard to the creation of employment**
 - 2.1 ICT producer companies
 - 2.2 ICT user companies
- ✂ **3. Problems associated with the dissemination of ICTs in Cameroon**
 - 3.1 Problems associated with ICT accessibility
 - 3.2 Problems associated with ICT usage
- ✂ **4. Possible solutions**
- ✂ **5. Conclusion**

4

2. Typology of ICT producer and user companies

2.1 Producer companies

These are: CAMTEL, MTN, ORANGE.

CAMTEL is responsible for:

- the study, installation, operation and maintenance of all systems used in the provision of telecommunication services within Cameroon
- commercial, industrial, movable, immovable and financial operations.

5

2. Typology of ICT producer and user companies

2.1 Producer companies

MTN and ORANGE are private capital companies. They are responsible for establishing and operating a national public GSM cellular telephony network and providing the mobile telephony service, including value-added, terminal equipment and all support services.

6

2.1 Producer companies

2.1.1 Fixed and mobile telephony services

Jobs created by fixed and mobile telephony operators and assessment of the added value generated

7

2.1 Producer companies

Fixed telephony services

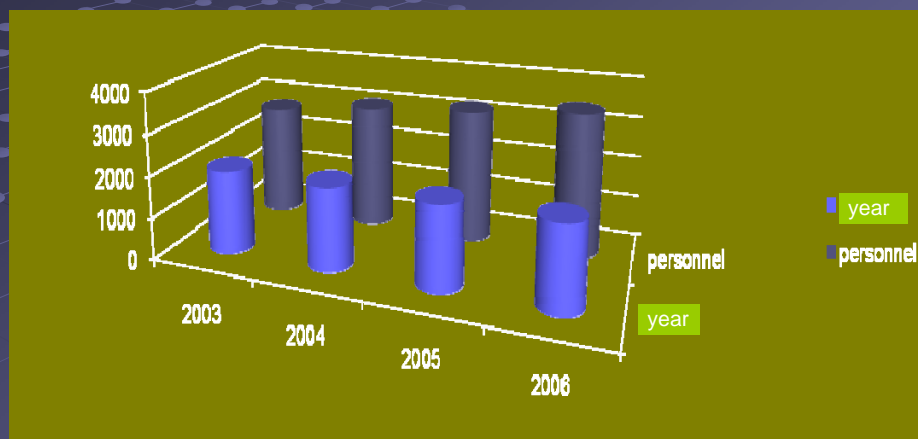
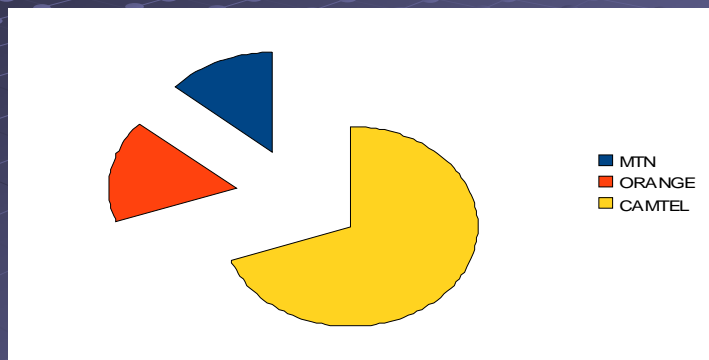


Table showing staff distribution by year
source: ART

Telephony services

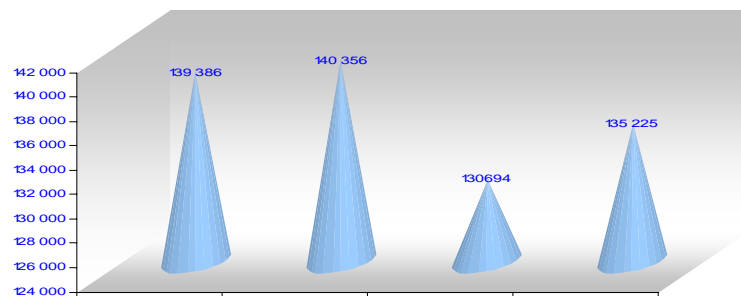


Source: ART 2005

Added value

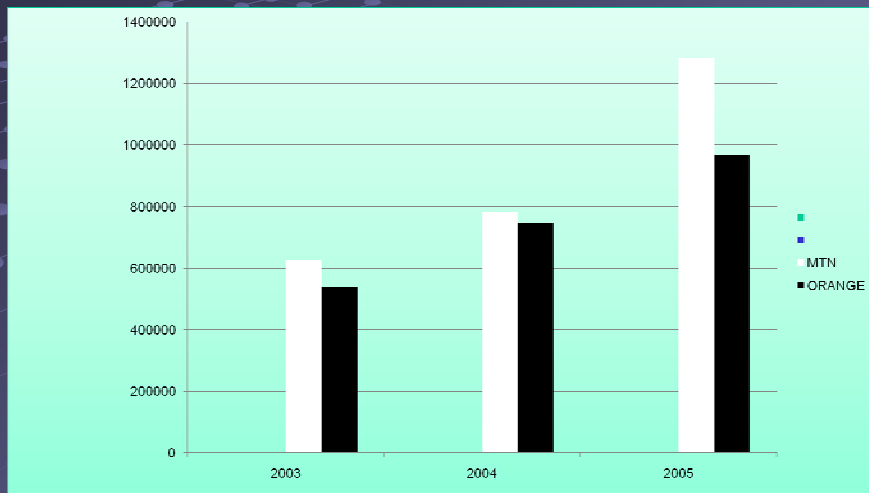
- a measure of the company's contribution to employment creation

Table showing the subscriber base for fixed telephony services



Source: ART 2005

Table showing subscriber base for mobile telephony services



Source: ART 2005

Table showing evolution of turnover, investment and added value

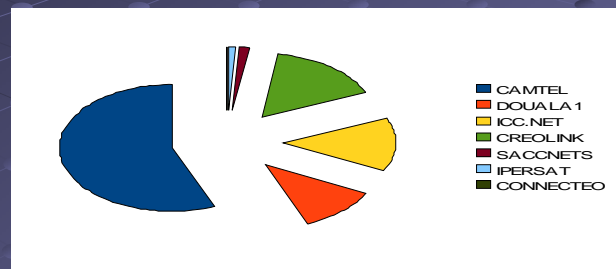


2.1 Producer companies

2.1.2 Internet access provision

- Main Internet access providers

Table showing number of subscribers in 2005



2.1 Producer companies

2.1.2 Internet access provision

The impact of Internet access provision will depend on the scope of the activities in question, productivity gains achieved and nature of the technical equipment, bearing in mind that the more customers an operator has the more employees it will require.

2.2 ICT user companies

ICT user companies play an indirect role in the creation of employment.

Jobs requiring high levels of qualification are these days liable to be affected by the worldwide phenomenon of service outsourcing.

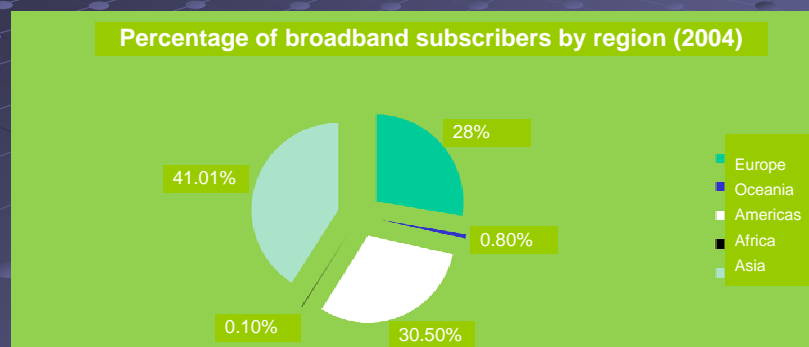
The operation and maintenance of new technologies call for highly specialized qualifications not held by conventional staff.

Hence, the productivity gains generated by the use of ICT and creation of employment will be found throughout the economy once the necessary technologies have been put in place and widely adopted.

15

2.2 ICT user companies

Despite the significant inroads that ICTs have made into the labour market in Cameroon in particular, and Africa in general, this nevertheless appears inadequate when compared with the performance seen on continents such as the Americas, Europe and Asia (pie chart)



This situation is explained by the problems involved in disseminating and popularizing ICTs, coupled with inadequate accessibility and use

16

3. Problems associated with ICT dissemination in Cameroon

The introduction of ICTs calls for major investment in basic infrastructures (terminal equipment, power supply), not to mention literacy. Two key problem areas are accessibility and usage.

Accessibility problems: Owing to the high cost of ICT infrastructures, Cameroon is in most cases falling behind in terms of their purchase. Not all of the country's inhabitants can afford terminals, given the relatively low standard of living.

Usage problems: The cost of services and calls presents a major obstacle, since in Cameroon these costs are high in comparison with those found in other countries with a similar level of development. The need for users to be digitally literate puts a massive brake on the use of ICTs. First, ICTs have not yet found their way into Cameroonian daily life, and second, a considerable number of people do not know how to read or write and are therefore unable to appreciate the benefits of ICT.

17

4. Possible solutions

These concern the measures to be taken in the interests of creating employment in Cameroon

- ✓ Policies aimed at innovation and the dissemination of technology must become an integral part of the Government's overall strategy.
- ✓ The authorities should take action aimed at fostering productivity gains derived from technological progress.
- ✓ The authorities should take action to bring about favourable conditions whereby technological progress can be harnessed for the creation of employment.
- ✓ There must be a strengthening of the efficiency and leveraging effect of initiatives pertaining to policies aimed at innovation and the dissemination of technology.

18

CONCLUSION

The main objective has been to assess the impact of ICT development on the creation of employment in Cameroon. The statistical examination of ICT producer companies has shown that they make a direct contribution to job creation and that the use of ICTs generates new or related professional activities.

However, the level of performance remains inadequate by comparison with results obtained in the developed countries.

It has been shown that there are problems relating to the dissemination of ICTs, specifically their accessibility and usage, and proposals have been put forward with a view to enhancing the ICT contribution to combating unemployment by:

- completing the reform of the ICT sector which began in 1998;
- strengthening the efficiency and leveraging effect of initiatives pertaining to policies aimed at innovation and the dissemination of ICTs;
- bringing about favourable conditions whereby technological progress can be harnessed for the creation of employment;
- assisting the ICT sector in securing productivity gains derived from technological progress;
- incorporating policies aimed at innovation and the dissemination of ICTs within the national strategy for combating unemployment.

19

THANK YOU FOR YOUR ATTENTION!

20