

# **Perceptions of Senegalese Telecommunications Policy Experts on Factors Affecting Policy Reform**

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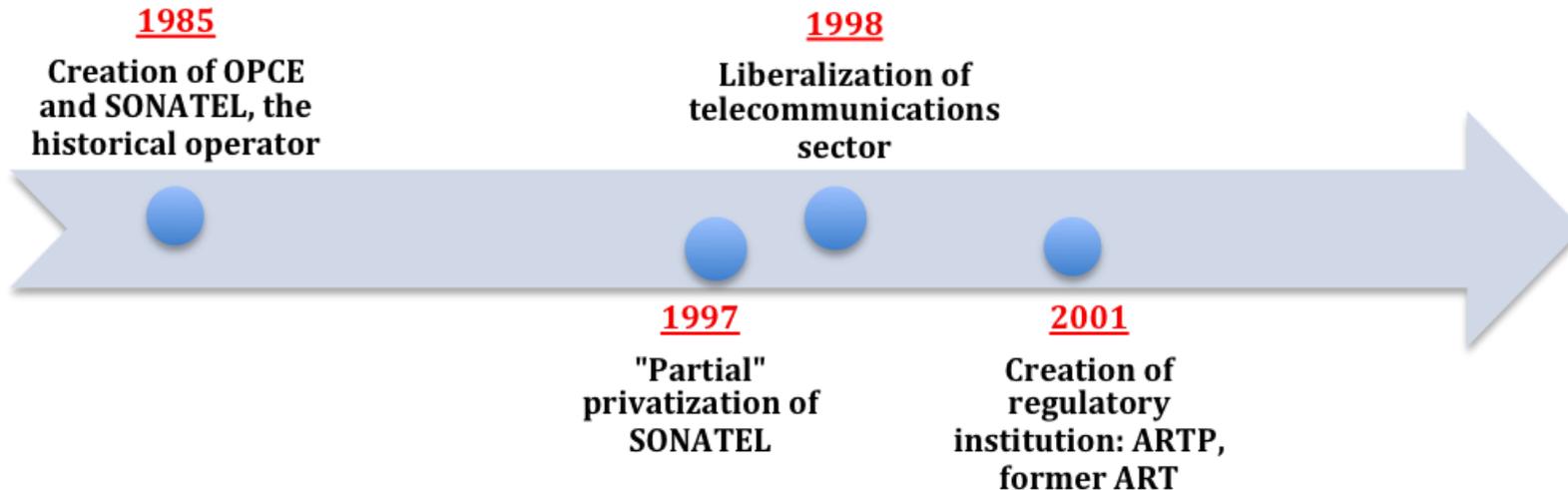
**Infosys Campus, Mysore**

# Factors perceived by experts as affecting policy reform?

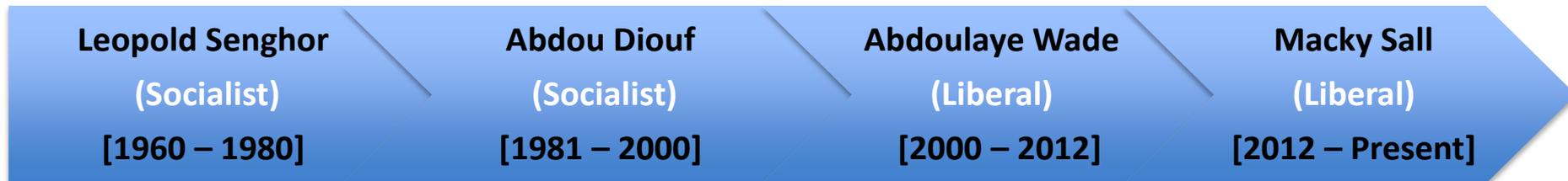
WGI	Interviewees' Perceptions of Factors Hindering Policy Reform		
<b>Voice and Accountability</b>	Misunderstanding and/or miscommunication between the government (decision makers) and "independent" telecommunications experts		
<b>Government Effectiveness</b>	Institutional instability	Lack of defined strategy and clear vision expressed by the government for the sector	Lack of expertise in the government
<b>Regulatory Quality</b>	Lack of independent and strong regulatory authority	Absence of regulatory authority before liberalization	Conflict of interest between the government, SONATEL and regulators

Sources: The Worldwide Governance Indicators (WGI) Project 2012, Literature and Interviews

# Chronological timeframe of major telecommunications reforms in Senegal



# Chronological timeframe of Presidential terms in Senegal



# Situations urging telecommunications policy reform in Senegal

- Untapped potential for the development of the sector
  - Hostile business environment for the private sector and particularly Small and Medium Businesses (SMBs)
- Controversial licensing deals

<u>Tigo</u>	<u>Expresso</u>
<ul style="list-style-type: none"><li>• Second operator to operate in the mobile market<ul style="list-style-type: none"><li>→ acquired for ≈ \$100K USD</li><li>→ 1998-2018</li></ul></li></ul>	
<ul style="list-style-type: none"><li>• License issue with (2000-2012) liberal government<ul style="list-style-type: none"><li>→ President challenged the validity of Tigo's license. No AFP!!</li></ul></li></ul>	
<ul style="list-style-type: none"><li>• Tigo acquires a unified license<ul style="list-style-type: none"><li>→ New liberal government (2012-New) settles the dispute in August 2012</li><li>→ acquired for ≈ \$106B USD</li><li>→ 2012-2028</li></ul></li></ul>	<ul style="list-style-type: none"><li>• Expresso acquires a unified license<ul style="list-style-type: none"><li>→ acquired for ≈ \$200B USD</li><li>→ 2007-2017</li><li>→ Allegations regarding ≈ \$40M USD given by Soddief (retro-commissions)</li></ul></li></ul>

# Importance of good governance

Obama: "Africa doesn't need strong men, it needs strong institutions." (The Sunday Times, 07/12/09)

2013 trip to Senegal,  
Tanzania and South Africa

- Good governance
- Accountability
- Promotion of democracy



# Governance: a bottleneck to unleash the sector's potential

## Worldwide Governance Indicators

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### The Worldwide Governance Indicators (WGI) project

reports aggregate and individual governance indicators for 215 economies over the period 1996–2011, for six dimensions of governance:

- **Voice and Accountability**
- **Political Stability and Absence of Violence**
- **Government Effectiveness**
- **Regulatory Quality**
- **Rule of Law**
- **Control of Corruption**

These aggregate indicators combine the views of a large number of enterprise, citizen and expert survey respondents in industrial and developing countries. They are based on 30 individual data sources produced by a variety of survey institutes, think tanks, non-governmental organizations, international organizations, and private sector firms.

#### What is Governance?

Governance consists of the traditions and institutions by which authority in a country is exercised. This includes the process by which governments are selected, monitored and replaced; the capacity of the government to effectively formulate and implement sound policies; and the respect of citizens and the state for the institutions that govern economic and social interactions among them.

# Interviewees' selection process

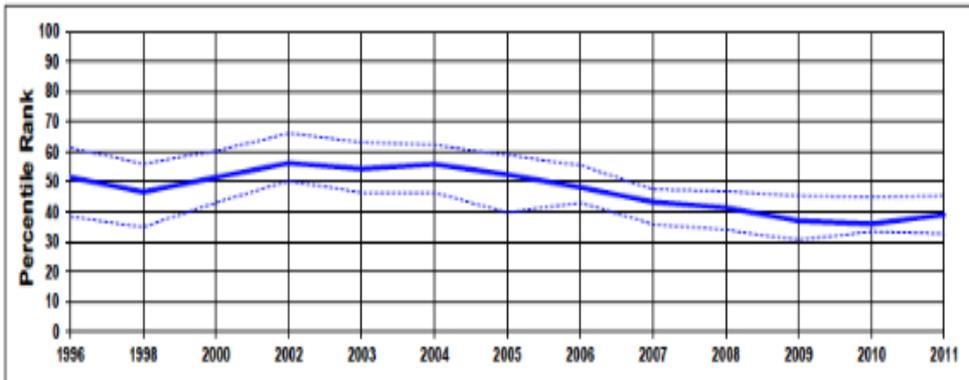
- They all fit in, at least, one of the “Three Dimensions of Experts’ Knowledge”

Interviewees	Technical Knowledge	Process Knowledge	Explanatory Knowledge
1) Executive at a leading telecom operator	X	X	
2) Executive at an ICT incubator		X	X
3) Former executive at leading telecom operator	X	X	
4) Small Business Owner			X
5) Executive at a leading ICT employers' organization		X	
6) Former decision-maker in the government	X	X	X
7) Former executive at the regulatory authority	X	X	X
8) Decision-maker in the government	X	X	

# Voice and Accountability Issues

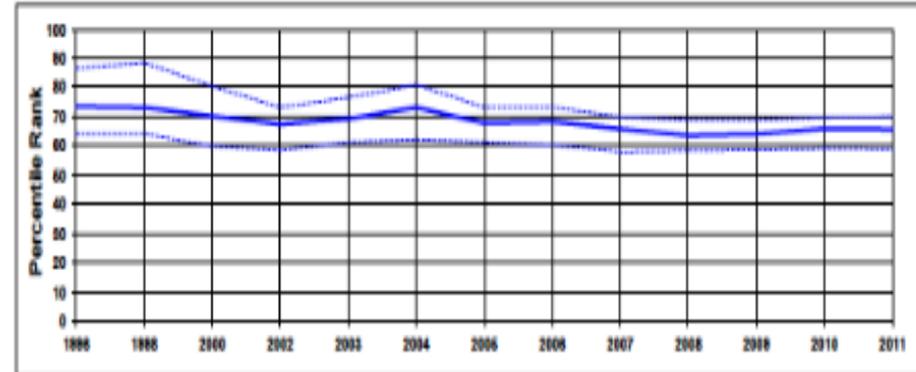
SENEGAL, 1996-2011

Aggregate Indicator: Voice & Accountability



SOUTH AFRICA, 1996-2011

Aggregate Indicator: Voice & Accountability



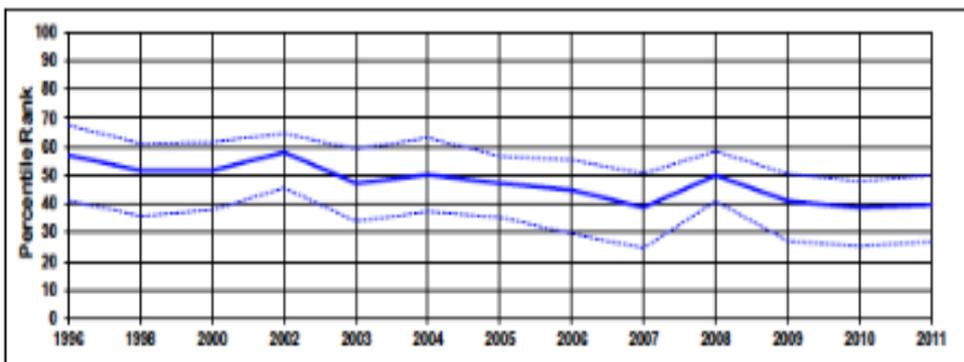
Source: Country Data Report for Senegal & South Africa , 1996-2011, World Bank

- Misunderstanding and/or miscommunication between the government (decision-makers) and “independent” telecommunications experts

# Government Effectiveness Issues

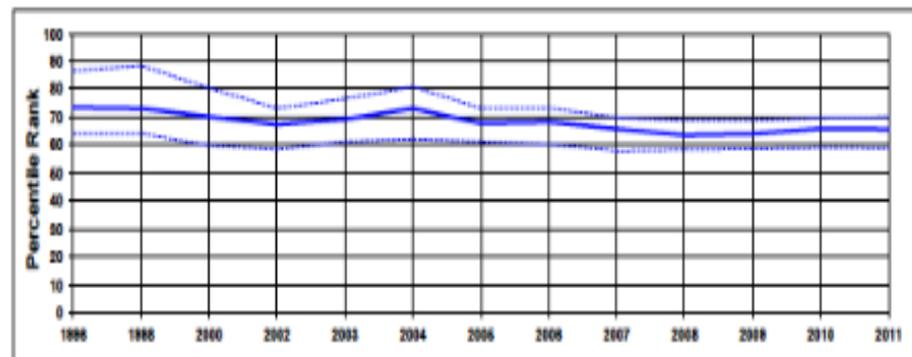
SENEGAL, 1996-2011

Aggregate Indicator: Government Effectiveness



SOUTH AFRICA, 1996-2011

Aggregate Indicator: Voice & Accountability

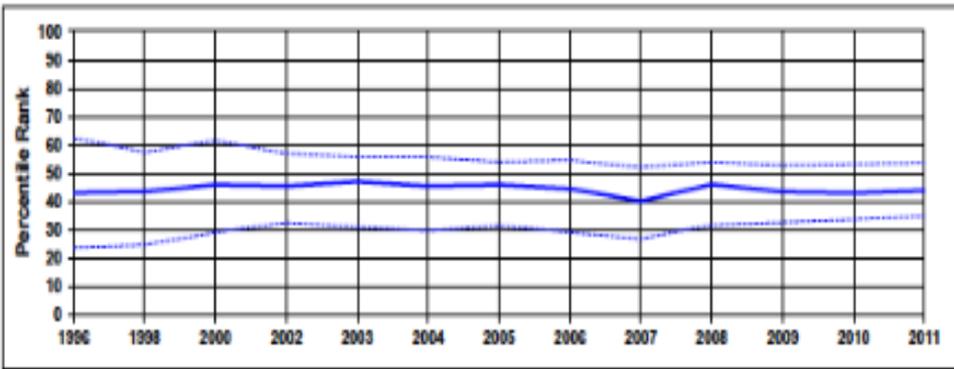


Source: Country Data Report for Senegal & South Africa , 1996-2011, World Bank

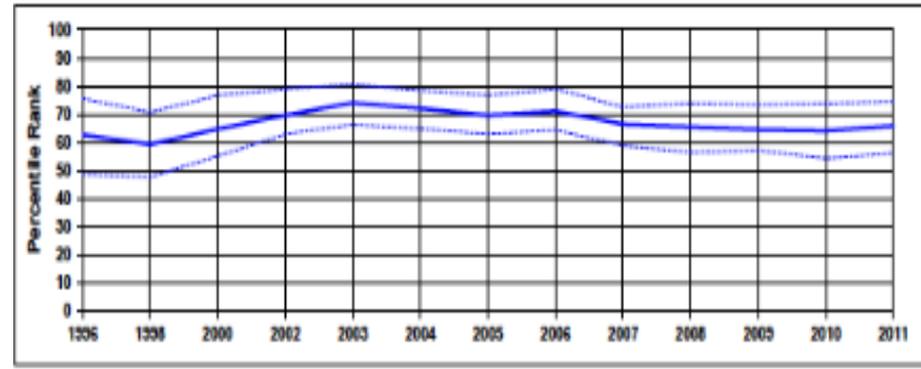
- Institutional instability
- Lack of defined strategy and clear vision expressed by the government for the sector
- Lack of expertise in the government

# Regulatory Quality Issues

SENEGAL, 1996-2011  
Aggregate Indicator: Regulatory Quality



SOUTH AFRICA, 1996-2011  
Aggregate Indicator: Regulatory Quality



Source: Country Data Report for Senegal & South Africa , 1996-2011, World Bank

- Lack of independent and strong regulatory authority
- Absence of regulatory authority before liberalization
- Conflict of interest between the government, SONATEL and regulators

# Recommendations

Interviewees' Perceptions of Factors Hindering Policy Reform	Recommendations
<ul style="list-style-type: none"> <li>• Misunderstanding and/or miscommunication between the government (decision makers) and “independent” telecommunications experts</li> <li>• Lack of defined strategy and clear vision expressed by the government for the sector</li> </ul>	<ol style="list-style-type: none"> <li>1. <b>Set up once per year a taskforce comprised of diverse telecommunications stakeholders to discuss constraints faced by the sector, brainstorm on strategies for the development of telecommunications, set up targets, measure results and improve processes.</b></li> </ol>
<ul style="list-style-type: none"> <li>• Institutional instability</li> </ul>	<ol style="list-style-type: none"> <li>2. <b>Recruit decision-makers in institutions in charge of telecommunications based on a nonpartisan selection process, in which the best candidates and experts are appointed.</b></li> </ol>
<ul style="list-style-type: none"> <li>• Lack of expertise in the government</li> </ul>	<ol style="list-style-type: none"> <li>3. <b>National strategic investment in the training and education of future policy-makers.</b></li> </ol>
<ul style="list-style-type: none"> <li>• Lack of independent and strong regulatory authority</li> <li>• Absence of regulatory authority before liberalization</li> <li>• Conflict of interest between the government, SONATEL and regulators</li> </ul>	<ol style="list-style-type: none"> <li>4. <b>Set up a strong and independent regulatory institution in order to avoid political interference in the regulator's activities and boost the regulatory quality.</b></li> </ol>