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Setting up a Pan-African ICT Observatory

The vision of international leaders and policy makers is to close the economic and societal gap between Africa and Europe in terms of technology advancements. It has been widely acknowledged that the development of Information and Communication Technology (ICT) will play a crucial role for Africa's development in the economical sector, but also in promoting democracy and good governance.

Based on these determinations, several initiatives were launched to support African societies and governments to achieve these goals. The African Information Society Initiative (AISI) describes the strategic framework and defines more detailed programs. One important prerequisite for a joint development of the ICT sector is the establishment of methodologies and indicators to measure the current state and progress of the Information Society (IS). A prerequisite is that efforts are based on a reliable and consistent framework and database.

At the 2nd EU-Africa Business Forum in Accra 2007, the recommendation was made to establish a Pan-African Observatory in order

to coordinate and boost ICT. Beyond this idea, the mission, the role, the tasks and the organisational and regulatory details of such an ICT Observatory were not defined. This brochure describes the basic content and findings of different initiatives aiming at measuring the current state and at accelerating ICT development in Africa. It also summarises the activities of international institutions and their potential role in further detailing and implementing an ICT Observatory. A research of comparable initiatives and programs – in different parts of the world – enlightens different models to fulfil these strategies. Recommendations for the structuring of an African ICT Observatory and for next steps are given. ■

Joint strategy for a Pan-African ICT development

Impressions of the EU-Africa Business Summit in Lisbon



"Despite rapid growth in Mobile phone usage, the digital divide between developed and African countries remains huge and is widening. Against this background, the setting of an Observatory as enabler for ICT is of paramount importance" (<http://bizclim.ning.com>)

Project Background

The EU-Africa Business Forum has recommended the establishment of an Observatory for ICT in Africa. This ICT Observatory was seen as a vital component of a Pan-African ICT initiative, accelerating the necessary changes in policy making, deregulations, and many other efforts. Until today, much data has been collected, however, a strategic approach towards the collection and measurement of data and indicators is urged which would enable key stakeholders (government, investors, businesses and citizens) to be well informed and to act accordingly.

The ACP (African, Caribbean and Pacific countries) Business Climate Facility of the EU regards the set up of a Pan-African ICT Observatory as an important element towards a private sector enabling environment. This concept follows the recommendation made by the EU-Africa Business Forum, Working group on ICT Interconnectivity. Its aim is to summarise the current status of various initiatives related to this issue, incorporate the opinions of experts and key stakeholders, and outline first suggestions for a successful set up. The mission of the ICT Observatory is to

become the main point of reference for accurate and up-to-date information, and the main institution formulating proposals regarding the contribution of ICT to the African countries progress.

Whilst reducing the gap between Africa and the rest of the world in terms of the digital divide, the developments within Africa due to ICT will be of utmost importance. If IT is defined as being strategically important and is implemented that way, a win-win situation will be created between inhabitants, businesses, governments and investors, where all four parties substantially benefit from the implementation.

One prerequisite for the establishment of an ICT Observatory is that efforts are based on a reliable and consistent framework: Africa will need an up-to-date database in order to start off and be at some point on the same level as other industrialised nations, which are already further developing ICT. These ideas led to the forming of an ICT working group which recommended the set up of a Pan-African ICT Observatory in order to boost the implementation of ICT in Africa. ■



With regard to this aspect, a first concept paper has been elaborated and within this project, the first findings can be summarised as follows:

- African countries are at different levels and stages of development in terms of their socio-economic and their respective ICT development. A methodologically sound and **accepted measurement of the stages** of development is crucial for the whole decision making process. The provision of a “basket of indicators” for these measurements is one main objective of the ICT Observatory.
- For each African country, the relevance of a specific set of indicators will be determined by the country’s development priorities. These priorities but also the country’s legislative frameworks and statistical capacities (National Statistics Office [NSO]) and data collection systems differ. Therefore, a **structured system of indicators** – adjustable to the country’s needs and capabilities – has to be developed.
- Due to various international initiatives (such as AISI), valuable concept work and empirical studies related to the ICT measurement in Africa already exist. In particular, the **SCAN-ICT project Phase I + II** offers a comprehensive list of core indicators. Around 60 indicators - clearly structured and covering different sectors – could serve as fundamentals of a database. Several African countries already successfully completed the SCAN ICT project Phase II and submitted their reports (e.g. Cameroon, Ghana, and Rwanda). ■

Core indicators on use of ICT businesses

Basic core	
B1	Proportion of businesses using computers
B2	Proportion of employees using computers
B3	Proportion of businesses using the Internet
B4	Proportion of employees using the Internet
B5	Proportion of businesses with a Web presence
B6	Proportion of businesses with an intranet
B7	Proportion of businesses receiving orders over the Internet
B8	Proportion of businesses placing orders over the Internet

Business Sector

Within the definition of the tasks for the ICT Observatory, decisions have first to be made as to which sectors are in the focus: the private and/ or business (small-medium sized enterprises [SMEs], institutions, international IT industry or local businesses) sector.

The development of the ICT sector of a country can basically be measured by data which describe

- access;
- availability;
- and affordability of ICT (e.g. Internet and broadband) services.

Most experts’ recommendations give priority to the development of the business sector. The mobilisation of private (and public) investments will be a prerequisite for a successful ICT development. Decisions about investments will be better enabled and opportunities for investments must be made visible. ■

Impressions of the EU-Africa Business Summit in Lisbon



“Appropriate use of science and technology (S&T) is essential for achieving Africa’s industrialisation and sustainable development, within today’s global, competitive environment” (ECA Business Plan 2007 – 2009).

“ICTs for grassroots”

To find its place in today's world and prepare for a promising future, every community needs to lean on its grassroots and grow in creative vigour and self-confidence. Several initiatives, to be found on www.itu.int provide a glimpse into the creative ways that ICTs are being used for grassroots enhancement. While providing a small snapshot of how ICTs are helping developing countries raise new generations of indigenous knowledge producers and consumers, these cases offer a framework for using ICTs for the social and cultural advancement of other marginalized or prospering communities throughout the world.



The ITU, based in Geneva, is the leading United Nations agency for ICT issues, whose mission is to enable the growth and sustainable development of telecommunications and information networks, and to facilitate universal access so that people everywhere can participate in, and benefit from, the emerging information society and global economy. One strategic focus of ITU is the measurement of ICT development. Within this approach it is structured by measuring access, use and impact, benchmarking ICT and measuring the digital divide.
www.itu.int

Impact of the ICT strategy

The published reports and studies on ICT measurement clearly show the **possible positive impact of a national ICT strategy** built upon target settings, actions and measurement of effects. Additional best practise examples and lessons learned can be taken from other Asian and European countries (Singapore, Greek ICT Observatory). The concrete structure and organisation of a Pan-African ICT Observatory has to be developed with specific consideration of the African needs but can use these already existing models.

www.observatory.gr

Strategic goal

The strategic **goal of the ICT Observatory** is to be known as the Pan-African institution with a leading role for the development of ICT in Africa. This implies that it becomes an institution which provides ICT policy makers, businesses and investment managers with essential and reliable data. Beside the “statistical” functions, there is a need for formulating national and multilateral ICT initiatives and legislative reforms. The decision has to be made if the proposed ICT Observatory has primarily “statistical” functions, or if these tasks should also be within the scope of responsibility of the Observatory.



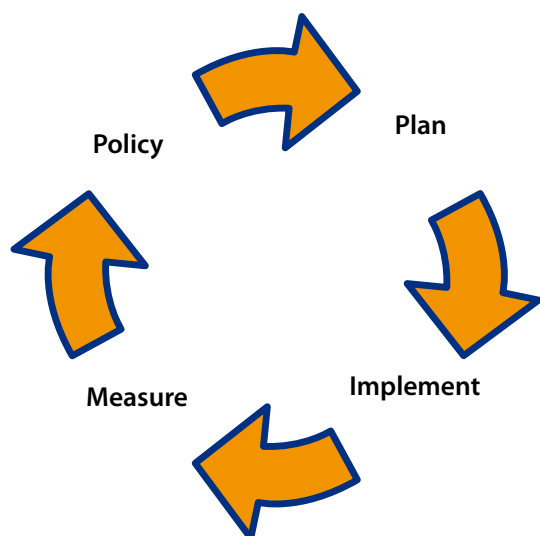
Next steps

The next steps towards a successful set up can be decided. The suggestion of a stepwise process outlines the possible next phases. The questions which have to be answered by a detailed feasibility study are pointed out. Many details of existing studies and reports, as well as methodological details and statistical data, are collected in a separate appendix to this brochure. The appendix also includes examples of institutions - comparable to the ICT Observatory in discussion - and a list of addresses leading to further information related to the subject. ■



Framework of a Pan African Observatory

A Pan-African ICT Observatory will be embedded in the framework and interdependencies between political policies and actions as well as private reactions. Such reactions, in form of investments from the business sector and, for instance, use of IT by the private sector, have to be measured in order to be able to determine the impact of policy actions on business investments as well as public benefits. These measurement results have to be translated into indicators and suggestions to support policy makers' decisions:



Within this framework, the Observatory's role will be to guide policies according to the need of each country. Consequently, planning must be done to enable target setting. The implementation of these guidelines must then be examined regularly to be able to measure the return on investment and take corrective actions if necessary. To gain acceptance within policy and society, the measurement has to comprise three main goals: enhance economic and social welfare, support a sound business environment, and assess and set up priorities for policies.

All discussions about the impact and benefits of ICT development are leading to four main sectors which are regarded – in particular for less developed countries – as vital:

- Education of local population will be enhanced due to **e-learning** and hence, e-skills will be acquired. A more qualified population will be an accelerator for the economy and can reduce unemployment significantly. Businesses can benefit thereof by providing infrastructure and equipment. In order to facilitate this process, e.g. ICT centres could be set up for the public where training sessions can be held, part of e-inclusion.
- By introducing the **e-government**, local population will be provided with information to government services electronically. Part of this can also be e-democracy, such as the UK and other countries are (planning to) introducing. It enables everyone to follow political processes or to vote for example. Citizens, who in the past may have felt excluded from the democratic process or were unable to participate, can then easily vote online.
- **E-business** will focus on supporting strategies for building the African Digital Economy comprising e-finance, e-transactions, e-commerce, e-trade and e-content. E-security appears to be a large part of this, making sure that confidentiality, integrity, non-repudiation and authentication are in control.
- Lastly, **e-health** is among the major components to be introduced, providing digital information to raise awareness and health standards, creating internet chat rooms between patients and doctors and establishing a database for patients. ■

Impressions of the ICT Best Practices Forum in Ouagadougou, Burkina Faso





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SCAN ICT

ECA launched a SCAN-ICT project with the main objective to identify and collect ICT4D indicators. Scan-ICT is an initiative of ECA, the International Development Research Center's Acacia (IDRC), the EU, and the Norwegian Agency for Development Cooperation (NORAD), that aims to build support for the phased development of a comprehensive African capability to collect and manage key information, needed to support the growing investment in ICTs, as well as the transition of Africa to an information society. In addition, Scan-ICT describes an opportunity to build capacity in Africa, the capacity for Africa to influence ICT investments, to extend their impact, and to encourage the development of

made in Africa solutions, applications, and content. The goal is to create a Pan-African ICT network, connecting all levels of ICT related issues, which will be co-ordinated and supported by an observatory/ research institute .

Within the first phase of this project SCAN-ICT Phase I, six countries were involved: Cameroon, Ethiopia, Gambia, Ghana, Mauritius and Rwanda.

The countries agreed on a common methodology and a set of ICT4D indicators. Several countries already conducted SCAN-ICT Phase II surveys. Reports of these studies have been published. ■

For more info, please visit: www.uneca.org/aisi/scanict

RURA

In addition, Rwanda has established an independent regulatory body, Rwanda Utilities Regulation Authority (RURA), whose mission is "to promote fair competition, improve quality of services, and create an

enabling environment to attract investors with the intention of improving the provision of services to citizens, in accordance with the Universal Access obligations set by the ITU" (Scan ICT Baseline Survey Report, 2008). ■

For more info, please visit www.rura.gov.rw

Main recommendations

Summarising the results and experiences from various studies concerning the measurement of ICT development, and for the establishment of a Pan-African ICT Observatory, the following main recommendations can be made:

- Internationally agreed definitions and methodologies for ICT indicators exist and should be used.
- A structured core list of around 60 indicators exists and is already in use for measurements of ICT in different countries including Africa.
- Should modifications be required (to response categories, size, or age scope), due to national needs, countries are encouraged to make sure that data remain internationally comparable.
- E-Policy makers should request NSO to develop ICT statistics, in their role as providers of official statistics. ICT-related surveys should be carried out by the NSO, in close cooperation with (or on demand of) other related authorities

in charge of, or with an interest in, ICT measurement (regulatory authority, government, ministries), administration and service delivery;

- Data collection should not be based on a one-time survey, but be fully integrated into the country's national statistical system, in order to guarantee sustainability and continuity of the data collection with a view to provide time series data.
- For international comparability, countries need to clearly identify the sample frame and sample methodology used.
- There is a need to come up with impact indicators, with focus on both direct and indirect impact of ICT on economic and social development.
- Countries benefit greatly from experiences in other countries. It is suggested to develop an online global database to store indicators and results of surveys (Joint ECA-ITU-UNCTAD Regional Workshop, 2009). ■

Impressions of the ICT Best Practices Forum in Ouagadougou, Burkina Faso



Information

Conference:

3rd EU-Africa Business Forum on Trade and Regional Integration, Entrepreneurship, Infrastructure and ICT. Nairobi, Kenya. 28th to 29th September 2009

Contact details for more information on the topic:

Dr. Ken Ife, Africa Business Roundtable, e-mail kenife@aol.com

Mrs. Michelle Makaroff, Microsoft, on +32 2 7043000 or Michelle.Makaroff@microsoft.com

Mr. Frank Mustaff, Mustaff Consulting, on +49 711 49047790 or mail@mustaffconsulting.de

EU-Africa Business Forum:
Mariusz.TAMBORSKI@ec.europa.eu

Partners



ABR

The African Business Roundtable is dedicated to achieving an African private sector led regional integration and sustainable economic development of Africa, based on good corporate governance and competitively open market systems. Its main goals are to create an enabling environment for private sector development; promote intra-African trade and investment; and attract foreign investment to Africa.
<http://abrnetwork.net/>



BIZCLIM

The ACP Business Climate Facility (BizClim) is an ACP-EU joint initiative financed under the 9th European Development Fund (EDF) and in accord with the Cotonou Agreement. BizClim aims at fostering a business-enabling environment in ACP countries or regions by improving legislation, institutional frameworks and financial measures relating to the enabling environment of the private sector and by the reform of state owned enterprises.
<http://bizclim.ning.com>



UNIDO

The UNIDO is especially focused on helping SMEs to have access to ICT. Like the other institutions, UNIDO provides a broad range of basic statistical data. Within this project, the foundation can help supporting training in the field of ICT and building up the capacities on statistical know-how for the African countries.
<http://www.unido.org/>



Microsoft

At Microsoft, our mission is to help people realise their full potential. In Africa, that means finding ways for technology can make a tangible difference in ways that are locally relevant.

With over ten years on the continent, Microsoft works in close partnership with governments, non-governmental organizations, the private sector and international partners. The company is committed to capacity-building and development through its myriad education, social and economic development programmes.

In Africa, Microsoft is divided into 4 regions which serve the continent. This includes Microsoft West East and Central Africa (with offices in Nigeria, Côte d'Ivoire, Senegal, Kenya, and Mauritius), Microsoft South Africa, Microsoft North Africa (with offices in Morocco and Tunisia), and Microsoft Egypt <http://www.microsoft.com>

EU-AFRICAN BUSINESS FORUM

The EU-Africa Business Forum brings together annually business leaders and policy decision makers from Africa and Europe to discuss issues of relevance for the private sector on both continents with the objective of promoting private sector development and closer contacts between EU and African business people. EU-Africa Business Forum is a very important form of cooperation to find ways how to enhance trade and investments between both continents