

MWC Barcelona 2024 – Ministerial Programme Sub-Saharan Africa Engagements



The convening power of the GSMA, brings together key players and partners from the private and public sectors, across industries and regions. It is central to our full value proposition and positive impact on society.

Progress in supportive policy and regulation is achieved by consistent long-term engagement with governments and regulatory authorities, drawing from detailed in-country experience, extensive data analytics and a broad understanding of regional and global trends and perceptions.

In pursuit of our Industry as a Partner commitment which we announced during MWC Kigali 2023 through a communiqué issued by the Africa Group of Six Mobile Network Operators on facilitating partnerships for Africa’s progress, we outline key priorities that featured at MWC Barcelona 2024.

Reducing the Usage gap

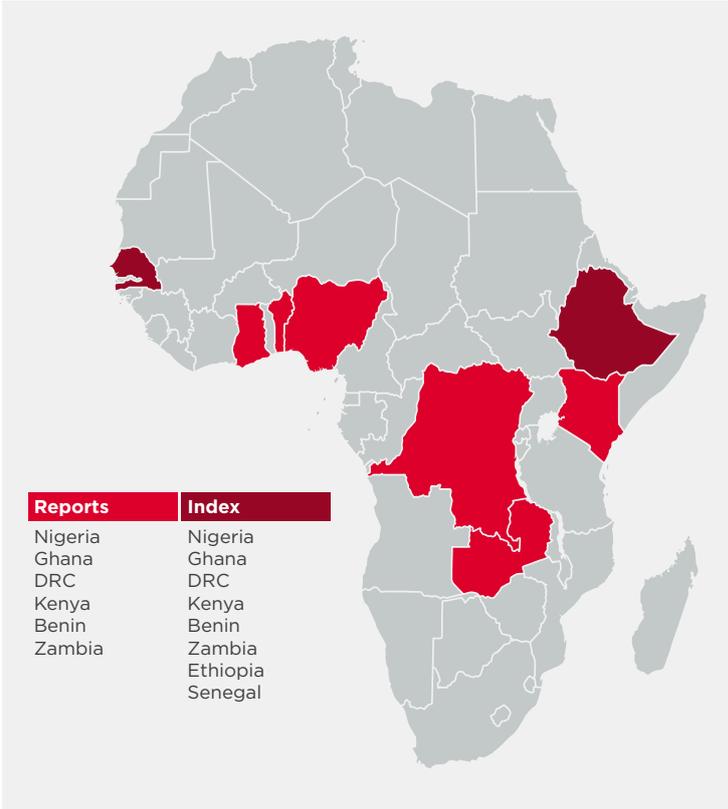
Digitalizing Africa’s Economies

Investment and innovation by the mobile industry are crucial to develop affordable, accessible, and sustainable solutions to the world’s most pressing societal, economic, and environmental challenges.

Embracing a data driven approach to support decision making, the GSMA is establishing the economic growth opportunity as a percentage of the mobile economy contribution to GDP in identified markets in 2024.

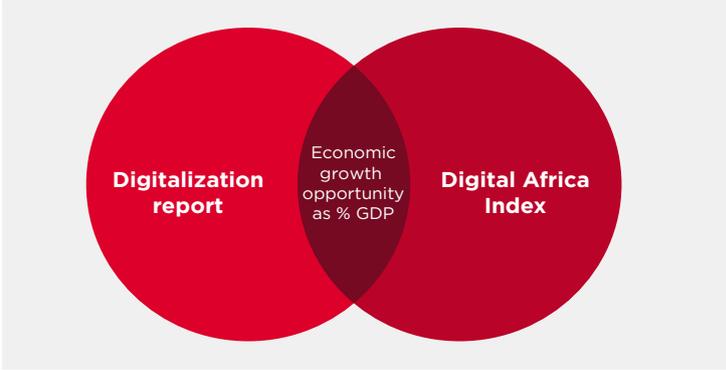
This is through digitalization studies resulting in market-focused reports and the development of a Digital Africa Index, whose indices are being identified and co-validated with pilot markets as shown in the map.

Digitalization of economies is a key driver for socio-economic growth and government revenue and can offer new opportunities towards shared prosperity. By leveraging digitalization opportunities, and especially the enabling role of the mobile industry as the backbone, Governments can achieve structural and sustainable economic transformation.



The GSMA in Sub-Saharan Africa will invest, by end of 2024, approximately USD 490,000 USD towards supporting the digitalization of economies through the development of the reports in Nigeria, Benin, Ghana, Kenya, Zambia and the DRC and the index for the whole of Africa.

Our market focused reports identify opportunities and quantify the economic value of adopting digital technologies across specific sectors of the economy in the different markets, and how these can be unlocked through policy reform.



Key policy issues and their impact on digitalization

 Taxes on the mobile industry	 QoS obligations	 Mobile Money Levy	 Telecoms licensing
<ul style="list-style-type: none"> Excessive sector-specific tax. Prices are not falling as quickly as they would otherwise do. Investment is also lower. Reducing sector-specific tax will lead to an increase in adoption Mobile and MFS can help support the broadening of the tax base. 	<ul style="list-style-type: none"> QoS obligations are excessive - much higher than in other countries (incl. Europe). Increase in QoS will lead to higher costs which will lead to higher prices and coverage. 	<ul style="list-style-type: none"> The MM levy increases the costs of providing MM services. This reduces investment in expanding the network and deepening financial inclusion 	<ul style="list-style-type: none"> Restrictive licensing framework makes it difficult for some MNOs to compete A modern technology neutral licensing framework would → increased investment

Demand-side policies

We have also analysed the impact of other demand-side and other policies that would boost uptake of mobile internet and Mobile Money

For example, in Benin, should digital friendly policies be implemented, the potential macro-economic

impacts on the various sectors of the economy are summarised below:

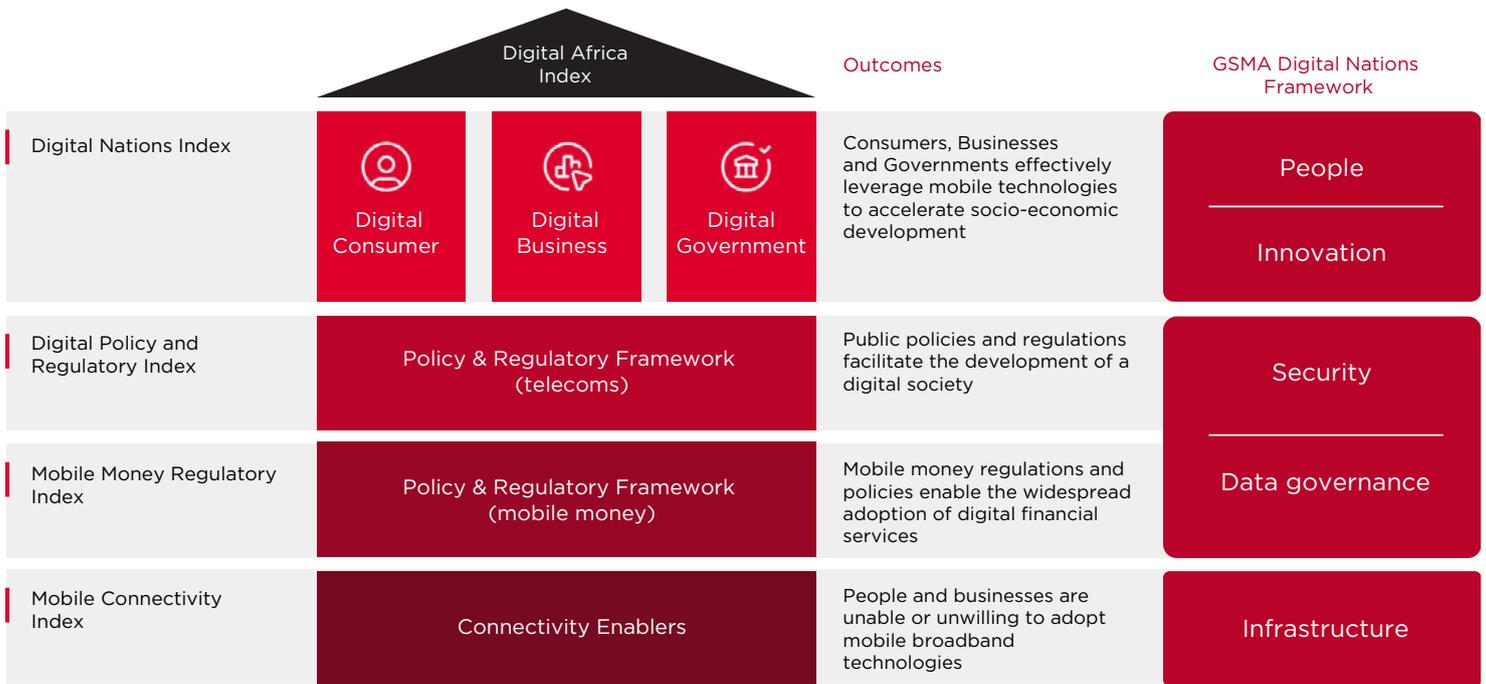
	 Agriculture	 Manufacturing	 Transport	 Trade	 Government
Digital value add (XOF)	196 bn	133 bn	74 bn	39 bn	-
% of sector GDP	4.3%	5.0%	6.3%	2.0%	-
% of Total GDP	1.1%	0.8%	0.4%	0.2%	0.5%
Employment	81 k	76 k	25 k	18 k	-
Tax revenue (XOF)	33 bn	22 bn	6.5 bn	33 bn	82 bn

Impact of digital-friendly policies on Benin's economy.

To provide the holistic view of a Digital Africa and the levers to adopt and adapt in becoming Digital Nations, GSMA Intelligence is developing our Digital Africa Index (DAI) which consists of two new indices: Digital Nations Index (DNI) and a Digital Policy and Regulatory Index ('DPRI').

The DAI will enable informed decision-making by political and economic leaders to transform Africa's digital economy

Enablers for advancing to Digital Nations



The DAI will augment two tools widely used and appreciated by our stakeholders since 2014:

- **Mobile Connectivity Index** which measures the performance of countries against enablers of internet adoption and supports stakeholders to understand where our focus needs to be in order to drive increased internet adoption.
- **Mobile Money Regulatory Index** which measures the extent to which a country's mobile money regulatory framework enables widespread mobile money adoption.

The Digital Nations Index will incorporate measures of digital adoption and usage amongst the three economic actors (consumers, enterprises and governments) to capture the integration of digital technologies in Africa's economies and societies.

It will incorporate a Digital Policy and Regulatory index that will enable informed decision-making by political and economic leaders to transform Africa's digital economy.

Investment Gap



Closing the connectivity gap through universal services funds

Efforts to bridge Africa's connectivity gap must target both the coverage and usage gaps, emphasizing the extension of coverage to underserved populations.

Closing this gap is crucial for inclusive social and economic growth, especially in the post-pandemic era where digital technologies play a pivotal role in accelerating recovery and fostering resilient economies. Last year at MWC in Kigali, the GSMA in collaboration with ATU launched a report on USFs.

The reports' key recommendations were reviewed in MWC Barcelona to ensure effective action for funds allocation in closing the connectivity gap.

*Of the 40 countries surveyed for this study, 37 have established a USF, while three others - Ethiopia, Gambia and Namibia - are in the process of establishing one.

The connectivity landscape in each country will evolve over time - as will the USFs, as authorities take steps to keep pace with emerging realities and market needs.



Most USF authorities are open to adopting best practices and improving performance evaluation
What is the long-term plan for the USF in your market? (N=37)

Open to looking at best practices



Improve performance evaluation and monitoring



Apply funds to non-infrastructure areas (e.g device subsidy and skills training)



Extend contributions to non-telcos (voluntary or mandated)



Raise contributions



Lower contributions



Scrap contributions



Source: GSMA Universal Service Funds in Africa Survey

Universal service funds in Africa Policy reforms to enhance effectiveness:
Expectations of authorities from the survey

Stakeholders at the ATU-GSMA roundtable provided guidance for action which focused on:

Development of a regional USF framework
that can be adopted and implemented at a national level.

Expand the contribution of USFs
by exploring the possibility of other digital infrastructure beneficiaries in order to make the fund sustainable.

Review the scope of USF
to make it representative of the present connectivity gap in the region.

Green digital future

Industry as a Partner for Environmental Impact

Africa today enjoys 80+% access to telephony, but digital but digital data connectivity is lagging. Telecommunications infrastructure is the lifeblood of financial inclusion and energy inclusion for the continent.

The leapfrog opportunity in health, education, and climate resilience is inconceivable without the telecom coverage we have in the continent.



Connected Fintech



Connected HealthTech



Connected Industries

Robust and resilient digital infrastructure is in every country's national interest.

Collaboration and partnerships with stakeholders in the ecosystem is warranted for scaling affordable green energy for the purpose of:

- de-carbonisation linked to net zero commitments,
- decreasing the operational costs of delivering affordable of mobile services

The GSMA is facilitating market-led projects, championing green energy transition pathways in specific lighthouse markets in 2024.

We envision a series of workshops with stakeholders to formulate how to unlock our economies of scale Industry as a Partner for Environmental Impact.

Demand Aggregation



Investment and Financing



Implementation Pathways



An Industry Green energy transition pathway

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