



Digital ECOWAS: Pathways to investment, innovation and inclusion

Overview

While the number of mobile internet users in West Africa is continually increasing, large numbers of people remain unconnected and are classified as digitally excluded. Digital exclusion creates a number of challenges. The longer it persists, the longer it takes people (and regions) to catch up. Digital exclusion can quickly result, therefore, in economic exclusion.

Addressing and reducing digital exclusion requires a significant amount of investment. As the unconnected typically live in rural areas where subscriber acquisition costs are high, the economics of network rollout for service providers are very challenging. Given that many state budgets struggle to provide universal coverage, which includes providing access to the internet, it is also clear that governments alone cannot solve this problem.

By removing unnecessary obstacles to investment that may reside in legal and regulatory frameworks, governments can encourage and enable further investment from service providers, extending connectivity and fuelling digital inclusion.



Approach

This study assesses how supportive legislative and regulatory frameworks can encourage investment, innovation and digital inclusion in ECOWAS Member States.

The study surveyed government and regulatory authorities to explore the current legal and regulatory situation and ascertain Member States' views on the

main obstacles to investment, innovation and digital inclusion.

Obstacles were then categorised according to availability, affordability, relevance and readiness.¹ Based on responses received, best practices were identified and recommendations made.

1. Based on the approach adopted in the Inclusive Internet Index published by The Economist Intelligence Unit. This framework was selected because it is all inclusive and measurable; the factors have equal weight and importance.

RECOMMENDATIONS



AVAILABILITY - ACHIEVING THE WIDEST POSSIBLE COVERAGE

OBSTACLES



Low effectiveness of universal service funding mechanisms

Spectrum inefficiencies, including technology specific licences and lack of low frequency spectrum

RECOMMENDATIONS



Redesign or abolish universal service funding mechanisms



Spectrum licences should be technology neutral to promote efficiency



Incentivise service providers to deliver widest possible mobile broadband coverage by reducing spectrum costs and considering coverage obligations on sub-1GHz assignments



Facilitate production of a spectrum roadmap that outlines when spectrum will be released to help operators plan investments



AFFORDABILITY - LOWERING THE COST TO COMMUNICATE

OBSTACLES



Sector-specific taxes on equipment, terminals and telecoms in general

Ineffectiveness of existing infrastructure sharing regulations

RECOMMENDATIONS



Lower the cost for citizens to communicate by reducing the costs of operation - by removing additional taxes on telecoms, keeping spectrum fees reasonable and allowing service providers' full scope in passive and active infrastructure sharing



RELEVANCE AND READINESS - INCENTIVISING DIGITAL INCLUSION

OBSTACLES



RELEVANCE

Lack of local language content that is locally relevant

READINESS

Lack of digital literacy

RECOMMENDATIONS



Support stakeholders in:

Providing digital training and facilities to promote the development of a local content ecosystem, enabling local entrepreneurs to set up websites or develop apps that meet local needs

Giving users the necessary skills to become digitally engaged

