IGAD
Regional Transport and ICT Policies

An Overview

Presentation Outline

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OVERVIEW - IGAD Regional Transport Policy

IGAD Nations

Brief profile of IGAD Region

- IGAD Region has 8 member states
  - Djibouti, Eritrea, Ethiopia, Kenya, Somalia, South Sudan, Sudan, and Uganda
  - Ethiopia, South Sudan, Uganda are landlocked

- IGAD region –
  - 21% of Africa's population and covers 17% of Africa's landmass
  - 9% of Africa's combined GDP (2012 current prices, and excluding South Sudan and Somalia)
  - Largely rural based population that is heavily dependent on agriculture
  - Lowest recipient of FDI in Africa largely due to civil conflict and governance challenges

Brief profile of IGAD Region .../2
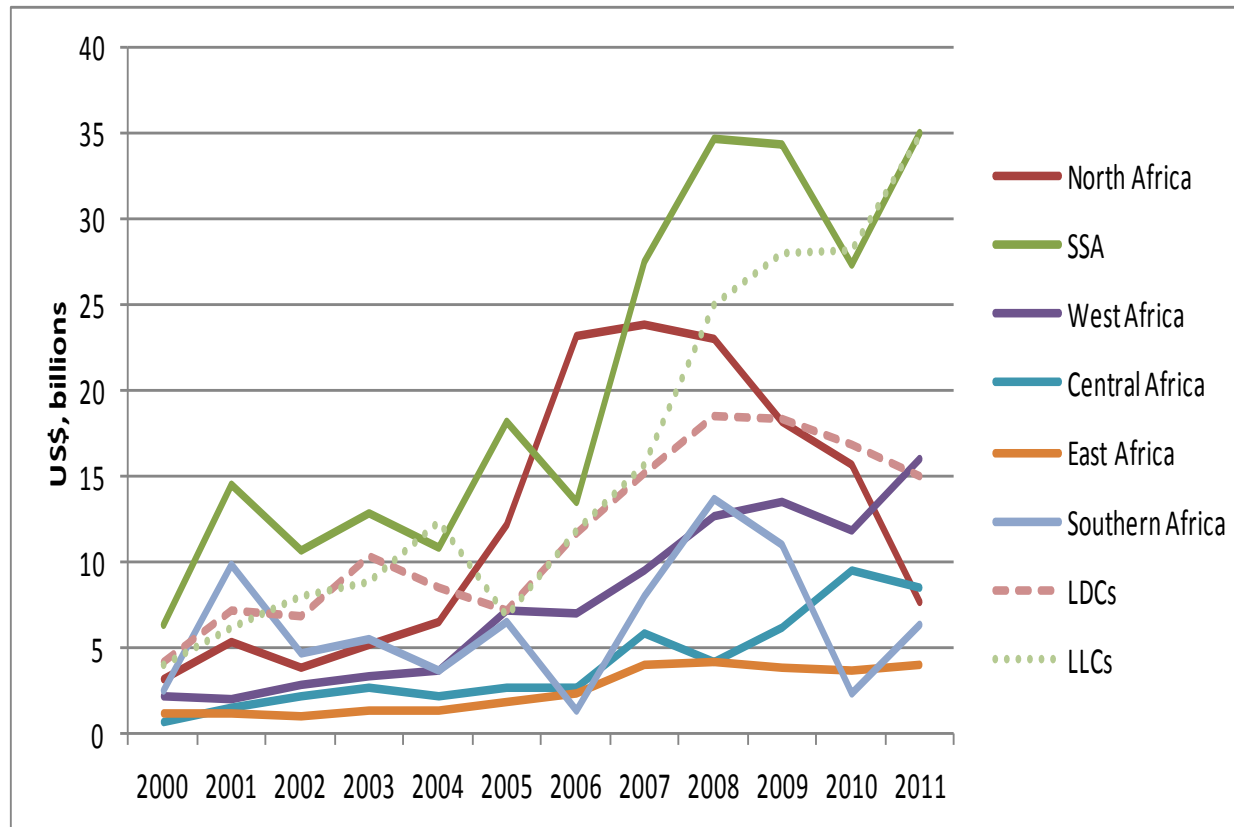
Infrastructure is among key factors in attracting foreign direct investment (FDI)

FDI inflows by region, 2000 – 2011. (Source: UNCTAD World Investment Report, 2012)

Rationale for IGAD Regional Transport and ICT Policies

- IGAD is resource-abundant but with low
  - degree of industrialization
  - engagement in the knowledge society

- Poor transportation and communication infrastructure are key impediments

- IGAD's over-arching objective of regional integration is to create an open, unified, regional economy
  - a single market open to competitive entry and well integrated into the global economy
  - Requires regional infrastructure and harmonization of policies for removal of physical and non-physical barriers

Rationale for IGAD Regional Policies …/2

Transport infrastructure in selected IGAD Member States *(AICD, 2011)*
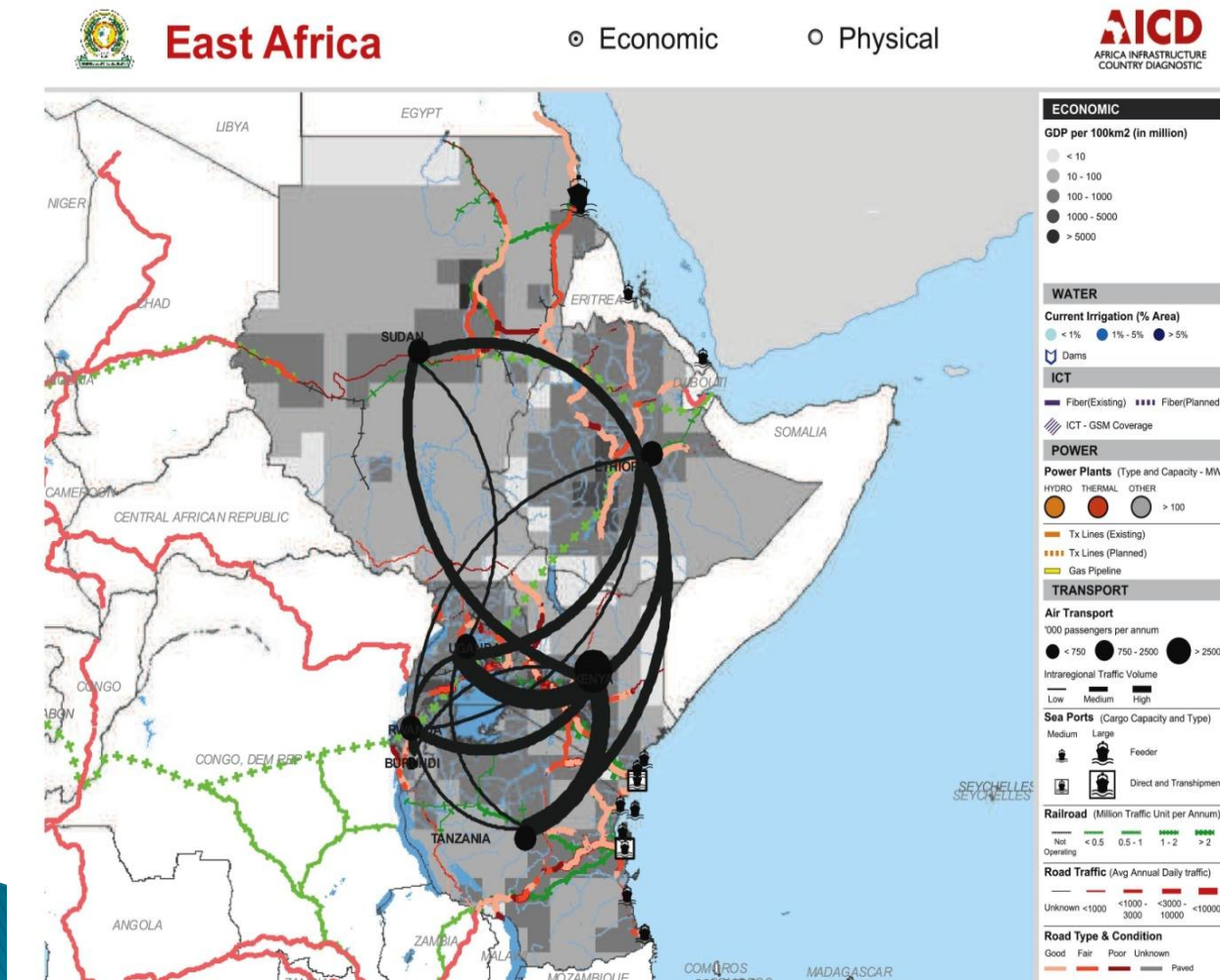
There is need for modern transport infrastructure to promote regional integration and facilitate regional trade

Key challenges for IGAD's Transport and ICT sectors

Transport Sector Challenges

Roads
- Poor road network and missing links for regional connectivity
- High transport costs due to state of the road network
- Burdensome trade logistics due to non-physical barriers

Railway
- Inefficient railway system – aging tracks, lack of maintenance and different gauges of tracks

Seaports
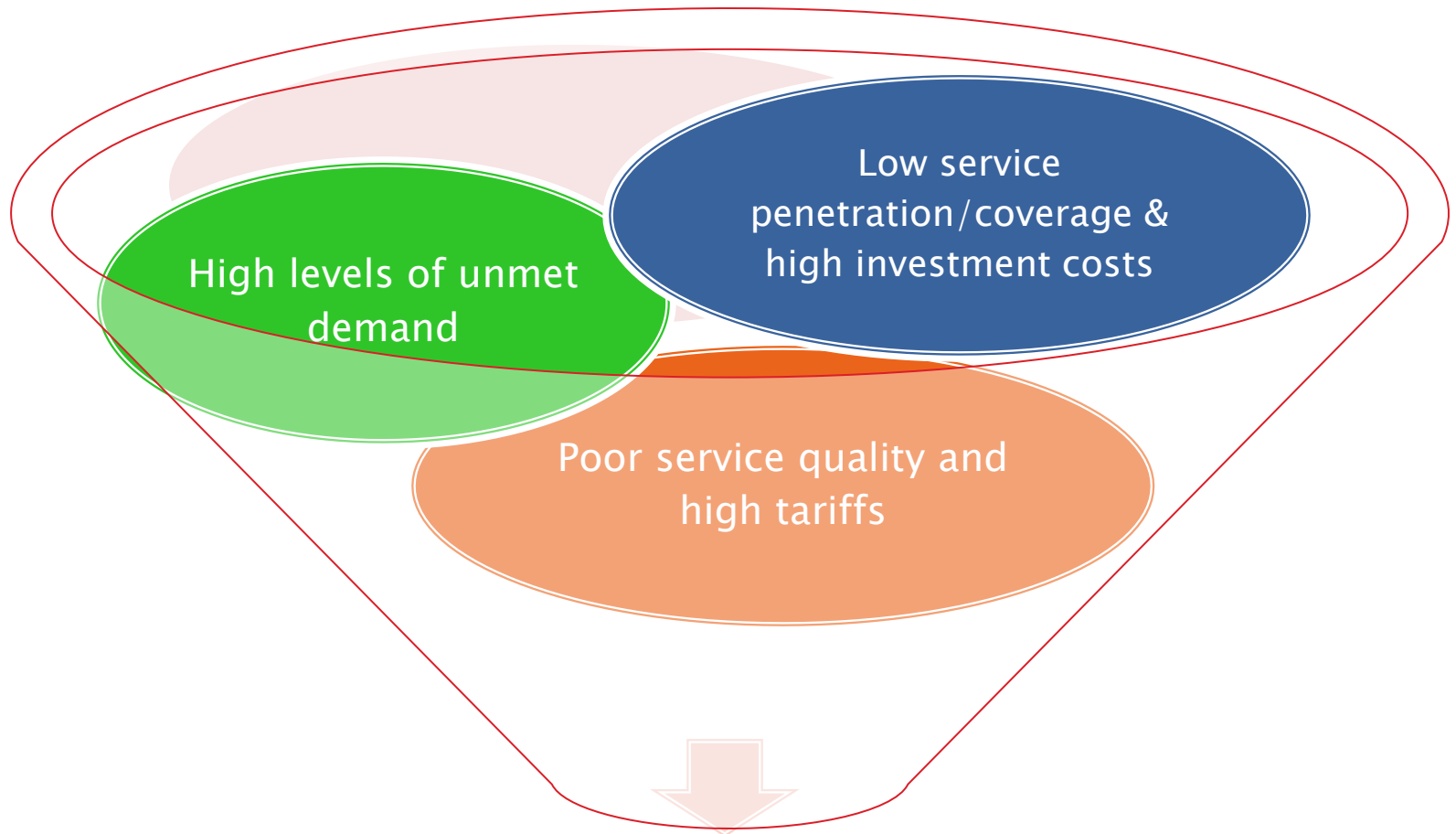- Capacity constraints leading to congestion and berthing delays

Airports
- Air traffic un-matched with enhanced regional connectivity
- Inadequate air traffic control and airport infrastructure

Key challenges for IGAD's Transport and ICT sectors

ICT Sector Challenges

High levels of unmet demand

Low service penetration/coverage & high investment costs

Poor service quality and high tariffs

Low access and utilisation of ICTs

Overview of IGAD Regional Transport Policy

Vision	• A safe, secure and efficient integrated transport system responsive to the needs of the people and the economy and to strengthening of regional integration
Mission	• To develop, operate and maintain an efficient, cost effective, reliable, safe, secure and integrated transport system, through regional transport policy that links with national policies, in order to address the regional and national development aspirations in a socially, economically and environmentally sustainable manner
Policy Principles	• Support the IGAD regional economy • Maximize access to transport services while minimizing the environmental impact and improving transport safety • Clarification of regional/national roles in the delivery and management of regional transport infrastructure/services

Overview of IGAD Regional Transport Policy …/2

Policy objectives seek to establish a transport system that:

- Provides the transport services which meet the region's needs and that are efficient and affordable

- Is safe and reliable

- Is responsive to changes in economic and social conditions and assists in member states satisfying their national requirements

- Meets the needs of the region as a whole, through the efficient allocation of scarce resources

- Put in place management and maintenance systems that ensure the long term sustainability of the transport infrastructure while minimizing the environmental and adverse social impacts, and addressing the needs of disadvantaged persons

Overview of IGAD Regional Transport Policy …/2

Key policy issues

‣ Harmonisation of policy across the member states in relation to regional transport systems

‣ Improve the region's connections to national, sub-regional, and international markets for goods and services

‣ Expand and modernise the regional corridor and air transport systems to meet future demands

‣ Strengthen synergy with other infrastructure and economic investments

‣ Bring the performance of transport corridors and air transport services up to best practice in terms of efficiency, cost, reliability, and safety

‣ Improve the availability of and access to rail and multimodal transport

‣ Improve transport and logistics systems for businesses and the safety of the traveling public

‣ Improve planning in relation to impacts from cross-cutting issues including environmental impacts, gender impacts and HIV/AIDS impacts

Overview of IGAD Regional ICT Policy

Vision
- An effective use and application of ICTs that enhances and accelerates economic growth, social development and regional integration and that contributes to the objectives of the African Union

Mission
- To develop and leverage accessible, efficient, reliable, and affordable ICT networks and services, through the implementation of facilitative and harmonized policies, in order to support regional integration and ensure government, business, and citizen access to reliable and affordable broadband as well as to transform the region into a knowledge society within a reasonable period

Policy Principles
- Improve the legal and regulatory framework in support of physical integration and intra-African e-services development – in e-commerce, in particular
- Satisfy broadband demand at least cost while increasing reliability and security

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Overview of IGAD Regional ICT Policy …/2

Policy goals to establish a regional knowledge society are:

▸ Facilitate economic growth, sustainable development and wealth creation in IGAD

▸ Improve the quality of life of citizens in IGAD through better education, improved health services and job creation

▸ Create an engine for socio-economic development

▸ Address development gaps as they relate to women, the youth, and rural and other disadvantaged groups

▸ Achieve progress towards the social goals of ICT policy, e.g., the provision of universal service and universal access

▸ Ensure the provision of a wide range of ICT services to stimulate and support sustainable social economic growth

▸ Stimulate investment in regional and national backbones and in the public ICT network

▸ Stimulate innovation in the ICT industry with a view to provide advanced information services

Overview of IGAD Regional ICT Policy …/2

- Policy objectives are:

  ◦ Affordable, ubiquitous and high quality services

  ◦ Building a competitive regional ICT sector

  ◦ Creating an environment for sustainable ICT diffusion and development

- Adopted from COMESA ICT Policy

Overview of IGAD Regional ICT Policy …/2

Policy objective: Creating a regional enabling environment

- Interconnectivity between operators and services providers
- Universal service/access
- Regulatory reform from monopoly regimes
- Trade in services
- Licensing (Simplicity, Tariffs, Spectrum)
- Removal of barriers to new entrants
- Technical standards and workmanship
- Human resources
- Regulatory framework and regulatory authorities
- Partnerships
- Gender equity and empowerment
- Institutional rationalisation
- Information and cyber security

Addressing IGAD Regional Policies Implementation

- ▸ Need for phased action plan to enable practical implementation of policy orientations/principles

- ▸ Need for administrative and institutional arrangements at regional/national levels for smooth and inclusive implementation process

- ▸ Effective marketing of the policies within the region is essential

- ▸ Need to conduct inclusive multi-stakeholder prioritization exercise in development of implementation plan

Addressing IGAD Regional Policies Implementation …/2

Resource mobilisation – innovative funding mechanisms required and options include

- Funding of infrastructure through user charges and/or private sector investments

- Subject to market discipline and Transport/ICT sub-sector, the following funding mechanisms should be explored:
  - public ownership and operation by member state agencies
  - public ownership with private operation under Build Operate Transfer (BOT)
  - private ownership and private operation under Build Own Operate (BOO)
  - joint ventures between the public and private sectors through Public Private Partnerships (PPP)

- Donor funding for development of the Transport/ICT sectors should continue to be sought from development partners in the short and medium term

- Contributions and subsidies from Transport/Universal Service Funds and any other established funds supporting Transport/ICT

- A climate that encourages private participation in the ownership, planning, financing, construction, maintenance and management of ICT infrastructure should be created
  - This will promote shared profit opportunities and risk-taking between the government and the private sector, whenever this is economically feasible and appropriate

- Strategic value of state ownership of infrastructure shall be re-assessed and liberalization introduced where appropriate.
  - Ownership and regulation of ICT infrastructure shall be separated, whether state owned or privatised

Addressing IGAD Regional Policies Implementation …/2

Monitoring and evaluation – policy processes are only successful when policies are implemented to achieve desired results

- Need for data, information and reporting systems to determine
  - Extent to which established targets and objectives are being met
  - Whether people's aspirations in terms of their welfare are being adequately addressed

- Need for regional/national M&E systems to identify policy performance targets and to monitor indicators and modalities

- Need for baseline studies to establish situation at onset of policy implementation and to facilitate tracking of performance targets

- Need to develop regional performance indicators
  - What is to be achieved?
  - Why, how and when it is to be achieved?
  - What is facilitating or hindering progress?

Thank you for your kind attention