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Southern Africa Development Community ICT Policy Regulatory Support (SIPRS) Project

FINAL REPORT August 2004

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I. BACKGROUND

The ICLICT-SADC¹ project, renamed after award to the “Southern Africa Development Community ICT Policy Regulatory Support Project (SIPRS) was funded on 21 November 2002 by USAID/RCSA through an Associate Cooperative Agreement (ACA-690-A-00-03-00037-00) under the dot-Gov Leader with Leader with Associates Cooperative Agreement (GDG-A-00-01-00009-00). The original estimated obligation for the Cooperative Agreement was for \$1,413,235.00. The project was implemented by Internews Network.

The project operated from 21 November 2002 to 31 December 2003 under USAID/RSCA funding, with \$800,000 of the original estimate provided. In December 2003 USAID/RCSA informed Internews it could not continue to provide the remaining estimated obligated amount of \$613,235.00. USAID/EGAT was able to provide funds for a reduced work plan to complete ongoing project activities through an existing contract with SETA Corps for a total of \$220,000.00. Internews Network was asked to carry the project forward until a subcontract could be approved and then completed with SETA Corp. This SETA subcontract was signed on 9 March 2004 with Internews, retroactive to 1 January 2004. The project activities formally ended on 30 June 2004.

SIPRS represents what can be considered as Phase III of USAID’s effort to advance use of ICTs through policy reform in the SADC region, through the Telecommunications Regulators Association of Southern Africa (TRASA).² As a result of the project, conditions to foster market competition in the ICT and telecommunications sector have improved. Importantly, TRASA has emerged as a stronger organization, having gone through a smooth change of leadership from Botswana to Mauritius following principles of transparency. In August 2004 TRASA completed its 7th Annual General Meeting where several of the SIPRS produced draft policy guidelines were adopted. These represent major success of the capacity-building components of the SIPRS project.

The resilience of TRASA and its willingness to fund the self-fund the Executive Secretary position, increase its membership fees, and apply a competitive process for recruiting and selection of the new Executive Secretary demonstrates its maturity and verification of USAID’s investment in capacity building technical assistance to TRASA.

¹ *Increased Competition and Liberalization in the Information, Communications Technology Sector for the Southern African Development Community (ICLICT-SADC)* was changed to *Southern Africa Development Community ICT Policy Regulatory Support Project (SIPRS)* for an easier to pronounce short-hand project name.

² The first two USAID/RCSA funded efforts, upon which the SIPRS project followed were the Regional telecommunications Restructuring Program, Nathan Associates (closed 1999) and RAPID Task Order 2.1 implemented by Chemonics, Inc (closed 2002).

TRASA is recognized as the model for regional market integration and has served as a blueprint for new regulatory associations on the continent (COMESA³-Association of ICT Regulators of Eastern and Southern Africa (ARICEA); and the West African Telecommunications Regulators Association (WATRA). Perhaps as importantly, TRASA was used as a model in consolidating the organization and in planning and facilitating the second annual meeting of the Arab Telecommunications Regulators Association Network (ATRN, now called AICTRN; March 2004).

The SIPRS project originally planned to work on six related areas in the telecommunications sector: Consumer Protection and Standards, Key Performance Indicators, Numbering, Information Sharing, National Level Assistance to TRASA members, and Dispute Resolution Five workshops were to be held: Key Performance Indicators, Consumer Protection and Standards, Numbering, and two collaborative workshops with the Commonwealth Telecommunications Organization/Development Bank of South Africa (CTO/DBSA), one of which would address the issue the human resource development. National level assistance was envisaged for Angola, Malawi, Mozambique, Namibia, South Africa, and Swaziland.

In addition, the project funded an economist to work with TRASA on regional sectoral analyses. Finally, the project assisted USAID/RCSA with its technical strategy for 2003-2008 on ICT requirements needed for a regional platform.

The project shaped these activities with following principles:

- TRASA is the primary regional partner and counterpart for the project and Internews.
- The private sector and NGOs will be involved through a focused dialogue on all ICT reform proposals.
- Other donors will be kept informed of progress and activities to insure maximum opportunities for leveraging additional resources, efficient task implementation, reducing duplication and maximizing results.
- The resources available to the project via local consultants, the FCC, NARUC, and the NTCA and other US-based groups will be sought whenever appropriate and necessary.

II. PROJECT ACHIEVEMENTS

Consultations with TRASA within the first 90 days of the project lead to revisions of this work plan, which were approved by USAID/RCSA in February 2003. The work plan achieved for the period of USAID/RCSA funding and the close-out funding (subcontract

³ COMESA is the Common Market for Eastern and Southern Africa.

under Seta Corp.) have been merged for reporting purposes as per the original intent of the Cooperative Agreement.

As per the principle of following the lead client, the timing of activities was completely dependent upon the discretion of the relevant TRASA committee. Draft guidelines or legislation was presented through a workshop and submitted to the relevant TRASA subcommittee for review. These revised drafts were then voted on by the TRASA Annual General Meeting (AGM).

The revised work plan, approved February 2003 after extensive discussions with USAID and TRASA refocused the technical assistance to the following areas, each critical to further liberalization of the ICT sector and fostering a competitive marketplace.

- Numbering
- Consumer Protection
- Key Performance Indicators
- e-Commerce
- Human Resource Development
- Administrative Law and Procedures

The rest of the original work plan remained intact. Through extraordinary dedication to the task, the SIPRS project succeeded in meeting each objective despite the difficulties of delays with continued funding, and USD \$400,000 less funding. This success is due primarily to the efforts of the Project Director, Mr. Brian Goulden, who, without project staff support in Botswana or an office from January 2004 onward, managed to complete the project requirements by calling on his professional network for assistance. TRASA also realized the gravity of the funding situation in January 2004 and provided the commitment needed to complete the project objectives. USAID/RCSA provided valuable support, especially from Mr. Lovemore Bingandadi and Mr. Vincent Sandemuka. Ms. Laura Samashotzo, dot-GOV CTO, USAID/EGAT/EIT/IT identified the USAID/EGAT funds, insured that the subcontract was signed within the scope of the original life-of-project, and provided encouragement to all, thus reducing loss of momentum. Mr. Ed Malloy, Telecommunications Advisor USAID/EGAT/EIT/IT, and Mr. Lane Smith, Leland Initiative Manager USAID/Africa Bureau, played valued advisory roles during project implementation.

III. RESULTS

The SIPRS Project contributed to the USAID/RCSA Mission's Strategic Objectives for the Initiative for Southern Africa, specifically:

Strategic Objective 2 (SO2) "*A More Integrated Regional Market*": transforming the 14 countries belonging to SADC from operating as individual, fragmented and uncoordinated markets to a single integrated market.

Intermediate Result 2 (IR-2), *“More Efficient Provision of Infrastructure,”* and IR-2.2.3: *“Regional Policies, Regulatory Frameworks and Operational/Technical Standards Harmonized.”* The project will be encouraging approval of technical guidelines and the revision of national policies and legislation based on previously developed regional models.

IR-3: *“Advocacy for Sustained Regional Integration Strengthened”* by building capacity of regional and national non-governmental (NGO) bodies that are engaged in improving telecommunications operations and expanding private sector involvement in their ownership, management and operations. This expanded capacity will create the conditions necessary for the sustainable development of infrastructure facilities in the region.

Finally, because inefficiencies in the development and operations of the telecommunications sector seriously impede regional trade and trade competitiveness in the region, the project’s focus on improved efficiency of telecommunications services and operations, supports IR-1, *“Reduced Barriers to Broadened Participation in Regional Markets.”*

The specific results for the SIPRS Project are described in the Table 1 below.

Table 1. Strategic Objective 2 (SO2) “A More Integrated Regional Market”

(IR-2), “More Efficient Provision of Infrastructure; IR-2.2.3: “Regional Policies, Regulatory Frameworks and Operational/Technical Standards Harmonized.”		
Results Expected	Indicators	Activities
Encouraging approval of technical guidelines and the revision of national policies and legislation based on previously developed regional models.	<p>1. Swaziland: review of telecommunications law and input into World Bank telecoms sector assessment; restructuring of Ministry of Tourism, Environment and Communications Policy Unit, and proposal for structure of regulator.</p> <p>2. Angola: English language study by regulators.</p> <p>3. Mozambique: Scope of Work for review by USAID locally employed consultant; Assessment for ICT sector legislation.</p> <p>4. Botswana: Consumer outreach program implemented.</p> <p>5. Namibia: Reviewed draft Telecommunications Sector Bill; ICT Coalition formed.</p> <p>6. Zambia: Review of corporate governance of Communications Authority of Zambia; telecoms sector assessment (with World Bank).</p> <p>7. Malawi: Assessment of ICT policy and regulatory needs.</p> <p>8. South Africa: Prioritization of ICASA needs.</p>	Technical assistance provided by SIPRS staff and selected consultants from 11/2002-6/2004 at the national level to Swaziland, Angola, Mozambique, Botswana, Namibia, Zambia, Malawi, and South Africa.

Table 1. Continued

IR-1 “Reduced Barriers to Broadened Participation in Regional Markets.”		
<i>Results Expected</i>	<i>Indicators</i>	<i>Activity</i>
Reducing inefficiencies in the development and operations of the telecommunications sector seriously impede regional trade and trade competitiveness in the region, the project’s focus on improved efficiency of telecommunications services and operations.	<p>1. Numbering Guidelines draft approved by TRASA 6th AGM, approval to establish Numbering Operations Group at 7th AGM.</p> <p>2. Consumer Protection Guidelines approved by TRASA 7th AGM</p> <p>3. Revisions to draft e-Commerce Model Legislation undertaken by new Legal and Policy Affairs Committee approved by TRASA 7th AGM</p> <p>4. Human Resource Development Guidelines approved by TRASA 7th AGM</p> <p>5. Key Performance Standards under TRASA review; workshop planned for November 2004.</p> <p>6. Administrative Law and Procedures, under review by TRASA.</p>	<p>1. Numbering Guidelines workshop (South Africa, 11/02)</p> <p>2. Consumer Issues workshop (Zambia, 15-16 April)</p> <p>3. Draft e-commerce law workshop (South Africa, 6/03, 11/03)</p> <p>4. HRD Guidelines workshop (Malawi, 24-28 May 04)</p> <p>5. Key Performance Indicators workshop (Malawi 24-28 May 04).</p> <p>6. Administrative Law and Procedures draft presented at SIPRS Close out workshop, (South Africa, 28-29 June 04).</p>

Table 1, Continued.

IR-3: "Advocacy for Sustained Regional Integration Strengthened"		
Results Expected	Indicators	Activity
Building capacity of regional and national non-governmental (NGO) bodies that are engaged in improving telecommunications operations and expanding private sector involvement in their ownership, management and operations.	<ol style="list-style-type: none"> 1. Creation of ICT Coalition in Namibia to advocate for Universal Service Fund program and draft Telecommunications Bill. 2. SADC ICT Draft User Advisory Group Concept Paper. 3. ICT report provided to TRASA; TRASA sectoral regional analysis capacity skills highlighted at TRASA 7th AGM 4. NetTel@Africa courses established at SADC and COMESA universities. 5. Organizational Capacity of TRASA to hire new Executive Secretary: approval of the three candidate short-list at the 7th AGM. 6. TRASA Management Review Action Plan implementation progress reviewed at 7th AGM. 	<ol style="list-style-type: none"> 1. Namibia Rural Access Workshop, co-sponsors USAID/Namibia, USAID/EGAT via dot-GOV (Namibia, 2/03). 2. Internet Forum (South Africa, 04/03). 3. ICT Regional Sector Report provided to TRASA; TRASA economist supported by SIPRS, TRASA website development assisted. 4. Collaboration with NetTel@Africa Safari (Botswana, 8/03; Uganda, 11/03). 5. Professional Development Workshop for TRASA CEOs (Lesotho 10/03, Mozambique 6/04); meeting with Selection Committee regarding candidates for new TRASA Executive Secretary (Egypt, 4/04). 6. Review of TRASA operational and management procedures (South Africa 08/2003).

IV. PROJECT IMPLEMENTATION

Given the truncated budget, the project results are outstanding. Each proposed activity showed significant progress and effort by TRASA and the project staff. The specific activities are described below.

1. Numbering

Numbering refers to the pattern of dialing that is used by consumers to dial another user. During RAPID Project Phase II, TRASA established a committee to oversee the development of numbering guidelines, and Phase II helped develop the initial materials TRASA is using. Activities completed included:

- Survey of current practices in the SADC region.
- Survey of world practices relevant to SADC member countries.
- Draft report with recommendations for establishing harmonized policies around the issues of numbering resources:

The SIRPS project convened a workshop in November 2002 at Johannesburg, South Africa to discuss Numbering Guidelines developed by Ms. Claire Milne. These guidelines were approved at the 6th TRASA AGM. It was agreed that the draft would be used to advise individual TRASA members on preparing harmonized policy around the

use of numbering resources that can be applied throughout the SADC region. The draft will be used by the new TRASA Numbering Operations Group (established at the 7th AGM) in developing and adopting numbering conventions (formation of this group was recommended by Ms. Milne). The draft guidelines and Ms. Milne's Numbering review are in **Annex 1**. Finally, it should be noted that the ITU is seeking to include Ms. Milne's numbering review among the reference materials on their webpage.

2. Consumer Protections and Standards – Model Rules/Best Practices

Consumer protection is a fundamental aspect of regulatory concern. Regional guidelines or models would facilitate harmonization around a common framework and elevate the issue within the region. Activities will include working with TRASA to secure approval of the consumer protection standards and policy guidelines by the Committee of Ministers of Communication (CMC). Mr. William Schulte worked with Mr. Brian Goulden to produce draft Consumer Protection Guidelines and a Consumer Bill of Rights. These were presented to TRASA in draft at workshops held in Zambia, during April 2004, building upon previous field work conducted in 2002. The workshop was attended as well by Ms. Margaret Egler, Deputy Chief, Consumer and Government Affairs Bureau, U.S. Federal Communication Commission. The Consumer Protection Guidelines and Consumer Bill of Rights were approved by TRASA at the 7th TRASA AGM, August 2004, Mauritius. The draft guidelines are in **Annex 1**.

3. e-Commerce

The reduction of trade barriers and spread of the Internet is stimulating e-commerce in the region and has been a topic for SADC since 2001. TRASA requested that SIPRS undertake this work. Mr. Jayantha Fernando was hired as a consultant to draft the guidelines and then a Model Law. In June 2003 the Southern African Transport and Communications Commission (SATCC) held the 4th Telecommunications Sub-sector Committee (SCOM) in Botswana, which SIPRS staff attended and helped facilitate agreement to move forward on the draft e-commerce guidelines, which were then approved by the Committee of Ministers in November. Mr. Fernando presented these guidelines at a November 2003 workshop in South Africa to the SATCC Committee of Ministers.

A revised version was then submitted to TRASA in February 2004. A TRASA Legal and Policy Affairs Working Committee was formed at the 7th AGM, specifically to review the draft Model Law for ways to strengthen issues of data protection, electronic transactions (digital signatures) and convergence of technologies. The Model Law is in **Annex 1**.

4. Human Resource Development

Human Resource Development for regulatory agencies was recognized as a pressing need, and approved as an addition to the work plan by USAID/RCSA as a result of the TRASA donor consultation January 2003 in South Africa. Several workshops were convened during 2003 in collaboration with the CTO to review draft guidelines. Mr. Brian Goulden, an expert in this area, served as primary technical expert. Because of the nature of HR activities (and the importance of very clear ownership from the outset), the approach adopted for development of these guidelines was somewhat different from other

guideline activities. The focus was on the TRASA Human Resources & Empowerment Committee actually drafting the guidelines with support from the SIPRS program director, who developed a briefing document for the committee, which built upon the work already done during the two HRD Strategy workshops, conducted during 2003, in collaboration with the Commonwealth Telecommunications Organization and the Institute for Development Policy & Management, at University of Manchester UK.

The draft guidelines were revised for submission to TRASA following recommendations of the Human Resource and Empowerment Committee as a result of a May 2004 workshop in Malawi. Subsequent to this workshop, draft guidelines were circulated to all TRASA member institutions and, taking account of any member feedback, will be submitted to the TRASA AGM for approval. The 7th AGM passed the Guidelines with several corrections. The draft Guidelines are in **Annex 1**.

5. Key Performance Indicators/Service Quality Standards

Key Performance Indicators (KPIs) are used by regulators and policy makers to monitor the following:

- Policy performance, such as the scope and reach of new communications services.
- Performance of the industry and participants, especially in relation to license obligations in relation to retail and wholesale services.
- Internal monitoring of regulator performance in the discharge of their responsibilities.

TRASA was introduced to key issues and concepts of KPIs at the AGM during September 2001, and made a commitment to support the development of KPIs. In November 2003, The Development Bank of Southern Africa (DBSA) collaborated with the SIPRS project in formulating KPIs through co-sponsorship of workshops along with the Commonwealth Telecommunication Organization (CTO). Mr. William Schulte was the consultant that developed the Key Performance Indicators for TRASA, focusing on both the regulatory environment, and KPIs for industry in order to help assess sector performance. Representatives from the U.S. FCC, Commissioner Michael J. Kopps and his assistant, Mr. Paul Margie joined this workshop.

The draft KPIs were refined at a workshop in Malawi 24-28 May 2004. At the 7th AGM, the Standards Committee of TRASA decided to circulate the draft discussions document in September 2004 for member comments and hold a final workshop in November 2004. The draft KPIs are in **Annex 1**.

6. Administrative Rules of Practice and Procedure

Standards across SADC for regulatory agencies in the area of Administrative Law and Procedures were a priority area that replaced Dispute Resolution in early 2004 as a result of consultations with TRASA and USAID/RCSA. Mr. Bucs Molatlhegi was hired as a

consultant to produce draft guidelines, which was also reviewed by Mr. Riley Allen, Senior Policy Advisor, SIPRS project.

The nature of the work of development of an administrative procedures framework involves ongoing consultation with a number of stakeholders. A final framework document was submitted to TRASA Secretariat in mid-June 2004 and was presented to the TRASA CEOs Review Workshop on 28 – 29 June, in South Africa.

The draft Administrative procedures were well received by the CEOs and there was consensus that they should be endorsed for implementation as soon as possible. This draft is under review by TRASA. The 7th AGM decided a seminar for CEOs and their legal Counsel was needed to advance the issue, perhaps with the assistance through with the U.S.-based National Association of Regulators of Utilities Commissioners. The draft Guidelines for Administrative Rules of Practice and Procedure are in **Annex I**.

7. National-Level Assistance

SADC member countries have specific needs for assistance on specialized and time-sensitive projects. A lack of experienced technical assistance, when needed, can result in certain lost opportunities in the establishment of appropriate reforms for the region that are consistent with the sector protocol. The national-level technical assistance focused on the requests by individual member countries to harmonize their national policies and legislative and regulatory frameworks with the technical guidelines noted earlier, as well as with the SADC Protocol and model legislation. National Assistance was provided at various levels to Swaziland, Angola, Mozambique, Botswana, Namibia, Zambia, Malawi, and South Africa. At times the exploratory visit was enough to galvanize discussion within a country.

It should be noted that national level assistance was provided throughout the life-of-the-project through specific visits but also at regional workshops.

The SIPRS Project staff reviewed each requests for assistance, assessed the current status of the requests (including any prior work performed), and prepared an action plan based on identified remaining needs. With the action plan completed and approved as required, Internews implemented the identified assistance activities. Detailed activities under the category of national level assistance were discussed with the appropriate bilateral USAID mission (where one exists) and with the national level authority. These country visit reports are in **Annex 3**.

Kingdom of Swaziland

The Government of Swaziland's Ministry of Telecommunications and Swaziland private sector providers of telecommunication services require external expertise to handle technical and economic or financial issues relating to the further liberalization of the sector, and more specifically, the capacity building within the anticipated independent regulatory body.

In the mid to late 1990s, Swaziland was poised to reform the ICT sector, split posts and telecommunications service provision, privatize the incumbent fixed-line operator, create policy and regulatory units, and introduce competition and additional services, such as mobile cellular. With the demise of the minister championing the reform and a succession of short-term ministerial appointees, the momentum was lost. The only change being the introduction of mobile cellular services. Since 1997, a number of USAID-funded initiatives have supported reform efforts in Swaziland.

SIPRS assisted with drafting appropriate legislation to give effect to the Ministry's policy objective of restructuring the national telecommunications sector, ensuring as far as practicable that harmonization of policy and regulations exists with other countries in SADC. The project also assisted with the development of an appropriate structure for the regulatory body in Swaziland, including staffing, training and related issues that will enable it to operate effectively as the ICT regulatory authority. Training was provided to the staff of the regulatory authority in subjects such as policy and procedures development and licensing tailored to ensure the regulatory agency can operate effectively.

Outcome: A report, which proposes an outline organization structure for the Ministry of Tourism, Environment and Communications' Communications Policy Unit, a similar outline for the regulatory body and complementary information and recommendations on capacity-building has been sent to Swaziland. There is some evidence that the SIPRS project efforts have borne fruit. A policy unit has been constituted in the Ministry and the head of the unit is having some success in moving forward with the reform agenda. However, the slow pace of change in Swaziland may affect this progress. However, the active collaboration between SIPRS and the World Bank's rural energy and ICT team appears to have alerted the Swazi Government to the importance of reform.

Angola

During a preliminary visit to Luanda in 2003, the SIPRS lead consultants identified that a significant problem facing the Angolan regulator is the lack of English language capability amongst its staff. This causes problems in dealing with potential investors and within the SADC regulatory environment – where the dominant language is English. The ICT landscape in Angola is changing rapidly and it is important that greater language capability is developed. The names of individuals within the Angolan ICT regulatory body seeking English language training were submitted to USAID/RCSA on 30 April 2003. USAID/ RCSA has confirmed that the offer of English language training has been made by USAID Angola.

Outcome: Evidence of English-language training for the Angolan regulator to ease future technical assistance.

Mozambique

SIPRS collaborated closely with the USAID/Mozambique Mission for Work on telecommunications reform during February, March, and April 2003. Mr. J. Riley Allen, SIPRS Senior Policy Advisor provided a policy review in conjunction with a concurrent World Bank Mission. In the end, it was decided that the World Bank would pick up the planned SIPRS work. **Annex 3** has the Policy Review, Scope of Work and relevant trip reports.

Outcome: Prioritization of needed telecommunications policy reforms as part of larger World Bank Sectoral Assessment. Progress toward adoption of policies liberalizing the sector, privatization of the fixed line operator, and creating a more independent regulator.

Botswana

Because the SIPRS project office was located in Gaborone, Botswana from November 2002-January 2004 (and then from Mr. Goulden's residence from January 2004-June 2004), contact with Ministry of Communications, Science and Technology and the Botswana Telecommunications Authority was frequent, and considerable technical assistance delivered on an informal basis. An effort at a more formal relationship occurred in March 2003, in meeting between the MCST and USAID/RSCA. As a result of the SIPRS project interaction, the Botswana Telecommunications Corporation launched as consumer outreach program.

Outcome: Consumer outreach program implemented.

Namibia

SIPRS assisted with the Ministry of Information and Broadcasting with the draft Communications Bill, and held discussions with the Namibia Communications Commission (NCC) on the creation of a Universal Service Fund and the privatization of TeleCom Namibia. As a co-sponsor of the February 2003 workshop on Rural Access, SIPRS helped foster the creation of the ICT Coalition, which produced a Purpose Document outlining a stakeholder process for telecommunications market reform and rural access.

Outcome:

These activities are expected to result in new sector legislation and a functionally expanded and independent regulator, in light of the plans for a fully liberalized market. The ICT Coalition continues to work on these issues. As well, through the dot-GOV program, all travel support and administrative fees were provided to Mr. Bob Kandatu NCC Commissioner for a course on Competition Pricing sponsored by the U.S. Telecommunications Training Institute in the U.S. This training was considered as a logical follow-on to fostering an independent regulator.

Zambia

The SIPRS Project collaborated with the World Bank Rural Energy & ICT Team to provide technical assistance to the Ministry of Communications and Transport, regarding the finalization of the First Draft National Information and Communication Technology Policy. As well, the project co-delivered with the CTO a Governance workshop in February 2004. Professor Bill Wigglesworth, of the CTO and Mr. Brian Goulden provided the technical substance of this workshop. This workshop was provided to the Communications Authority Board, the two Deputy Ministers of Communications responsible for ICT and Broadcasting and their officials. It focused on bringing the participants up-to-date with the challenges facing policy-makers and regulators and the issues involved in governance of a regulatory agency.

While the original intention was also to review the CAZ organization, staff and operations, this activity was not undertaken due to internal management issues within the Communications Authority of Zambia, which prevented the SIPRS team undertaking the planned field work for June 2004.

Malawi

The SIPRS Project visited Malawi 30 January-1 February 2003. Meetings were held with Malawi Communications Regulatory Authority (MACRA) regarding plans to implement regional policy guidelines and progress on the Malawi HRD telecom strategy and planned HRD budget. SIPRS also met with operators on MACRA's overall performance and their sensitivity to issues such as consumer protection, Key Performance Indicators, and the sector-wide consultations.

Outcome: Discussions with the Director General of Malawi MACRA and Celtel, one of the licensed cellular operators held on competitiveness of market; assessment of ICT policy and regulatory needs.

South Africa

The project worked with ICASA and liaised with USAID/South Africa in refining a strategy that will enable the establishment of a more effective and independent regulatory agency. In addition, the large number of SIPRS workshops held in South Africa (at TRASA's request) provided frequent opportunities to interact with ICASA

Outcome: The SIPRS project assisted with prioritization of ICASA needs become a more credible and effective regulatory authority able to operate independent from political influence from the sector.

8. Collaborative Workshops with the CTO, International Telecommunications Union (ITU), USAID/RCSA funded projects, and USAID/REDSO

The SIPRS project exceed the original target of five co-funding workshops with SADC members, where *"Five workshops will be co-funded with SADC members on the formula of USAID paying for "lodging, breakfast and lunch" for four of the workshop (this would*

normally be four days per workshop) with participants paying for their own travel and other expenses. In other cases, Mr. Goulden's time was contributed by the SIPRS project, each time with concurrence of USAID/RCSA. These original five workshops were to include Key Performance Indicators, Consumer Protection and Standards, Numbering, and two Human Resource Development Workshops.

Regarding the development of the Arab Telecommunications Regulators Network, USAID concurred with Mr. Goulden's participation in these workshops (funded by USAID/ANE Bureau through the dot-GOV Program). Mr. Goulden provided critical technical assistance on capacity building for two ATRN workshops (Jordan, July 2003; Jordan March 2004), as well as a separate technical assistance support trip in August 2003 to the Jordanian Telecommunications Regulatory Commission (Chair of the ATRN) to share lessons learned in the process of developing TRASA.

Co-sponsorship with the NetTel@Africa activities is covered under item 13.

In the TRASA region:

- Numbering – cosponsor, TRASA, November 2002, South Africa.
- TRASA and COMESA Coordination Meeting – cosponsor, COMESA, CTO/DBSA, January 2003, South Africa.
- Human Resource Development I – cosponsor, CTO/DBSA, January 2003, South Africa.
- Human Resource Development II – cosponsor CTO/DBSA, August 2003, South Africa.
- ICT Sector Performance Review Workshop - cosponsors CTO, IDRC/Canada, co-sponsored, November, 2003, South Africa. Over 20 participants from TRASA and ARICEA, US FCC Commissioner Paul Kopps gave impromptu speech.
- e-commerce Draft Law Workshop – cosponsor SADC SATCC, November 2003, South Africa.
- Good Governance – cosponsor CTO, February 2004, Zambia.
- Key Performance Indicators and Consumer Protection –cosponsors Chemonics (Rapid Task Order)/USAID/RCSA, USAID-REDSO (for ARICEA participants from COMESA region), Zambia, April, 2004.
- Human Resource Development Guidelines – cosponsor Chemonics (Rapid Task Order)/USAID/RCSA, Botswana, April, 2004.

- Symposium for SADC CEOs Regulators and Operators – cosponsor, ITU, Mozambique, June 2004. Mr. Goulden chaired and facilitated a number of sessions.
- TRASA Final Review - co-sponsor Chemonics (Rapid Task Order)-USAID/RCSA, June 2004, South Africa.

In the WATRA region: (where Mr. Goulden was co-facilitator and presenter)

- Human Resource Development – cosponsor CTO, January 2004, the Gambia
- Human Resource Development – cosponsor CTO, March 2004, Ghana
- USAID and CTO Human Resource Development Workshop 20-24 January 2003, Johannesburg, South Africa.
- USAID/Namibia, SIPRS, USAID EGAT “Rural Access” Windhoek, Namibia 10-13 February.

Attended

- J. Riley Allen TIPS Conference on Utility Regulation, USAID-South Africa Johannesburg 24-25 January 2003, SIPRS project represented because telecommunications was on the agenda.
- Southern African Internet Forum-cosponsors ISP Providers IDRC/Canada, April 2003. J. Riley Allen SIPRS Senior Advisor and Dr. George Sadowsky, Senior Technical Advisor, dot-Gov attended, with Dr. Sadowsky giving the keynote speech.
- ITU African Telecom 2004, Egypt, May 2004. Mr. Goulden was asked to moderate the session on regulatory issues; he also met with TRASA representatives to review the shortlist of candidates for the new Executive Secretary.

9. Internet Pricing, National and Regional Internet Exchange Points

The high cost of internet access between Africa and developed regions is central to the issue of ICT access, and the exchange of internet traffic between Africa, the US, and Europe. High cost is due to a variety of factors, but has been attributed, at least in part, to the manner in which international bandwidth charges are imposed on ISPs within Africa. This item was removed from the SIPRS work plan as a result of consultations with TRASA and USAID.

10. USAID Direct Support to TRASA

Prior to SIPRS, USAID had been supporting TRASA with organizational development by funding a locally recruited Senior Economist under a grant issued under the STRENGTH/DATEX contract. As the grant which funded this position expired at the

end of September 2002, the SIPRS project continued the funding for Mr. Kagiso Baatshwane, TRASA Policy Analyst for 13 months (October 1, 2002 through October 31, 2003) effective October 1, 2002 (a pre-award grant to cover costs for October 2002 was arranged with the USAID/RCSA for Internews).

11. Information Sharing

During RAPID Phase II, USAID/RCSA assisted TRASA to upgrade its web site, and helped the Namibian Communications Commission to establish its web site. This assistance to TRASA on the website was continued by SIPRS with Cyberplex, TRASA's web designer, including actions to load TRASA material onto the website. The TRASA Program Managers Thapelo Magopa and Richard Mwanza, respectively were trained in loading content on the www.trasa.org.bw web site by SIPRS Project staff and Cyberplex.

Additionally, Mr. J. Riley Allen produced a draft concept paper for establishing a SADC/COMESA Group of ICT experts to help inform and guide USAID and donor activities in the region. This topic was vetted by USAID/RCSA to USAID/Washington but no resources were available (**Annex 2**)

12. Coordination with COMESA

Recognizing the crucial role played by policy coordination between SADC members and with other regional markets (particularly because of overlapping memberships), the SIPRS project coordinated project activities with COMESA, if even only by means of information exchange.

SIPRS collaborated with COMESA on the development of harmonized policies, starting with a joint donor collaboration meeting in held South Africa, January 2003. This meeting identified areas of collaboration, primarily with the development of the new Association of Regulators of Information and Communication for Central and Eastern Africa, and with the expansion of the NetTel@Africa project, also funded by USAID/RCSA and USAID/Africa Bureau.⁴ The following workshops were co-sponsored by the SIPRS project, or SIRPS project staff played had substantive or facilitating roles in:

- COMESA Workshop on Capacity Building of the ICT Regulatory Sector, June 2003, held at Lusaka, Zambia.
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- General Meeting of ARICEA, sponsored by COMESA, held at Cairo, Egypt, July 2003. Mr. Goulden facilitated the Meeting.
- Workshop on Expansion of NetTel@Africa into COMESA region, Kampala, Uganda, November 2003. Mr. Goulden provided the liaison with TRASA.

⁴ The Network for Capacity Building and Knowledge Exchange in the Telecommunications Sector is sub-granted to Washington State University through the dot-GOV Program.

- Workshop on Key Performance Indicators, co-sponsored with COMESA, Lusaka, Zambia, April 2004. Mr. Goulden facilitated and provided delivered technical substance at the workshop, along with consultant Bill Schulte.

13. Coordination with the NetTel@Africa Project

The NetTel@Africa started with TRASA as its core sponsoring organization, and quickly expanded into the COMESA region. The SIPRS project provided liaison between TRASA and NetTel, and encouraged TRASA's participation and inclusion in the NetTel@Africa project. The areas of collaboration are as follows:

- NetTel@Africa presentation at the TRASA COMESA joint donor coordination meeting, South Africa, January 2003.
- Brian Goulden provided support to the University of Botswana curriculum development team by providing documents and background briefing on regulatory issues in the SADC region as they developed the NetTel@Africa module 2, ICT Technologies (March 2003)
- Full logistical support for the first NetTel@Africa "Safari," held at University of Botswana, July 2003, including liaison with TRASA on member's participation.
- As above, Workshop on Expansion of NetTel@Africa into COMESA region, Kampala, Uganda, November 2003. Mr. Goulden provided the liaison with TRASA.

14. Contributions to USAID/RCSA Strategy Development

The SIPRS Project provided information to USAID/RCSA for the development of the next strategy 2003-2008 through the CTO, Mr. Lovemore Bingandadi. An analysis of the region's ICT sector by J. Riley Allen for use by the Mission (**Annex 4**) was maintained through June 2003. In addition, various presentations produced by SIPRS for the SADC Hub Round Table (August 2003), and visit by the U.S. President to Gaborone, Botswana (July 2003) are included in **Annex 2**.

Mr. Goulden also provided materials to the SADC Hub on the SIPRS Project for the visit of the US Assistant Secretary of State for Africa, Mr. Walt Kansteiner III April 2003.

V. CONCLUSION

A collaborative relationship with both TRASA and USAID/RCSA was essential to the successful completion of the SIPRS Project. This held true throughout the project but became essential when the primary funding source shifted between USAID/RCSA to USAID/EGAT. In sum, the following was accomplished:

- Regional model policy and regulatory guidelines approved by the SADC Committee of Ministers of Communications in the following areas: Consumer Protection and Standards; Numbering, and Human Resource Development.
- Key Performance Indicators were developed to monitor performance of regulators, operators, and service providers and are under review by TRASA.
- National-level technical assistance services effectively addressed requests from individual governments, sector regulators, service providers, and sector ministries (Swaziland, Angola, Mozambique, Botswana, Namibia, Zambia, Malawi, South Africa).
- TRASA has emerged as a confident and effective organization willing to take steps to be self-sustaining. A critical review of TRASA completed in December 2003 resulted in a stronger organization. As a model for regional market integration the TRASA's organization and capacity building process has been adapted by COMESA and within West Africa (WATRA). Interest in "the TRASA Model" has spread to the Middle East with the Arab Telecommunications Regulators Network (begun by the ITU), and elsewhere.
- SIPRS played a supportive role to the ongoing NetTel@Africa Project within the TRASA and COMESA regions, but also was able to link USAID interests with ongoing programs of other donors working in the ICT sector within Africa (CTO, IDRC, ITU, DBSA, and the World Bank). This leveraging of resources resulted in more effective use of scarce resources and more activities to benefit TRASA and the region. This furthered the objectives of USAID/RCSA and the USAID/Africa Bureau Leland Initiative.

The SIPRS project helped contributed to USAID/RCSA's previous strategy's objectives in the region and furthered the SADC Regional Indicative Strategic Development Plan (RISDP 2003) by improving the ICT regulatory environment. Additional work rests with helping TRASA establishing peering relationships with other regulatory bodies and with refining administrative rules and procedures. Bilateral assistance is needed for each TRASA member regarding the development of a competitive telecommunications market within strong norms for regional harmonization.

All equipment was properly disposed of by turning it back to USAID/RCSA in June 2004. A financial report has been sent separately to USAID/RCSA. The SETA Corporation subcontract reports were completed in July 2004, submitted and approved by USAID/RCSA and USAID/EGAT.

All materials in this report will be posted in the dot-GOV section of the Dot-Com-Alliance website (www.dot-com-alliance.org). Copies will be sent to the USAID Development Clearinghouse.

Finally, the dot-GOV Leader Award provided support to the 1,020,000 provided for SIPRS from USAID/RCSA (\$800,000) and USAID/EGAT through the SETA Corp. subcontract (\$220,000). The support from the dot-GOV leader award for backstopping and supporting the project was over \$41,000 for the period 11/2003-9/2004. This demonstrates the cost savings of the leader with associate award mechanism.

From the SIPRS and dot-GOV team, it was a real pleasure for Internews to work with TRASA and USAID/RCSA and USAID/EGAT in coordination with USAID/Africa Bureau on this productive and important project.