

Telephones in Africa: Mind the Gap

The dramatic growth in mobile phone use in Africa has been a big news story recently. Africa today has the fastest annual growth rate in mobile subscriptions (65% compared to the world's 33% and Europe's 35%). But do these figures mean that Africa has truly joined the Information Age? A new Panos Report, *Completing the Revolution*, shows that behind the headlines another story is unfolding – a growing 'communication gap' between urban and rural Africans, with serious implications for development.

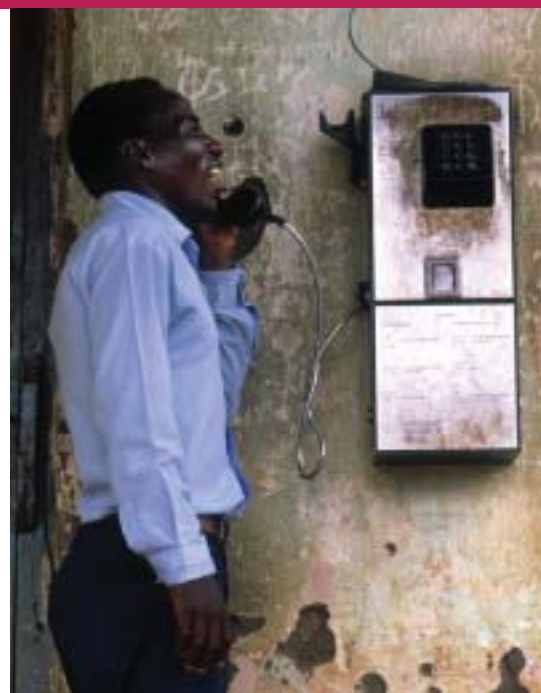
Consider the following figures:

- **By the end of 2001 Africa had 104 mobile networks serving over 14 million customers, in addition to 10 million in South Africa**
 - **In Uganda alone, mobile phone subscribers grew by 131 times between 1996 and 2002 – from 3,000 to nearly 400,000**
- Has Africa entered the Information Age with a bang? After all, rising mobile phone usage can indicate growing, healthy national economies where communications technologies play a key role.
- But a new Panos Report shows these figures conceal growing gaps between rural and urban Africa:
- **Four years into the 21st century only one rural-based African in 1,000 has a telephone**
 - **Sub-Saharan Africa is home to 10 per cent of the world's population, but has only 0.2 per cent of the world's one billion telephone lines**

Blipping off the radar: the need for media focus

On the surface a dramatic growth in mobile phone usage may look like a 'feel good' business story. But when we find that telephone usage in rural areas is very low – in countries where the majority of the population lives in rural areas – journalists have reason to be interested, particularly those covering business, economics, development and communication technologies.

The issue gains greater urgency in light of the growing privatisation of the telecommunications sector in the developing world. The ending of state monopolies is meant to lead to more efficient and cheaper services – and it does so, but almost exclusively for people in cities. Private investors don't see rural areas as a worthwhile market, so rural access to telephones is not catching up with urban, with potentially serious long-term consequences for development.



Rural telephones and development

Why is rural telephony an important issue? Because communication is central to development. Telephones are vital tools in both urban and rural areas – not only for big investors but also for farmers and fishermen. Telephones have become the single most important tool of communication in the modern world – something few can afford to do without, whether in urban or in rural areas. People need channels of communication for a variety of reasons, including access to education, livelihood and health care, to mobilise communities and maintain social networks, and to participate in democratic politics.



Whose Information Society?

In the run up to the 2nd phase of the World Summit on the Information Society (WSIS), scheduled for the end of 2005 in Tunis, Panos will be producing a series of media resources for journalists who want to cover the key debates as they unfold. Make sure you receive details about these, either by registering on our website www.panos.org.uk or by emailing your contact details to media@panoslondon.org.uk

This Media Brief is published ahead of the first WSIS Preparatory Meeting (Hammamet, Tunisia, 24–26 June 2004). If you use this or any other Panos media resources to cover issues around the Information Society, then please let us know. Email media@panoslondon.org.uk with details, and send a copy of your article/broadcast where possible to **MAC, Panos Institute, 9 White Lion St, London N1 9PD, UK.**

21st Century solutions

Fixed lines requiring major infrastructure are expensive to provide for rural areas in Africa, where distances are large, population density is low, and poverty likely to keep telephone usage low. For state monopoly telephone providers until the 1990s, rural phones were a low priority compared with providing phones for elites and businesses in cities.

Since the 1990s, telephone provision has been opened up to competition – sometimes just some sections of mobile phone provision, sometimes fixed line and internet services as well. Privatisation has enabled the boom in mobile phones, and could potentially enable mobile coverage of rural areas as well, because mobile phones require much less infrastructure than fixed lines.

Today, there are many new technological solutions available. But in practice the neglect of rural areas continues – partly because rural areas are not seen as a market, for the same reasons as before, and partly because call charges for mobile phones are much higher (\$0.20–0.50 per minute on average) than those for fixed-line phones, putting them beyond the reach of most people in rural areas.

Most countries around the world are signed up to the principle of ‘universal access’ – providing a telephone to everyone within a reasonable distance.



But many haven't got policies in place to achieve this, and funding is a major challenge. Current thinking is that deregulating the telecoms sector – i.e. allowing competition – will help deliver telecoms to wherever there is demand, including rural areas. This thinking informs the World Trade Organisation's Basic Telecommunication Services Agreement (BTA), under which all WTO member countries have to open up their telecommunications sector to private companies.

But telephone connections provided by the private sector remain elusive for the African village.

Innovations in funding

Until recently most governments have kept the costs of rural telephony low – in those areas that are connected – by siphoning off some of the revenues from long-distance and international calls. But this is no longer possible because of WTO regulations that restrict most forms of subsidy. Some governments now require private companies to meet specific rural connection targets as part of their operating contracts. Many governments have also responded by charging telecoms companies a share of their profits. This goes into a ‘Universal Service Fund’, which can provide incentives to enable commercial providers to expand into rural areas.

But these funds are proving insufficient to meet the challenge of providing telephones to rural Africa. In Burkina Faso, for example, to achieve a ‘teledensity’ of four telephones per 1,000 people by 2013, an investment of nearly \$74 million is needed over 10 years. The Universal Service Fund – made up of contributions from private operators – will provide for only \$1.14 million.

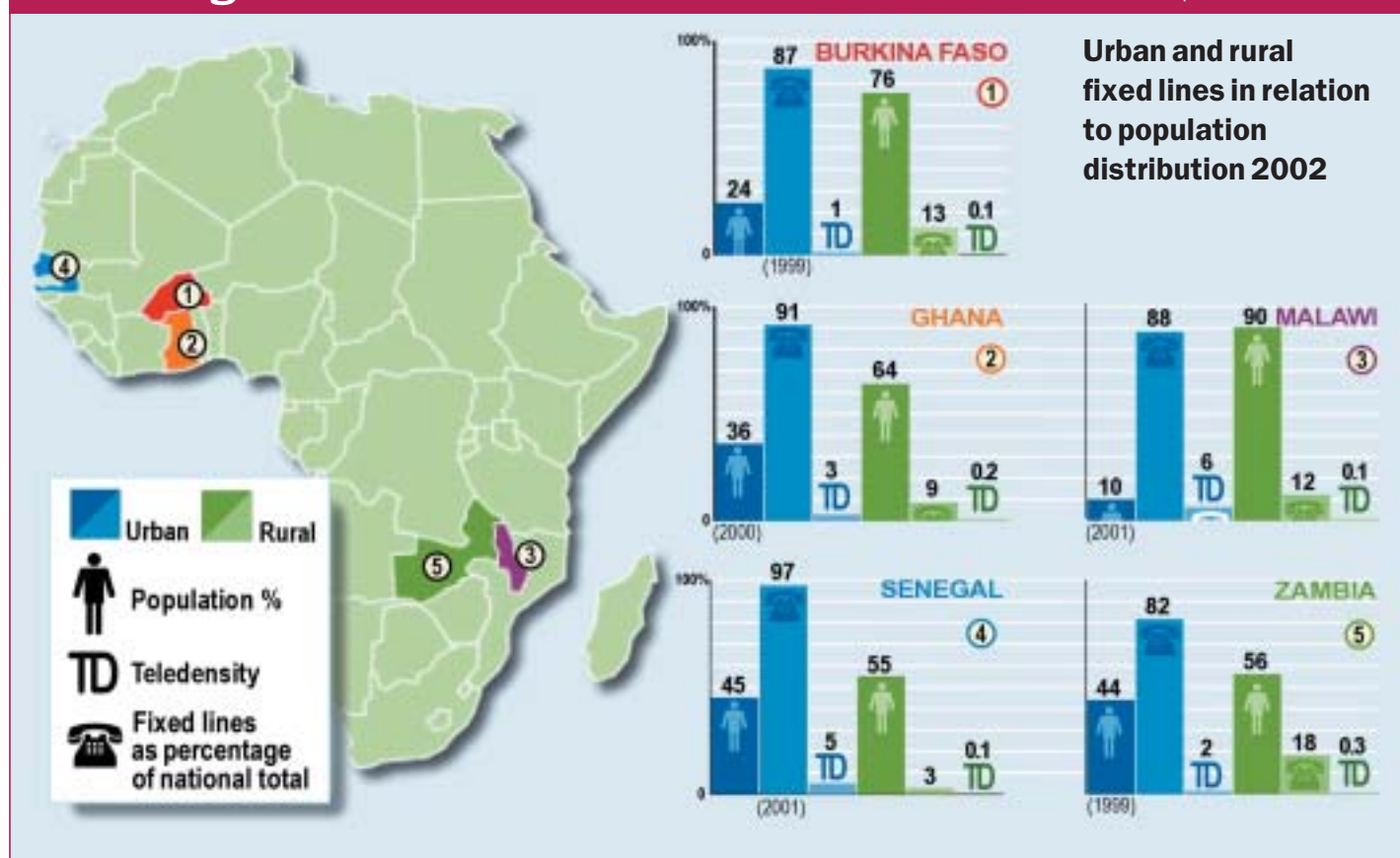


The global scene: access to phones

Source: ITU Telecommunications Indicator Database
Graphic: Nicole Heinzl

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This graphic can be used free and is available to download from www.panos.org.uk/resources/reportdownload.asp?type=report&id=1069

Technological options

In spite of social and economic challenges, there are today several innovative technologies that can help deliver telecommunications to rural areas. Today, communications can be provided cheaply in virtually any remote or rural area with the help of digital equipment and wireless and satellite technologies. Even small organisations and individuals in rural areas can club together to obtain cheap access especially where there is no existing telecommunication infrastructure, such as fixed-line connection. With radio transmitters for broadband lines now costing less than \$50, hundreds of groups around the world are setting up their own wireless local area networks. Other popular technologies include Voice over Internet Protocol, Ku-Band satellite transmitters and HF or VHF radio.

Glossary

Fixed-line phones:

traditional wired phones

HF/VHF radio:

high frequency and very high frequency radio are different types of radio waves transmitted by an antenna.

ICTs:

information and communication technologies

Ku-Band Satellite:

a particular type of frequency in satellite transmissions

Teledensity:

number of telephones per 100 inhabitants

Voice over Internet Protocol (VoIP) telephony:

hardware and software that enables people to use the internet to make phone calls

* Outline of case studies in *Completing the Revolution*

Burkina Faso: coping with poverty

In one of the world's poorest countries, a mobile call can cost half the daily wage of an agricultural worker. However, one of the private telecoms companies is proposing low-cost battery-run public mobile posts and an NGO has piloted wireless-based services in some villages.

Senegal: incomplete privatisation

Senegal is unusual in that 70 per cent of its population has phone access. Rural people hope that increased competition will help fill the gap, once the state provider's period of protection and privilege ends in July 2004.

Uganda: a success story?

Uganda's ICT policy includes a 'big push' to attract investment in ICT, a strong Rural Communications Development Policy, and a Rural Communications Development Fund. Uganda is widely regarded as a model for other African countries.

Zambia: serious about rural phones?

Only two per cent of rural homes in Zambia have electricity, and in rural areas there is less than one phone per 1,000 people. But the government is addressing the challenge, developing a new ICT policy in consultation with stakeholders.

* Panos has commissioned case studies giving on-the-ground analysis of rural telecoms in four African countries: Uganda, Senegal, Burkina Faso and Zambia (see box right). These can be downloaded individually from the Panos website www.panos.org.uk/resources/reportdetails.asp?id=1069

Is anyone listening?

Unfortunately, although rural telephony is vital to generating rural growth, the issue risks slipping off the global policy agenda. Neither the New Partnership for Africa's Development (NEPAD) nor the WSIS declaration, for instance, specifically addresses the need for rural communications as a development tool.

Media can help to put the issue on national and international agendas and make sure the poor and marginalised are included. For if their voices are left out, the communications revolution in Africa will remain incomplete and development may be threatened.

World Summit on the Information Society

The World Summit on the Information Society (WSIS) is the only international event that sets an agenda on global communications governance. It has been planned in two stages. The first summit took place in Geneva in 2003 and produced a declaration on what should constitute an information society. The second is scheduled to be held in Tunis in 2005.

Critics say that WSIS excludes civil society organisations and gives primacy to technology-oriented issues, ignoring the political and social dimensions of communications and information topics. However, WSIS has played a crucial role in re-shaping debates about the information society as a global issue, rather than a purely Western one. Doubts remain over the extent to which the communication needs of the poor and marginalised have been addressed.

Africa's enthusiasm in the WSIS process has been remarkable. African governments have argued for financial assistance under a proposed 'Digital Solidarity Fund' in order to enable them to participate more fully in the information revolution. However, no decision has yet been taken on this demand.

For official information on WSIS 2005: www.itu.int/ws15

Useful Links

Allafrica

a pan-African news portal
www.allafrica.com

Africa Information Society Initiative

for more about national information and communication policies of African countries
www.uneca.org/aisi

Africa Telecommunication Indicators – 2004

www.itu.int/ITU-D/ict/publications/africa/2004/index.html

The Association for Progressive Communications

www.apc.org

Community Information Network for Southern Africa

a resource for various ICT initiatives in Africa
www.cinsa.info/portal/index.php

Communication Right in the Information Society

civil society approach to WSIS
www.crisinfo.org

African Internet Connectivity

a portal for Africa ICT projects
www3.wn.apc.org/africa/projects.htm

New Partnership for Africa's Development

www.nepad.org

Regional African Satellites Communications Organisation (RASCOM)

www.rascom.org

World Trade Organisation

www.wto.org

Additional Panos Resources

Panos' Communication for Development Programme

www.panos.org.uk/global/program_news.asp?ID=1002

Panos Features

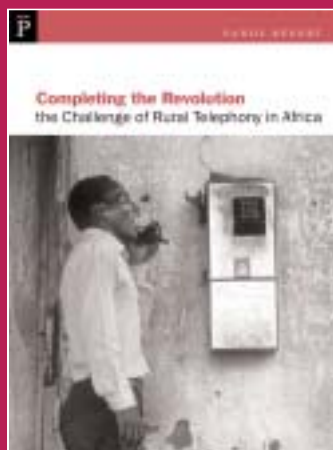
free to use syndicated features service on key development issues
www.panos.org.uk/global/featurethemes.asp?ID=1002

Interworld Radio

free online news features and resources for radio stations
www.interworldradio.net

Panos Pictures

photo agency representing photographers worldwide with archive of over 500,000 images
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The report, **Completing the Revolution – the Challenge of Rural Telephony in Africa**, is available to download from the Panos London website – www.panos.org.uk/resources/reportdetails.asp?id=1069

For a printed copy email media@panoslondon.org.uk

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All photographs available from Panos Pictures
Designed by John F McGill
Printed by Digital-Brookdale

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This brief has been published by Panos' Communication for Development Programme, supported by the Department for International Development, UK.

Panos Ltd (English original, June 2004)

Panos Media Brief No. 1
Telephones in Africa: Mind the Gap