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## **THE NEW PARTNERSHIP FOR AFRICA'S DEVELOPMENT (NEPAD) AS THE DRIVER FOR AFRICA'S TRANSFORMATION**

### **Abstract:**

Poor ICT infrastructure and inadequate policy/regulatory frameworks remain responsible to inadequate access to affordable telephones, broadcasting, computers and the Internet. However, globalization has brought the whole world to operate as a global village by using the Information and Communication Technology (ICTs) as a tool to communicate and solve critical issues that impede development to take place. As a result therefore and very aware from the fact, Africa is lagging behind, NEPAD was created in July 2001 by African leaders to address the challenges facing the African continent. The main objective of NEPAD is therefore to eradicate poverty and put Africa in the path of sustainable growth and development. The use of ICT is thus seen as one of NEPAD's flagship programmes to ignite socio-economic development. ICTs are used in various sectors of the economy such as education, governance, engineering to generate growth and facilitate socio-economic development. Based on the objective set by NEPAD, this paper set explore the role it plays in introducing ICTs as one of it tool to promote socio-economic development in Africa.

### **Keywords:**

Globalisation, ICTs, NEPAD, Africa

**JEL Classification:** A10

## **1. Introduction and Background**

NEPAD was created in July 2001 as a program of the African Union to eradicate poverty with a full mandate of putting Africa in the path for socio-economic development through its priorities programs. Building and improving infrastructure, including Information and Communication Technology (ICT), Energy, Transport, Water and Sanitation constitute some of its areas of priorities. Taking into consideration the pace with which information and communication technology (ICTs) have developed over the past years, its impact on economic development is really commendable. Africa should therefore invest comprehensively on ICTs in order to equip itself with up to date IT equipment so that it can adequately implement NEPAD objectives.

It should be emphasized that before the creation of NEPAD the lack of access to ICTs was perceived as one of the factors that impeded socio economic development to take place. Africa was unable to compete effectively because it was not fully integrated in the global economy. It could not compete effectively across various market structures because it lacked access to information and was therefore unable to acquire the required information that could allow it to also stand tall in the global stage.

With the inception of ICTs as one of the NEPAD flagship program, it has now become important to predict that companies at country levels could utilize the latest technology for powerful managerial decision making processes. It is equally possible that, countries using ICTs equipment could be opened to regional and international trade leading to regional integration. The inclusion of ICTs in the economy has also improved the quality of equipment used in the health sector. The development of infrastructure at continental level requires the heavy use of ICTs

Thus, both the private and the public sector should invest on ICTs because of the benefits that the continent is deriving from the e-NEPAD initiative. Africa could benefit from ICTs as they contribute in fast tracking socio economic development by reducing poverty and igniting economic growth. ICTs have the capacities to improve the quality of service delivery at local, provincial and national levels.

## **2. The Rationale for Considering the NEPAD ICTs Initiative**

Africa is the biggest supplier of IT raw materials in the world. That is why it is imperative that it improves and updates its equipment in order to remain competitive into the telecommunication networks and markets. In crafting its strategic document in October 2001, NEPAD (2001) had a clear vision of inserting ICTs strategies and policies in its development agenda. The rationale for this was

sustained by the fact, the improvement in technology and the affordability of acquiring the new ICT tools could facilitated African countries to accelerate economic growth and development through intra-regional trade that could culminate into the global economy.

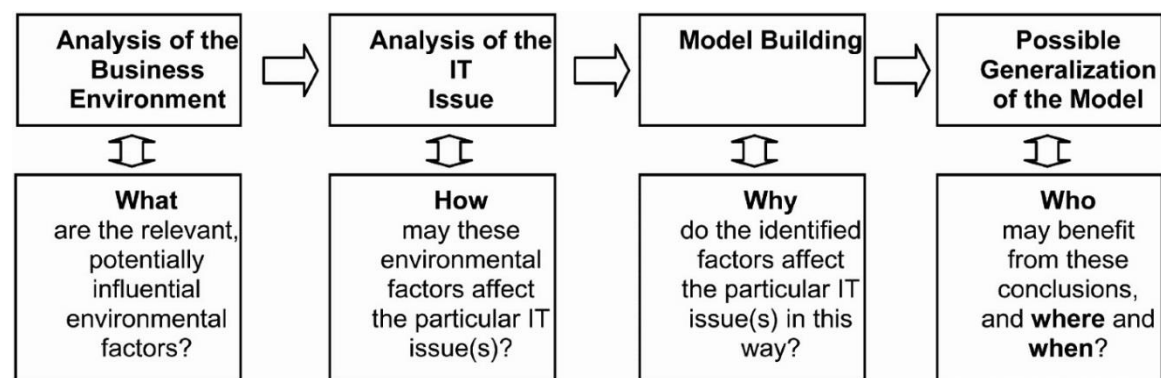
### 3. Review of the relevant literature

Roztocki and Weistroffer (2015) argued that a number of published researches related to ICT and socioeconomic development has been conducted at the country and organisation levels.

They inferred that business activities to be successfully achieved require the implication of ICT. It is important to note that ICTs have a catalytic role to play at country level as well as at organisational level because their intensive use is critical to facilitate socio economic development. As observed by Roztocki and Weistroffer (2016) ICT including high-speed computing, Internet, mobile telephony, geographic positioning systems, and Wi-Fi are major enablers of these business activities and services. Edoun (2016) was able to explain the impact of ICT on public and private enterprises in Africa. He posited that ICTs were the catalyzers for economic development where local authorities were assigned to play the role of development agents.

This was equally strengthened by Madon (2000) who assumed that ICTs activities exert a positive impact on economic activities, through the internet including health care and access to education. It is therefore acceptable from the above that, ICTs operate in a sustainable manner to support the commercial activities that generate the more needed incomes and increase profitability.

For a comprehensive assessment of the implication of ICT on development, Roztocki and Weistroffer (2009) developed the model hereunder related to the Application of environmental hypothesis for Information System research.



Application of environmental hypothesis for IS research. Roztocki and Weistroffer (2011)

Roztocki and Weistroffer (2016) strongly argued that, the differences in business environments in developing and emerging economies such as those in Africa require very different approaches to IT usage and suggest very different success factors and models for IT applications. This therefore implies that for ICTs to succeed in playing a catalytic role as mentioned by Edoun (2016) a number of factors need to be taken into consideration. For instance, the use of ICTs will require the capacity such as engineers and IT technicians so that ICTs become user friendly by all who want to use them in all areas of business activities.

For business to be successful, it is important to answer the following questions as per Roztocki and Weistroffer (2009) environmental hypothesis. These questions are related to the: what, how, why, who from the analysis of the business environment to the analysis of IT issues cumulating to model building as well as to the possible generalization of the model. However, for this application of environmental hypothesis to successful, it should be supported by well-crafted ICTs policies in a well-grounded regulatory environment.

In contextualizing this paper under the NEPAD objective, Catherine (2003) undertook a study that was related to the implication of ICTs on business under NEPAD initiative. In reviewing her literature, Catherine in line with NEPAD initiative inferred that, poor ICT infrastructure including inadequate policy and regulatory frameworks were the factors that impede tax payers to get access to ICTs devices such as computers and the Internet. She argued that, Africa has been unable to take advantage of ICTs as a means to improve livelihoods and develop new business opportunities. As a result therefore she observed that, NEPAD has acknowledged ICTs as critical for socio economic.

In line with Catherine observation, NEPAD (2001) stated that the use of ICTs could facilitate comparative advantages in the continent by providing a platform to African to be fully integrated in the global stage. The intensive use of ICTs facilitates the identification of new opportunities related to international financing and trade. However the main objective of NEPAD on ICTs initiative was to double tele density to two lines per 100 people by 2005. But has this being effective fifteen years later?

Literature revealed that in follow the above dream, the programme for Infrastructure and Development of Africa (PIDA) was puts in place to support NEPAD initiative of using ICTs to foster the transformation of Africa through modern infrastructures. By increasing global connectivity through PIDA, it is argued by the NEPAD and African Development Bank (AfDB) experts that:

*<sup>1</sup>Increasing Global Connectivity Information and communications technology demand will swell by a factor of 20 before 2020 as Africa catches up with broadband. Demand, around 300 gigabits per second since 2009 is expected to reach 6,000 gigabits per second around 2018. The literature also inferred that, PIDA is expected to boost broadband connectivity by 20 percentage points. Increasing broadband penetration by 10%, expected by 2018, will increase GDP by 1% by strengthening connections between goods and markets and between people and jobs. The experts also projected that continental demand for bandwidth is likely to swell by a factor of 20 from the 308 Gbps per second used in 2009 to more than 6,000 Gbps in 2018. The projection was that intercontinental bandwidth will be available in sufficient quantity (60 kbps per connection) in all countries at a competitive price. The projections are also based on the assumption that land-based backbone and backhaul infrastructure sufficient to carry national and international bandwidth reliably and economically will be in place. Finally, it is assumed that 3G/LTE service will be available in densely populated areas and that high-speed service will be affordable enough to attract 10% of the population, with 20-30% having at least reasonable access to the internet. Household traffic is becoming more important than business traffic in countries where operators offer high-speed Internet access in residential areas. High-speed 3G box Internet double-play plans offering VoIP access have, along with single-play plans, assumed the role of similar schemes in industrialised countries based on xDSL or cable-modem technologies, with similar usage patterns. Africa's late entry into the internet race may prove an opportunity by allowing the continent to avoid overinvestment, bad investments and the burden of legacy infrastructure while skipping ahead to the next generation of technologies*

The PIDA initiative holds that by 2024, half of Africa's population will certainly have access to affordable broadband services. This initiative should really be supported by up to date technological infrastructure because as Catherine (2003) puts it, no information and communication system can operate adequately without modernizing nor expanding the existing infrastructure, the telecommunications material and logical network at the national, provincial and local levels. The improvement and expansion should also be executed at regional and international levels to improve interconnection for international transit centers for access to international telecommunications networks. This is why African leaders certainly

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<sup>1</sup> [www.au-pida.org](http://www.au-pida.org)

thought of conceptualizing and implementing the PIDA project that was in making back from the Lagos Plan of Action from 1980 that culminated to the creation of NEPAD in 2001.

#### 4. Findings and Lessons Learned

NEPAD ICTs concept was put in place to enable African countries to have access to modern technology divides so that they can compete effectively in different areas of business. With globalisation imposing itself in all areas of business capacity, Africa has no choice, but to follow the trend and equip itself with the necessary ICTs policies so that it can adapt to the changing world.

**Fig 2: Regulatory Framework**



**Source: E.I EDOUN and C Mbohwa concept (2016)**

The study found that a solid regulatory framework is critical for the implementation of ICTs policies in Africa. Poor policies might not be conducive for socioeconomic development. With Africa still lagging behind because of poor ICTs infrastructure, governments now seek funding from the private sectors so that the PIDA project could successfully materialize and put Africa definitely in the path for socio economic development.

Findings also project that with sound policies that may be related to competitive environment, communication could become cost effective to support business operations both in the private and public sectors. Countries with sound ICTs policies have done very well in business.

This is also replicated at regional level where synchronized ICTs policies are able to facilitate regional trade as well as cross border activities that are exposed to various terrorism attacks. The exchange of information between countries is a strategy to monitor the movement of people and goods within the regional. Sophisticated ICTs equipment is now introduced to all border posts to minimize the effects of terrorism attacks.

Lessons to be learned from the introduction of ICTs in Africa by NEPAD are that, ICTs have a lot of advantages according to NEPAD 2001. ICTs contribute effectively for service delivery in the public sector and there is a high degree of accountability and transparency with the aid of computer accounting software during audit. ERP system is known to provide very reliable services in finance and distribution through appropriate and suitable software both in the public and private sectors.

Another lesson to be learned is that, the introduction of ICTs has substantially reduced business cost in Africa. Two business dealers don't have to necessarily meet to conclude deal at boardroom level as they can do so by communicating through internet and effecting transfer through internet banking. These are some of the changes that came with globalisation and the ICT revolution and Africa is now taking advantage of this eve.

## **5. Conclusion and recommendations**

### **5.1 Conclusions**

Africa is a continent endowed with various natural resources that are supplied across the world to contribute in the industrialisation of the world. However, the continent remains underdeveloped with high unemployment rates, poor infrastructures, high level of illiteracy as well as high level of poverty. To all this, is associated the treat of the Boko Haram factor and other terrorist factions operating across the continent. The presence of these treats has left many dead and requires governments in Africa to mobilise more funds to face this recurrent challenge. The inclusion of ICTs and related sophisticated equipment will certainly assist governments and related non-governmental organisations to work in synergy to fight against such treat.

However, since the inception of NEPAD as the development arm of the African Union in October 2001, this programme of the African Union has equally and strongly recognized that, *"<sup>2</sup>For centuries, Africa has been integrated into the world economy mainly as a supplier of cheap labour and raw materials..... Thus, Africa remains the poorest continent despite being one of the most richly endowed regions of the world"*.

Since the creation of NEPAD, ICTs is since be seen as its flagship program because of many advantages that NEPAD has cited as tools that can catalyze socio economic development for Africa's transformation. The economic transformation for Africa's development is currently being ignited by the revolution experienced in the (ICT) sector. The introduction of ICT has substantially minimised the cost of doing business. The challenges related to time and space have been resolved and cannot longer affects all areas of business capacities. ICTs have facilitated the integration of national and international systems of production including finance and this has contributed positively to economic growth of countries and regions as the result of cross-border activities and movements related to people, goods, services and capital.

With the treats posed by the Boko Haram factor, governments can now work through their regional economic communities (REC) program by using latest ICTs divide to scan travelers who operate and move within borders. Transportation system should be highly equipped with ICTs devices that detect any instruments that could be a treat to any commercial activities and the environment in which we as a people live in.

## 5.2 Recommendations

From what unfolded in this piece of work, there is no doubt that NEPAD is a development arm of the African Union. NEPAD has always thrived to provide the best to facilitate socioeconomic development. Its implication in the PIDA initiative can be a true reflection of the objectives that this AU organ has set for itself in order to contribute to the AU vision 2063. For this purpose, it has now become imperative that, countries in the continent should use various alternatives to finance ICTs projects for the total transformation of Africa and better economic performance.

Sound regulatory frameworks should be considered in supporting ICTs policies at country, regional, continental and international levels. Investing in ICTs infrastructure should therefore become a priority for many African countries and their respective regional bodies. In this way several business sectors could use

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<sup>2</sup> NEPAD Strategic Document ( October 2001)



ICTs equipment to improve quality of service both in the private and public sector. The liberalisation and deregulation in the ICT sector should be taken seriously by decision-makers to facilitate price competitiveness and improve business productivities.

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