

A Public-Private Partnership Approach To Achieving Meaningful Connectivity In Southern Africa

A Digital Rights and Inclusion Learning Lab Report



A Digital Rights and Inclusion Learning Lab Report (2023)

The Digital Rights and Inclusion Learning Lab Report (2023) is a compilation of policy briefs on digital rights and inclusion and presents recommendations for achieving a rights-respecting and inclusive digital environment. The Reports are written by Paradigm Initiative's 2023 Digital Rights and Inclusion Learning Lab Fellows. This edition was written by Sibongile Mokapane from Lesotho.

IN THIS EDITION:

A Public-Private Partnership Approach To Achieving Meaningful Connectivity In Southern Africa

Researcher: Sibongile Mokapane

Edited By: Sani Suleiman and Bridgette Ndlovu

Design and Layout by: Chima David

Published By: Paradigm Initiative

Copyright © 2024 Paradigm Initiative. All rights reserved.



Creative Commons Attribution 4.0 International (CC BY 4.0)



A Public-Private Partnership Approach To Achieving Meaningful Connectivity In Southern Africa

Written by Sibongile Mokapane

Introduction

The right to internet access is founded on existing political and socio-economic rights. Its roots can be traced to the International Bill of Human Rights which consists of the Universal Declaration on Human Rights (UDHR), the International Covenant on Civil and Political Rights (ICCPR) and the International Covenant on Economic, Social and Cultural Rights (ICESCR). These laws guarantee the right to freedom of expression, the right to access information and the right to equal opportunity and non-discrimination. The African Union African Charter on Human and Peoples Rights (ACHPR) echoes the same provisions.

In 2015, the United Nations Member States adopted the 2030 Agenda for Sustainable Development¹, a framework that supports sustainable development between 2015 and 2030. The United Nations (UN) created a Roadmap for Digital Cooperation² highlighting that “By 2030, every person should have safe and affordable access to the Internet, including meaningful use of digitally enabled services in line with the Sustainable Development Goals.” The roadmap supports the need to find new investment models to achieve meaningful connectivity. However, in Africa, access to connectivity is obstructed by factors such as lack of accessibility to and inclusive Internet and Communications Technology (ICT) infrastructures and digital systems. Affordability of devices, broadband and digital learning solutions contribute significantly to building the necessary digital skills to participate online. To fulfil and guarantee meaningful connectivity, states can look to Public-Private Partnerships, particularly in Low, Low to Middle Income Countries (LLMICs).

The State of Connectivity and Access in Africa

According to the Alliance for Affordable Internet report, there is a significant disparity between the number of men and women online. Globally, 259 million women lack access to the internet in comparison to men.³ In Sub-Sahara the gap is estimated to be 55% of men being online in contrast to women and is the highest statistic globally. The gender wage

1. <https://sdgs.un.org/2030agenda>
2. https://www.un.org/techenvoy/sites/www.un.org.techenvoy/files/general/Universal_Connectivity_Summary_PDF.pdf
3. C. Ferri, ‘New GDIP and Internet Society Foundation study will measure the cost of digital exclusion of women exacerbated by the pandemic’ (2023) [New GDI and Internet Society Foundation study will measure the cost of digital exclusion of women exacerbated by the pandemic - Global Digital Inclusion Partnership](#) (accessed 21st October 2023).

gap is the primary and foundation for other secondary factors that contribute to the digital gender gap as women earn around 30% less than men.⁴ Women earn less than men for similar roles having similar experience and skills and this significantly impacts on their purchasing power as consumers. Women and children are disproportionately affected by digital exclusion, particularly those from disadvantaged and rural communities; and overlooking such groups and communities exacerbates their pre-existing vulnerabilities.

The cost of devices compatible with internet accessibility is a factor as to why there are less women online. The average cost of a smartphone is estimated at 104 USD.⁵ This cost amounts to over 50% of their monthly income.

Affordability of broadband similarly has a bearing on other variations of the digital divide. Advocates of digital access have developed a broadband affordability target to achieve meaningful access to the Internet. The target intends to make the cost of broadband for meaningful connectivity to be 2% of the average monthly income.⁶ Other advocates have coined this target to develop the 2 for 1 principle which entails that 1 GB should not cost more than 2% of an individual’s income.⁷ The latest report by A4AI reports that the average cost of 1GB broadband of data to be 5.10 USD in Lesotho and 11.05 USD in Zimbabwe.⁸ Broadband data is therefore expensive for households earning minimum monthly wages.

According to the Independent Evaluation Group, about 134 developing countries that implemented PPPs have contributed to approximately 20% of the total infrastructure of such countries.⁹ An increase in ICT infrastructure investment stimulates inclusive growth by an average of 0.4% to 0.7%.¹⁰ 50% of the African population is expected to have subscribed

4. Alliance for Affordable Internet ‘The Costs of Exclusion: Economic Consequences of the Digital Gender Gap’ (2021) [CoE-Report.pdf \(globaldigitalinclusion.org\)](#) (accessed 23rd October 2023)
5. Alliance for Affordable Internet ‘The Costs of Exclusion: Economic Consequences of the Digital Gender Gap’ (2021) (n4) at page 7.
6. Sonia Jorge and Teddy Woodhouse, ‘What is meaningful internet access? Conceptualising a holistic ICT4D policy framework’ (2022) [What is meaningful internet access? Conceptualising a holistic ICT4D policy framework - Global Digital Inclusion Partnership](#) (accessed (9th November 2023)
7. A4AI, ‘Affordable Internet- Journey from 1-5’ (undated) [Affordable Internet - Journey from 1 to 5 - Alliance for Affordable Internet \(a4ai.org\)](#), (accessed 2nd November 2023)
8. A4AI, ‘Data-Only Mobile-Broadband’ (2021) [A4AI 2021 Mobile Broadband Pricing USD - Alliance for Affordable Internet](#), (accessed 2nd November 2023)
9. The Independent Evaluation Group, ‘Chapter 1: Introduction to Public Private Partnerships’ (n1) page 3.
10. M. Nchake and M. Shuaibu, ‘Investment in ICT infrastructure and inclusive growth in Africa’ (2022) [Investment in ICT infrastructure and inclusive growth in Africa \(sciencedirectassets.com\)](#) (accessed 11th November 2022).

to mobile services by 2025, and only 28% of that population is expected to be connected to 4G, while only 3% will access 5G.¹¹ With most African countries being underdeveloped and lacking in funds to implement strategies to address the aforementioned issues, consideration of PPPs is an ideal approach to finance, implement and operate projects and interventions in this regard.

Benefits and risks of Public-Private Partnerships (PPPs)

PPPs are contractual agreements entered into between private entities such as businesses and government institutions, where the private entity finances a government project for a set time period. PPPs are therefore advantageous for Low and Low to Middle Income Countries (LLMICs) with limited funds that require assistance in improving access to internet infrastructure and providing services with the aim of reducing inequalities and poverty.¹² PPPs are imperative in minimising government's potential failure to implement access to connectivity through ICT infrastructure and guaranteeing the efficiency and quality of the infrastructure. The efficiency and quality of the infrastructure and services counterbalance the high cost of financing and is therefore important for Mobile Network Companies (MNOs). These companies will safeguard and ensure the quality of the ICT infrastructures erected in rural and disadvantaged communities and the efficiency of such structures providing appropriate and compatible bandwidths.

One of the greatest advantages of PPPs is their shared or shifted risks between government and private partners. Generic risk factors of PPPs are contractual and/or structural.¹³ The PPP contract negotiation and its design pose a risk on how the obligations under the PPP will be discharged, the type of PPP that will be created by such contracts, and the

11. M. Nchake and M. Shuaibu, 'Investment in ICT infrastructure and inclusive growth in Africa' (2022) (n24) at page 3

12. The Independent Evaluation Group, 'Chapter 1: Introduction to Public Private Partnerships' (undated) World Bank Group. <https://www.bing.com/ck/a?!&&p=d251d67cbd5d0444JmItdHM9MTcwMDk1NjgwMCZpZ3VpZD0yMzExZWExY-S0zMzY5LTlYOMTEtMzFINi1mOTYxMzlxZTY1NDgmaW5zaWQ9NTAwOQ&ptn=3&ver=2&hsh=3&fclid=2311ea1a-3369-6411-31e6-f961321e6548&u=a1aHROcHM6Ly9pZWcud29ybGRiYW5rZ3JvdXAub3JnL3NpdGVzL2RlZmF1bHQvZm-lsZXMvRGFOYS9yZXBvcnRzL2NoYXBOZXJzL3BwcF9jaGFwMV8wLnBkZg&ntb=1> (accessed 26th November 2023)

13. R. Rybnicek, J. Plakolm, and L. Baumgartner 'Risks in Public—Private Partnerships: A Systematic Literature Review of Risk Factors, Their Impact and Risk Mitigation Strategies, Public Performance & Management Review' (2020) [Full article: Risks in Public—Private Partnerships: A Systematic Literature Review of Risk Factors, Their Impact and Risk Mitigation Strategies \(tandfonline.com\)](#) (accessed 28th November 2023)

authority structure for the PPP project. Additionally, other risk factors include commitment of the partners, communication, and trust.¹⁴ Negative behaviour and not being able to fully appreciate the objectives of the PPP by partners is a risk. Interaction barriers and sharing of relevant information for effective communication have an equal bearing on the success of the PPPs. The expectation of transparency between partners is critical for the partnership at all levels to achieve their shared objectives of the PPP.

The initial phase of the PPP can be costly and time-consuming compared to the traditional procurement process of the government, such as the development of a PPP framework where it is not available, undertaking a feasibility study, project design, and bidding for the project.¹⁵ PPPs are costly and require large funding. Appropriate funds should, therefore be secured, and its expenditure should not affect the institution's other operations.

Additionally, the partnership is vulnerable to some social and political uncertainties. The partnership is undertaken for 10 to 20 years, which puts the partnership at risk for vigorous policy change by different government administrations that may control government at a given period term. Where the legal and policy reform impacts the partnership and inevitably affects its terms, the cost of the project will rise and progress and momentum of implementation may decelerate if not not halted entirely.

PPP models for achieving meaningful connectivity

A PPP model is to address the aforementioned issues and gaps by engaging MNOs and Internet Service Providers (ISPs) who will assume significant risk and manage the partnership objectives. The MNO and ISP will bear the obligation to contribute to the design, implementation, operation, technical expertise, delivery, and funding of this project.¹⁶ The DCMF model (Design, Construct, Manage and Finance) and the DBFO model (Design, Build, Finance and Operate) can offer the required PPP structure for meaningful connectivity.

14. R. Rybnicek, J. Plakolm, and L. Baumgartner 'Risks in Public—Private Partnerships: A Systematic Literature Review of Risk Factors, Their Impact and Risk Mitigation Strategies, Public Performance & Management Review' (2020) (n11).

15. PPM Attorneys, 'Public-Private Partnerships in ICT infrastructure: an effective way to achieve SA's 4IR goals' (2021) [Public-Private Partnerships in ICT Infrastructure: An effective way to achieve SA's 4IR Goals \(ppmattorneys.co.za\)](#) (accessed 27th November 2023)

16. The Independent Evaluation Group, 'Chapter 1: Introduction to Public Private Partnerships' (n1) page 9.

These models offer lower risks for the new infrastructure. The technical expertise required for the design, construction, financing, operation and management of the project fall entirely within the ambit of the MNO and ISP company's service vehicle for the agreed period.

In India, the government partnered with a private company to invest capital in ICT hardware and services, establish computer laboratories in schools, and train teachers in using this ICT learning resource and in managing the laboratory, and conduct overall project monitoring and management.¹⁷ The partnership also offered tablets to students in institutions of higher learning at a subsidised price of 35 USD. As a result of this partnership, 17,000 schools across India had a better quality of education.¹⁸

In Africa, Uganda and South Africa are countries with legal frameworks that govern telecommunications and establish oversight mechanisms which enable an ideal climate for ICT PPPs.¹⁹ In 2015 the Ugandan government enacted the Public Private Partnership Act to regulate its PPPs development and implementation. Uganda is currently developing an Information Technology(IT) Business Processing Outsourcing (BPO) Park intended to attract ICT companies to invest in the project to promote ICT industrial development, income generation, and youth employment.²⁰ South Africa has however taken a different approach in ICT development through its Connect SA project. This project intends to deliver broadband access across the country through the State Information Technology Agency (SITA) and Broadband Infracore (BBI) to provide the end-to-end broadband services by 2030.²¹ One of the prevailing challenges is that some connectivity contracts have lapsed without any installation being effected.²² This is a risk that would have been mitigated by implementation of a private partner.

17. G. Semeon, 'Public Private Partnership in Building ICT Infrastructure: Its Potential for Higher Learning Institutions in Developing Nations'(undated) Proceedings of the 16th International Conference on Private Higher Education in Africa. St. Mary's University. [Public Private Partnership in Building ICT Infrastructure Its Potential.pdf \(smuc.edu.et\)](#) (accessed 1st December 2023)

18. G. Semeon, 'Public Private Partnership in Building ICT Infrastructure: Its Potential for Higher Learning Institutions in Developing Nations'(undated) (n 17).

19. World bank Group, 'general Telecommunications framework (by country)' (10 October 2021) [General Telecommunications Framework \(by Country\) Public Private Partnership \(worldbank.org\)](#) (accessed 1st December 2023)

20. [Uganda PPP Platform \(pppunit.go.ug\)](#) (accessed 1st December 2023)

21. South African Government, 'SA Connect- Implementing the Broadband Policy and Strategy' (24 April 2023) ['SA Connect' — Implementing the Broadband Policy and Strategy | South African Government \(www.gov.za\)](#) (accessed 1st December 2023)

22. SA Connect Progress Report. (2019) Parliamentary Monitoring Group. [SA Connect progress report | PMG](#) (accessed 1st December 2023).

Recommendations

Governments

- Develop policies and national strategies on ICT infrastructures- states should develop intersectional broadband and ICT national strategies and policies that accommodate different needs of disadvantaged populations and communities. These frameworks should consider and focus on changing the status quo for economically disadvantaged households. It is therefore necessary to develop intersectional ICT and broadband policies and national strategies for Low and Lower Middle-Income Countries in Southern Africa through a multi-sector engagement which include both government and private partners.
- Regulation and legal environment- governments should develop legal measures to regulate the PPPs. Further, governments should harmonise existing frameworks to enable the success of the PPP undertaking. Additionally, governments should establish a PPP regulatory mechanism to ensure the needs of each undertaking are considered in achieving its outputs. Governments should be willing to undertake regulatory, legal and policy reform to create a conducive climate for the PPP outcomes through harmonizing and amending existing frameworks.
- Establish a Universal Service Fund (USF) and develop incentives for contributions to the fund- governments should establish USFs to sustain the implementation of PPPs outcomes post the ICT strategies and initiatives, and further make incentives for private companies to encourage financial contributions to the Fund.
- Governments should engage international organisations that have supported the development of the user pays PPP frameworks for ICT infrastructure. This ensures that there are technical inputs regarding the specific model that will work for the intended project.
- Partnering with private MNOs and ISPs to operate and manage the ICT infrastructures - These private partners are key in the executing phase in terms of expertise and skills required to manage and operate connectivity.

Non-state actors

As key actors in ensuring meaningful connectivity, non state actors should partner and collaborate in the following:

- Research and monitoring for digital inclusion- International Cooperative Partners should work and support governments and non-profit organisations in monitoring digital inclusion by collecting aggregated data on various digital divides, with a particular focus on the digital gender gap, ICT infrastructures, affordability of devices and broad-

band. Non state actors should contribute to feasibility studies of any PPP to establish the associated and anticipated risks of the project undertaking.

- Capacity building for policy-makers- creating awareness amongst influential actors is necessary to bring to the fore issues of meaningful connectivity and why it should be a priority and addressed with urgency.

Conclusion

LLMICs in Southern Africa have the potential to grow their economies through internal and external digital trade and combat the increasing rate of unemployment. Equitable investment in ICT infrastructure is the initial step to facilitate a conducive environment and decentralised participation in the digital economy. Investing equitably to include disadvantaged and remote communities is indispensable to ensure their participation and contribution to economic and societal development. However, the current economic status quo makes such participation a challenge, in particular for individuals on minimum wages and poor households. The affordability of broadband and the cost of compatible devices required for accessibility are an impediment. A PPP approach offers an opportunity to address these prevailing issues of connectivity. LLMIC governments should therefore consider PPPs to develop their ICT infrastructure and promote connectivity