

Project to set up multipurpose community telecentres in Cameroon

NOTE: This study follows the format of the questionnaire distributed to participants.

A Case study summary information

1 Title of case study

Multipurpose community telecentre (MCT) project

2 Details of the person preparing the case study

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3 Status of project

- In progress

4 Location and population

- Location: Villages meeting certain criteria defined by the project coordination team.
- Population: Rural areas

5 Type of project

- Pilot project
- No authorization required
- The project is funded by the initiative for highly-indebted poor countries (HIPC), for which Cameroon was eligible. Other sources of funds have also been provided for, including a special fund for telecommunications supported by all operators and network and telecommunication service providers. Multilateral aid is also being sought.

6 Type of application/service

All of the different types of service listed under this heading are concerned, although only traditional telephony, radio and TV broadcasting, ICT training, money transfer and the Internet are being offered at present.

7 Type of technology

- VSAT microstations, with a wireless local loop providing a range of some 30 km.
- The use of optical fibre is planned, once it has been deployed by CAMTEL, the incumbent operator. We are moving towards a combination of technologies following the pilot phase.

8 Organization involved in implementing the project

- The programme is run by the Ministry of Posts and Telecommunications, in partnership with international bodies and companies and administrations at the local level.

9 Summary of project

This project came into being as a result of the Government's intention to provide rural areas with the means of modern communication in order to bridge the digital divide that exists between rural and urban areas. It is also a component of the Government's activities to reduce unemployment by creating jobs, educate the public about ICTs, support the emergence of genuine business centres and centres of social and economic devolvement in rural areas, and make the rural areas a part of the new economic environment.

The telecentres will subsequently be handed over to local government or partnership initiatives on the basis of a regime of conditions that has yet to be defined; this will also contribute to the fight against unemployment.

- B Detailed project discussion and analysis

1 Overview of project targets and objectives

- a) Cameroon is situated in the heart of Central Africa, slightly north of the equator. It borders Equatorial Guinea, Gabon and the Republic of the Congo to the south, the Central African Republic to the east, Chad to the north, and Nigeria to the west.

The country has a diverse landscape that includes both plains and mountains. There are four seasons, two wet and two dry. The population has reached a size of some 18 million.

The country has had structural adjustment imposed on it by the Bretton Woods institutions (IMF and World Bank) and is eligible for the HIPC initiative. It is beginning gradually to emerge from the economic crisis that gripped the country for nearly 10 years. The unemployment rate remains very high, and roughly 80% of the population lives in poverty. The GDP is in the neighbourhood of 2.5%.

Following the HIPC initiative, Cameroon benefited from a substantial alleviation of its bilateral and multilateral debt, and as a result it currently has financial opportunities to reduce poverty; the current telecentre project is part of this development.

- b) The implementation of the project has the following goals:
- ICT promotion through education;
 - creation of activities to stimulate direct and indirect job creation for young people and women;
 - prevention of rural flight.
- c) Local populations have greeted the creation of the infrastructure with enthusiasm, despite not always grasping the full significance of the project. The reasons for this include illiteracy and the absence of an ICT outreach policy.
- d) The technology used for the pilot phase is VSAT microstations, although the operating cost appears rather high by comparison with other available technologies.

e) The project is currently funded entirely out of resources from the HIPC initiative. Resources from the Special Fund for Telecommunications will also be used once a fund management board has been set up.

The cost of one telecentre is estimated at 57 million CFA francs (including buildings and fitted equipment).

f) The decision-making process for determining the nature of the project takes place within the committee set up for the purpose. Its members are drawn from amongst all of the direct players in the project.

2 Infrastructure and regulatory environment

a) The existing network is very complex and includes both analogue and digital systems. The transport network includes satellites, radio-relay links and optical fibre. Electrical power is obtained from various sources: the utility AES Sonel, photovoltaic systems, or generating sets. The average distance from a multipurpose community telecentre (MCT) to the nearest switchboard is 90 km. MCT employees have already received appropriate training. Provision has been made for the buildings to be constructed in a secure fashion. For hardware security, the ministry is producing a law on cybercrime, taking into account the recommendations from the recent meeting on cybersecurity cooperation strategy, including the fight against spam, organized by BDT last September; a law on e-commerce is in the process of finalization. Cooperation between Cameroon, the European Union and ITU has led to a PKI infrastructure being installed within the ministry to protect administrative and financial transactions on the basis of certificates.

b) The law governing telecommunications in Cameroon stipulates that every operator providing services or telecommunication networks is subject to the universal service obligation. To reduce MCT operating costs, the Government has undertaken not to demand any authorization with respect to local governments; instead, conventions setting out the rights and obligations are to be signed by all of those involved in the project.

c) The use of technologies from different manufacturers adds to the costs, due to the need to acquire different interfaces; this affects the quality of service.

3 Technical description and services provided

a) The network architecture has a grid of VSATs connected to a hub operated by Cameroon Telecommunications (CAMTEL), the incumbent operator. The network also includes internal equipment, a 128 kbt/s hub and station.

b)

c) Interconnection with national networks takes place through the CAMTEL network.

d) The quality is acceptable.

4 Cost aspects

a) For the pilot phase, involving 12 MCTs, the total cost of the work required is estimated at 1.5 billion CFA francs (1 Euro = 655.666 CFA francs). Operations are estimated at 66 million CFA francs, representing the annual lease of the space segment.

b)

5 Effectiveness and sustainability of the project

- a) The project will be sustainable thanks to the financial independence of the telecentres, with a framework of rules specifying the role of each of the project players. The project has a number of advantages.
- b) Subsidies are planned to make up the deficit resulting from discount offers.
- c) The project is facing a number of challenges: lack of planning, absence of adequate financing, lack of dedicated professionals to manage the project. The team needs project managers; it needs to have adequate funding; the project management should be protected from political interference to avoid the risk of inappropriate technology choices when awarding contracts, in particular; the process of setting up a national backbone needs to be accelerated; and the MCT employees need regular refresher training.

6 Social and human development impact

- a) Social and human development goals include areas such as health (telehealth), distance education, and the creation of public leisure facilities with large-screen projection of events such as the world cup.
- b) The government has made a firm commitment to ensure the sustainability of this very ambitious project for our country, and public/private partnerships are encouraged.
- c) The project will help to improve living conditions for rural inhabitants by increasing the profitability of rural operations, through the availability of access to agricultural information; the dissemination of technical information to rural professionals will have a positive impact on their services. As for the participation of communities in the project, the Government plans to hand over the MCTs to local government, where the profit margin can usefully assist in the development of the local communities.

7 Other observations

- a) A number of results are expected, including the following:
 - indirect job creation through MCT spin-offs;
 - improvement of living conditions of rural populations due to increased profitability of rural operations thanks to the possibility of access to agriculture information;
 - prevention of rural flight, by keeping inhabitants in rural areas and encouraging young graduates to return to the rural areas, providing them with the necessary conditions previously available only in the cities;
 - development of a social forum in which the community can exchange ideas, develop projects, and find reliable economic and cultural partners;
 - revenue growth for the primary providers, thanks to a more streamlined distribution chain;
 - contribution to the struggle against public-health threats like AIDS;
 - creation of an early-warning system for disasters.
- b) The project is facing a number of challenges regarding its financing and administration, particularly relating to the mechanism for awarding contracts, which is considered to be complex and not always transparent; technical problems are also expected, particularly in using VSAT technology, which is very expensive for this project, so that the system could be abandoned in favour of fibre-optical systems currently being developed in the country.

c) The project, which began in 2002, should have been reaching its mid-point by now, but in fact is still in the pilot phase. At the end of January a memorandum of understanding was signed by the government and Cisco, and it is expected that this will have a positive impact on the project, as one of the objectives of the memorandum is to put in place a project for ICT development in villages and rural areas.
