



**EXECUTIVE FORUM ON
NATIONAL EXPORT STRATEGIES**

**EXPORT OF SERVICES: HYPE OF HIGH POTENTIAL?
IMPLICATIONS FOR STRATEGY- MAKERS**

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**Exporting Information and Communication Technology
Services: Still and Opportunity?
Namibia's Experience**

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EXPORTING INFORMATION AND COMMUNICATION TECHNOLOGY SERVICES – STILL AN OPPORTUNITY? NAMIBIA'S EXPERIENCE

Namibia's ICT background

- Namibia is one of Africa's most advanced countries in terms of ICT infrastructure, yet the country does not live up to its full potential.
- Uncertainty amongst stakeholders prevents this sector from moving forward in the pace that it should – this is due to the lack of an ICT related policy in the country.
- The telecommunications bill drafted a few years ago is still to be implemented.
- Lack of competition – currently there is a single company that deals with fixed line communications.
- This has caused high cost in internet connections and telephone tariffs.
- It has also slowed down the rollout of telecommunication into the rural areas.
- This has also limited the diffusion of the internet and ICT in the country (especially in the rural areas).
- The current division in the ICT sector (with two different Ministries being involved) is also a hindrance.

Internet Bandwidth

This has been an obstacle to communication as it is very limited.

- There are about 600 leased lines in the country, sharing approximately 6 mbps of international bandwidth.
- There are approximately 18,000 dial-up customers.
- This has resulted in badly congested network.
- Internet browsing is very slow.

Computer Usage in Namibia

- There are approximately 150,000 computer users in the country (of a population of about 2 million).
- There is a great lack of ICT capabilities and expertise in Namibia.
- The percentage of pupils taking computer related courses in schools is very low.
- Limited IT resources in educational institutions.
- Expatriate staff is being brought into the country to work with the National Institute for Educational Development (NIED) towards the development of e-learning in the country.

Supply of ICT

- There is no hardware manufacturer in Namibia (most of the country's hardware is imported-mainly from South Africa).
- Little tailor-made software development takes place in Namibia.
- The country's ICT industry employs the use of generic software products (notably, Microsoft range and a small Novell and Unix installed base).

- The ICT industrial sector in Namibia is mainly made up of branches of South African based companies.

The Business Sector and its employment of ICT

Manufacturing Sector (meat, fish and other food processing)

- Uses approximately 200 PCs.
- Namibia Breweries - one of Namibia's largest manufacturing companies that export about 50% of its products has very few internet-based activities, such as order processing and distribution (according to report on A Country ICT Survey for Namibia, carried out in 2002).

Mining & Quarrying (diamond & uranium mining and petroleum exploration)

- Most developed sector in terms of ICT uses approximately 3000 PCs and has a high usage of internet and email facilities.

Banking

- Large network of about 150 ATMs throughout the country.
- Banking over the internet has been introduced.
- Has approximately 1700 plus PCs within this industry.

Power Utility

- This sector has very sophisticated internal computer set up.
- It also has an extensive fibre network that could increase and facilitate access to communication facilities if given the opportunity.

Tourism

Though a large number of tourist establishments can be found on the internet, most of these are static. Fully-fledged e-commerce sights are yet to be realised.

- There is currently very little evidence of products and services in the ICT sector, such as electronic commerce, distance learning and multi-media.
- There is hardly any business-to-business application, which hinders progress in allowing easy communication between businesses both at the national and international level. Without these it is difficult to conduct business electronically.
- Though there are websites of some Namibian companies to maintain communication with customers, most of these are static whilst others are hardly ever updated.
- Namibia's economy is still not yet knowledge based (making it impossible at the moment for the country to provide ICT exporting services).

Recommendations

- The country has the potential to develop its ICT sector further.
- Firstly, the introduction of ICT-related topics in schools has to be intensified.

- ICT should be greatly emphasised and incorporated fully in the teacher's training curriculum, thus enabling the development of Namibia's human resource base in ICT.
- Awareness in government of ICT benefits has increased (attempt by government to create an Intranet that will connect central and local government offices). However, Namibia still has a long way to go in building its human capacity to further accelerate its development as a networked society.
- The use of ICT in business and government lags behind the country's actual technological capabilities.
- Without the appropriate technology know how amongst businesses, trade opportunities can be limited. If business-to-business (B2B) ecommerce is encouraged and promoted, it can open opportunities in international trade and ease trade restrictions.
- In the area of tourism, business-to-consumer (B2C) extensive use of ecommerce can increase and boost the tourism sector.
- The main challenge in the country is to make information and communication technology cheaper and accessible within its borders. This can be achieved through the right legislation. This will go a long way in creating a more secure business environment for ecommerce and this can further open up the country's market and trade opportunities.
- Exporting of ICT is still an opportunity in Namibia, with its good ICT capacity. The country will however, have to act fast in putting the right policies in place and increasing the technological skills of its people, if it is to catch up in doing business electronically and accelerate its technological development.