

JIM OVIA'S PAPERS

REAPING DIGITAL DIVIDEND: *OPPORTUNITIES FOR NIGERIA*

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OUTLINE

- Leveraging on the vision and mission of national policy for information technology
- E-education
- Creation of wealth
- Job creation
- Poverty eradication
- Global competitiveness
- Creation of ICT cities
- Highly indebted poor countries (HIPCs) and digital divide
- Conclusion

Introduction...

- Rather than lament on the constraints that led to the “**digital divide**”, Nigeria should re-focus on what can be done to speedily close the gap (bridging the divide) and enable the citizens to reap the digital dividend. The major role of government is to create the relevant infrastructure and make the environment user-friendly. Some other more commonly and frequently debated issues that fuelled the digital divide are:
 - Telecom access: teledensity
 - Internet access
 - Affordability of access – Wireless access, broadband
 - Financial access
 - Managerial skill & e-workforce
 - E-governance

- **Telecom access: teledensity:**

Expand and modernise existing telecommunications infrastructure. Allow greater competition. Further deregulate. Soften entry requirements into the telecommunications industry.

- **Affordability of access:**

Government intends to charge 3% tax on all imported finished IT products which would be disbursed to National Information Technology Development Fund (NITDEF). This will further increase the cost of internet access, ICT cities.

- **E-governance:**

It implies radically changing how government functions. Government becomes more transparent and delivers services much faster and cheaper. Responds to enquiry much quicker. E-governance allows professional monitoring of government behaviour

- **National Information Technology Development Agency (NITDA):**

to set up e-governance initiatives in Ministry of Information that would monitor the adherence of e-governance programmes in various government parastatals.

THE MISSION & VISION OF NATIONAL IT POLICY

Reflecting on the powerful vision statement of the National Policy for Information Technology, ...”to make Nigeria an IT capable country in Africa and a key player in information society by the year 2005, using IT as the engine for sustainable development and global competitiveness”.

■ E-education

- Distance learning through video conferencing
- Virtual classrooms
- Research through the Internet

■ Creation of wealth

- E-economy. This is now synonymous with creation of wealth. It has been demonstrated that wealth creation is accentuated in digital economies.
- Knowledge based economy is the direction of new world economic order

■ Job creation

- Job opportunities are generated in telecom and telecom related businesses, Internet Service Providers (ISPs), Cybercafes, Software programmers, Web designers and the multiplier effect on the economy generally.

■ Poverty eradication

- Digital economy would reinforce Government's efforts to alleviate poverty.

■ Global competitiveness.

Embracing digital economy would enable Nigeria to compete with other developing countries. For example, Ghana's national strategy is to promote export development aggressively, primarily in the non-traditional export sector.

- The Ghana Export Promotion Council co-ordinates the implementation of this strategy. One of the Council's strategic objectives is that all registered Ghanaian exporters should become e-competent by 2003.

- Cheaper and better Internet Access will enable more people to be connected in the digital economy.
- Broad Band Network and fibre optic infrastructure to be installed by Government to reduce the cost of Internet access.
- Cost of Internet access in Nigeria is too high. CNN reported that it cost about \$2000 per annum for a decent Internet access in Nigeria.
- Overall cost of telecom to be made cheaper to be made cheaper by improving telecom infrastructure.

HIPCs AND DIGITAL DIVIDE

- The President of World Bank, Mr. James Wolfensohn did comment during a recent CNN interview that World Bank has a special programme for HIPCs (including Nigeria) to enable them leap-frog into the digital economy.
- The HIPCs are seriously disadvantaged as they account for only 1% of the world internet access
 - Most people do not have telephone lines
 - Power supply is erratic, if available.
 - Recent World Bank report suggests that each person in HIPC survive on an average of \$1 per day compared with less than \$1 per day, which the European Economic Community (EEC) spends to subsidize a cow in Europe. \$365 billion being the total amount of subsidy for agriculture by the EEC. This amount represents the total GDP of the entire Africa. Debt relief might be one of the solutions to enable HIPCs leap-frog into the digital economy.

CONCLUSION

- The digital divide could be bridged because the technology is already available and can always be replicated.
- The barriers and challenges of developing a sustainable ICT cities could be surmounted with adequate incentives from government
- The renewed vigour on the part of government in embracing ICT, with the establishment of National Information Technology Development Fund (NITDEF), will reinforce its attempts to bridge the digital divide, and eliminate the nations perceived weaknesses in building e-economy.