



SUPPORTING ICT SECTOR AND BROADBAND CONNECTIVITY IN SOMALIA USING PPPS

Transport and Digital Development
Global Practice
Smart Connections for All

March 20, 2018

iRise Hub:

The story of Mogadishu's first tech-hub



The iRise Hub is the first co-working space for technologists and innovators.

This was done despite low-internet penetration rates.

Context:

Post-conflict situation, dominant private sector, lack of regulation

- Somalia is the 5th poorest country in the world.
- Security, piracy, and drought, remain a resilient threat.
- The ICT sector is one of the few sectors in Somalia which is performing relatively well in the country.
- In some ways, the lack of regulation supported the initial birth of the sector.



Development Challenge: Lack of regulation



Somalia is relatively successful in ICT sector but there is inadequate broadband infrastructure and regulatory environment to adequately promote growth in ICT sector.

The Intervention:

Phased approach

A grant was approved for ICT sector support program, jointly implemented by the World Bank and the Ministry of the Posts, Telecom and Technology (MPTT) of the Federal Government of Somalia.



Delivery Challenges

Post-conflict Climate and Stakeholder Engagement

Conflict & Stability

- Political uncertainty was an inevitable delivery challenge.
 - Elections were postponed multiple times.
 - The number of federal states has grown from three to six.
-

Stakeholder Engagement

- Private firms struggled to understand the importance, value and need of new regulations and regulatory bodies.
 - Operators would often claim that they hadn't been consulted on proposed regulatory issues.
-

Organizational Capacity

- MNOs have substantial power in Somalia. Their reach in the private sector extends to banking, shipping, and imports and exports.
- There were only limited number of eligible local firms that had expertise and technical skills and met security requirements.

Addressing the Delivery Challenges

Post-conflict Climate and Stakeholder Engagement

Conflict & Stability

- Flexibility and adaptability were considered in terms of delivery.
 - In-country consultations were conducted to build relationships.
 - Workshops filled knowledge gaps and built trust with stakeholders.
-

Stakeholder Engagement

- Public-private dialogue forums were held to bridge various stakeholders and add value to various dealings.
 - Open forum to discuss and debate the needs and expectations of the private and public sector.
-

Organizational Capacity

- A consortium was developed between local and international contractors through drafting a roster of pre-qualified firms.
- The MPTT provided considerable input on nominating and suggesting reputable local partners.

The Intervention:

Public-private partnerships

The private sector is typically driven by profit - immediate or expected.

The public sector is driven to maximize its budget.

A successful infrastructure project and PPP, therefore, is one that aligns these interests.