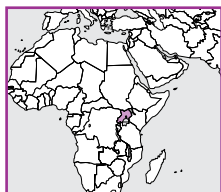


Information and communication technologies: route to development?



The Ugandan Government has been implementing a series of policies to integrate Information and Communication Technologies (ICT) into their development management as well as into a variety of areas of social life. The Government hopes that, by improving services, foreign investors will feel more confident about the management of their investments and, at the same time, Ugandan citizens will increase their participation and control over public affairs. However, if the Government wants to bring about a real improvement of living conditions, its effort should be consistent with poverty reduction strategies and investments in human development.

Development Network of Indigenous Voluntary Associations (DENIVA)

David Obot

Uganda has shown a strong interest in ICTs into its development priorities from the mid-1990s. At the same time, the country has maintained strong economic growth for over a decade. The Budget Speech 2009-2010 indicated that real economic growth was 9.4% in financial year 2008-2009 compared to 10.2% in 2007-2008.¹ According to official data, GDP grew at 6.7% in the financial year 2008-2009 – a decline from financial year 2007-2008, in which the growth rate was 8.3% (see Chart 1). In view of the global economic crisis, this was a remarkable increase, which may be attributed to the diversification of the exports and services sectors.²

Although the demand for increased use of ICTs in facilitating Uganda's sustaining economic performance is strong, it is imperative to complement these technologies with plans, strategies and programs to reduce poverty and promote social development.

ICT Context

Globally, countries have made significant progress in integrating ICTs into their development priorities. In Uganda, significant advances have been made as a result of the country's ICTs strategies. The achievements include establishing the Uganda Communications Commission in 1997, formulating the ICT Policy in 2003 and a fully-fledged Ministry of Information and Communication Technology in 2006. The services sector, which includes ICTs, grew from 31.2% in financial year 2005-06 to 33.3% in 2006-07 – a reversal of the trend in the previous three fiscal years, when the sector had started to slow down.³

Cellular and mobile telephone networks, radio communications, computer services, e-mail and internet, media services and access to education materials have increased in areas with good telecommunication infrastructures. Work is underway to

complete the interconnectivity of the entire country by laying 1,500 kilometers of optic fiber to link all major towns in Uganda as well as to the East African Sub-marine cable.

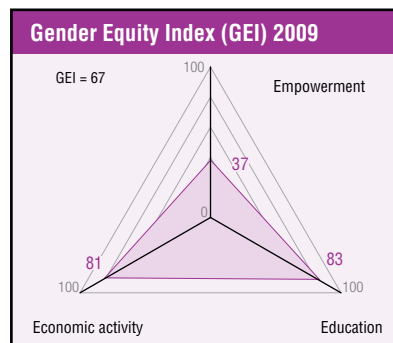
Other ICT benefits include enhancing the capacity of the Central Bank to advise Government on economic performance and financial sector supervision; increased use of mobile phones for monetary transactions; and monitoring money laundering and forgery of cheques.

ICTs and Social Service Delivery

The integration of ICTs into the delivery of social services, especially in the education and health sectors, is still negligible. Implementation of the Uganda Universal Primary Education and Universal Secondary Education programs, for example, resulted in increased enrolment in schools and substantial demand on the resources for scholastic materials, infrastructures teachers and sector supervision. Enrolment of children in primary education increased from 2.7 million in 1997 to 7.6 million pupils by 2003.⁴

At the same time, the districts charged with the responsibility of planning and budgeting for the most disadvantaged sectors have also prioritized ICTs in their local development plans. However, investments to furnish schools with computers and internet connections have either received little or no budget allocations. There are similar trends in the health sector. One of the remedies would be the integration of ICTs in service delivery and allocation of substantial resources for equipment and ICTs skills development.

While the liberalization policy has encouraged investments in ICTs in Uganda, investors are more inclined to maximize their own profits than to improve the quality of services. Such businesses have been mainly associated with mobile phones, television and radio operations. The education and health sectors have not yet obtained any benefit from the proliferation of ICTs. Indirectly, the population contributes to sustaining such investments through the country's provision of tax holidays for the investors, while the Government has yet to tackle the integration of ICTs into service delivery. The absence of a Government strategy to address such imbalance



means that people will continue receiving poor quality services.

ICTs, Poverty and Governance

The opportunities made available to ICTs to acquire, process, store and retrieve information and also broadcast or publish, would be advantageous to all who work in poverty reduction and accountable governance. In spite of the Government's avowed will to ensure that ICTs are spread to as many Ugandans as possible, there are probably two broad reasons that undermine the potential of ICT to catalyze the creative energies in poverty reduction and governance.

The first reason is that ICTs are scarcely integrated into poverty reduction strategies. Poverty in Uganda is more critical among rural than urban populations. The Government's limited intervention in price regulation related to the use of ICTs – for example, for mobile phones – entrenches poverty and creates a digital gap among the population. Even radio airtime, which could be used by the poor people to ensure their demands reach authorities and decision-makers directly, is beyond the ability of most people in rural areas to afford. *The Monitor* newspaper in Uganda noted that while the use of mobile cellular phones is increasing among most population groups, the 12% tax is the highest in the region; the tax is currently 10% in Kenya and Tanzania and 3% in Rwanda.⁵

Integrating ICTs to poverty reduction strategies would increase the information flow between the population, the Government and other stakeholders, and would reduce impediments to peoples' participation in poverty reduction activities.

1 Ministry of Finance, Planning and Economic Development, *Background to the Budget, 2009/2010*, Kampala, 2009, 6. Available from: <www.finance.go.ug/docs/BTTB09-10.pdf>.

2 *Ibid.*

3 Uganda Communications Commission, *A Review of The Postal and Telecommunications Sector; June 2006- June 2007*. Available from: <www.ucc.co.ug/endOfFYReview0607.pdf>.

4 Antonie de Kemp, *Analysing the Effectiveness of Sector Support: Primary Education in Uganda and Zambia*, NONIE WORKING PAPER NO. 5, January 2008 See: <www.worldbank.org/ieg/nonie/docs/WP5_deKemp.pdf>.

5 *The Daily Monitor*, 4 March 2009.

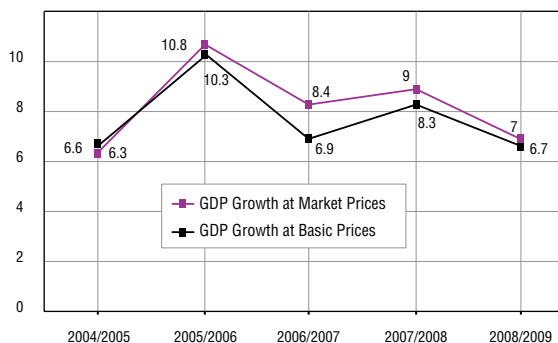
The second limitation is the inadequate use of ICTs to improve governance. ICTs are an efficient way to share information without restriction. Various countries are making strides in applying their e-governance systems to facilitate transparency, accountability and efficiency in governance. According to the Government, Uganda's vision for the use of ICTs is to make the country a leader in e-government in Africa. ICTs and e-governance have the potential to ensure efficiency in the use of resources and to enhance governance. Immense savings would be realized if ICTs were effectively used, for example, to consult the public on matters of national importance so as to fulfill their democratic rights and to monitor government and other stakeholders' performance in all sectors. Integration of ICTs development policies would lay a solid foundation for effective e-governance.

Conclusion

The Government instituted a policy to adopt and apply ICTs as part of its obligation to ensure improved service delivery and greater cost-effectiveness and efficiency in the economy, as well as to showcase the country as a destination for investors, and to enable the population to participate in their own governance. Thus, a policy framework liberalizing the sector was put in place which has led to the expansion of the sector with an evident multiplier effect on the economy and higher levels of scientific, educational, political, social and cultural interaction.

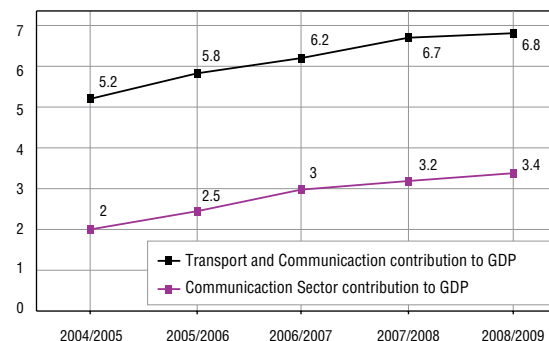
However, the knowledge and associational advantages inherent in ICTs remain at a very low level. Uganda can only garner the vast benefits of adopting and applying ICTs if it comes to terms with the fact that their full realization must take into account poverty reduction strategies, investments in human development, empowerment and promotion of accountable, transparent and efficient governance. ■

CHART 1. GDP Growth Rates, 2004/2005 - 2008/2009



Source: Uganda Communications Commission, 2009.

CHART 2. Transport & Communications Contribution to GDP



Source: Uganda Communications Commission, 2009.