

Engaging Stakeholders to Achieve National Telecommunications and ICT Policy Infrastructure Objectives in Liberia Using the P3 Model

Abstract: After years of civil strife, Liberia has stabilized and turned its attention to fostering a new era of growth. The Government of Liberia is exploring the P3 model as a means of funding capital-intensive infrastructure projects. One key element for Liberia's success will be the degree to which it is able to bridge the urban/ rural digital divide. This paper advocates the development of P3 legal, regulatory and institutional frameworks for Liberia, with a focus on the ICT sector as a starting point. Learning from the experience of other countries, the development of the P3 frameworks will be conducted using a robust multi-stakeholder engagement approach. Innovations such as the creation of a permanent Consultation Group to guide the development of P3 policy will serve as a departure point from past policy development undertakings in which stakeholder concerns were not duly considered. It is the hope of project proponents that this approach will help to overcome obstacles to utilization of P3 to bring needed ICT infrastructure to both urban and rural regions of Liberia.

Current Challenges:

Liberia is defined as a Least Developed Country (LDC) by the United Nations and is still recovering from many years of civil conflict and unrest. These years of instability extensively damaged the socio-economic and moral fabric of the Liberian society, and left damaged or destroyed Liberia's public utilities' infrastructure. However, as a result of the democratic election and re-election of President Ellen Johnson Sirleaf, transparency, accountability and fiscal discipline have become the order of the day in Government. During her first six-year term, President Sirleaf's *Poverty Reduction Strategy (PRS)* laid the foundation for her second six-year term *Agenda for Transformation (AfT)*.

A key aspect of the AfT involves construction of major infrastructure projects, which require large capital infusions; however, Liberia lacks the requisite financial resources to single-handedly fund such infrastructure projects. Additionally, having just completed the World Bank's Heavily Indebted Poor Countries (HIPC) Initiative, Liberia is somewhat constrained relative to the amount of new debt it may incur. As a result, Government must utilize alternative methods of financing to fund infrastructure projects in the AfT Priority Sectors (Ports, Energy, Roads and Transportation) as well as other Sectors such as the Telecommunications and ICT Sector.

There are compelling arguments for elevating the priority of the ICT sector in particular. As stated in the National Telecommunications and ICT Policy: "As in many developing countries, while there may be a reasonable level of commercial telecom services in cities, in Liberia there is extremely limited telecom service in the counties and also in rural areas – no fixed line service, minimal but growing mobile service, and virtually no internet access... Bridging the urban / rural telecom divide is critical to planning and poverty reduction. There is a critical need for high capacity broadband links to access international

internet services in order to support business, education, e-Government, and [to] access the information society.”

The Need for a P3 Framework:

The use of a Public-Private Partnership (P3) to fund Liberia’s membership in the Africa Coast-to-Europe (ACE) Cable Consortium providing Liberia’s first international broadband connectivity has been successful. Driving on that success, Ms. Angelique Weeks, Chairperson, Liberia Telecommunications Authority and her colleague Mr. Isaac J. Yonly, Director - Government Affairs & Policy, have developed an Action Plan for promoting the utilization of P3s to fund capital-intensive Government infrastructure projects during a recent course entitled *Designing Legislative, Institutional and Regulatory Frameworks for Successful Public Private Partnerships* at the Institute for Public Private Partnerships (IP3).

The goals outlined include formulating a national policy that will create and mandate a transparent and well-defined legal, regulatory and institutional framework. The resulting structure provides the basis to identify, procure, supervise monitor and evaluate authorized P3 projects and ultimately implementing the P3 framework to deploy a national fiber distribution network in all regions of the country.

Multi-stakeholder coordination:

Creating the framework for utilizing P3s to achieve National Telecommunications and ICT Policy Infrastructure Objectives requires strong political will, support and cooperation between the National Government and key stakeholders to adopt and implement national P3 policies, procedures and standards to ensure P3 projects are executed efficiently, transparently and decently while fulfilling the public’s needs.

As in any major governmental initiative, the stakeholder landscape is multivariate and complex (Box 1). Many stakeholders are supporters, and yet others will have misgivings about the P3 approach. It is therefore essential to employ a coordinated stakeholder engagement strategy to properly inform all stakeholders about the need for the P3 framework and identify and respond to concerns during all steps of the framework development process.

- President of the Republic of Liberia
- National Legislature
- National Investment Commission
- Ministry of Finance
- Ministry of Planning and Economic Affairs
- Ministry of Public Works
- Ministry of Posts and Telecommunications
- Liberia Telecommunications Authority
- Liberia Telecommunications Corporation
- Licensed Telecommunications Operators & Service Providers
- Banks / Financial Institutions
- Foreign Direct Investors
- Civil Society Organizations
- ICT Consumers
- Environmental NGOs
- The Media

Box 1. Liberia ICT Stakeholder Landscape

This will involve the formation by the LTA of a permanent Consultation Group for the purpose of reviewing and providing input on proposed P3 policies, procedures and standards to achieve National Telecommunications and ICT Policy Infrastructure Objectives. The Consultation Group will include key stakeholders to adopt these national P3 instruments and to ensure P3 projects are executed efficiently. The Consultation Group will take into consideration the views of all key political and other stakeholders

and will be critical to ensuring institutional support and commitment to national P3 instruments adopted. The lack of institutional support and commitment has been the root cause of the failure of P3s in neighboring countries, such as the failure of the P3 framework for the Sierra Leone Cable Company (SALCAB).

The Consultation Group will include Government ministries, members of the National Legislature, telecommunications service providers, civil society organizations, user groups, private institutions and businesses and individuals deemed pertinent by the LTA. The consultation process is intended to encourage direct stakeholder input and feedback to ensure that all stakeholders have opportunities to express their views and concerns, and to have them duly considered in deciding on national P3 instruments. This is a critical departure from previous approaches in which decisions were made at the top and imposed on the stakeholders' community without their meaningful participation and/or involvement. This has been the cause of the failure of many well intended government development initiatives that did not achieve stakeholders' buy-in and ownership.

A major challenge to overcome is the fear of the private sector that government's involvement in P3 arrangements politicizes the decision making process resulting in decisions that are political rather than commercially driven. Other challenges include getting private sector participants to look beyond their immediate private interests, striking the right balance to ensure that the interests of all participants are taken into account and protected. Meeting these challenges entails effectively disseminating information through mass media channels, civic and grassroots organizations to stakeholders and potential project beneficiaries to engender support for the P3 approach. It also requires the formulation of an equitable legal, regulatory and policy environment supportive of private sector investment, which necessitates transparent stakeholders' consultation.

In addition to the formation of a Consultation Group, the Consultation Process will include the publication of draft national P3 instruments for inputs and comments in keeping with published Consultation Process Guidelines. Draft national P3 instruments will be finalized after due consideration by the LTA of the inputs received. The LTA will also provide feedback to stakeholders on the results of the Consultation Process.

Draft national P3 instruments will be made available to the Consultation Group, the public and other stakeholders for their comments and inputs. Such draft P3 instruments will be publicized by the LTA in a transparent manner that ensures all stakeholders have equitable access and can submit responses effectively. The comments and input from the public and key stakeholders on draft P3 policies, procedures and standards will be carefully considered in finalizing these national instruments. Detailed notices will be issued with information on how stakeholders may provide their comments and inputs, a summary of the main issues on which their views are requested, the deadline for providing responses and the timetable for decision-making. At the conclusion of the Consultation Process, the LTA will publish a report on the results of the Consultation Process which will be made public.

Conclusion:

The Telecommunications and ICT Sector in Liberia has not been sufficiently prioritized such that it receives a meaningful portion of the resources generated by the Telecommunications and ICT Sector and paid into Government's consolidated revenue. This is important given the limited Government funds available for infrastructure projects. In addition, post-HIPC constraints limit Government's ability to incur debt to bridge the gap. As a consequence, the Sector must explore alternative funding mechanisms to fund the capital-intensive projects that have been prioritized within the Sector. Therefore, a logical, efficient and viable solution to Government's need to fund such infrastructure projects, particularly in the Telecommunications and ICT Sector is the P3 approach. The successful implementation of the ACE cable project using a P3 methodology to establish the Cable Consortium of Liberia (CCL) as a Special Purpose Vehicle to build, own and operate the CCL Terminal Station in Liberia has provided evidence that P3s can provide a viable alternative for funding critical infrastructure projects. It also provides experience in the formation and establishment of P3s that can be built upon to accomplish more.

The preceding Action Plan details the process to promote the utilization of P3s for capital-intensive projects generally, but ultimately to be employed by the Telecommunications and ICT Sector to achieve the objectives articulated in the National Telecommunications and ICT Policy and prioritized as Sector contributions to support Government's Agenda for Transformation.

To further the acceptance of the P3 solution, its proponents must:

- ensure that the legal enablers are in place;
- inform and educate key stakeholders of the merits / benefits of P3s;
- incorporate the concept into appropriate Policy instruments;
- address all stakeholders' issues and / or concerns (environmental, legal, regulatory and institutional);
- promote, *inter alia*, transparency, accountability, decency and efficiency in the processes; and
- incorporate safeguards to attract private sector investors and ultimately ensure that Government receives value for money.

A core concept from the IP3 course is that, in designing a P3 framework, it is crucial to consider and address multiple factors, such as environmental, legal, regulatory and institutional concerns, financing requirements, available resources, as well as all stakeholders' concerns. These can best be addressed through a well-coordinated, efficient and transparent consultation process.

About the Authors:



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