

# ICT AND DIGITAL ECONOMY OPPORTUNITIES IN SENEGAL





## A- Sector Profile

Over the last ten years, Senegal has turned into a preferred destination for business process outsourcing and the provision of value-added services in Information Technology.

With a privileged location at the Western tip of Africa and 5 hours from Europe, Senegal is an open and dynamic economy. Thanks to its political stability, coupled with various structural reforms implemented by Public authorities, Senegal has managed to secure a prime place in the international outsourcing market.

Gross sector turnover (2012): 598 Billiards FCFA (~ € 912 million)

- Annual growth rate > 20% (driven by mobile telephony and value-added services)
- Contribution to the GDP : 7 to 10% since 2005
- Landline operators: 2 (Orange, Expresso)
- Landline subscribers: 345 965
- Landline penetration rate: 2.84%
- Mobile phone operators: 3
  - ✓ 2 with a global license ORANGE (historical operator with 67,3% of market shares) and EXPRESSO (2,7% of market shares)
  - ✓ 1 with a mobile phone license TIGO (29,7% of market shares) extended to a global license in 2012
- Mobile phone subscribers: 10 712 052
- Mobile phone penetration rate: 88.01%
- Internet leased Lines : 501
- ADSL Subscribers: 95 412
- Internet Subscribers : 528 358
- 3G Subscribers: 375 556
- Internet Users: 1 989 396
- Internet growth rate: 15,7%

## B- State-of-the-art Telecom infrastructure

Senegal has very early moved to develop its telecommunication infrastructure, with some substantial investments injected in terms of capacity and modernization.

Senegal is atop the ranking of West African countries in terms of service quality and penetration growth.

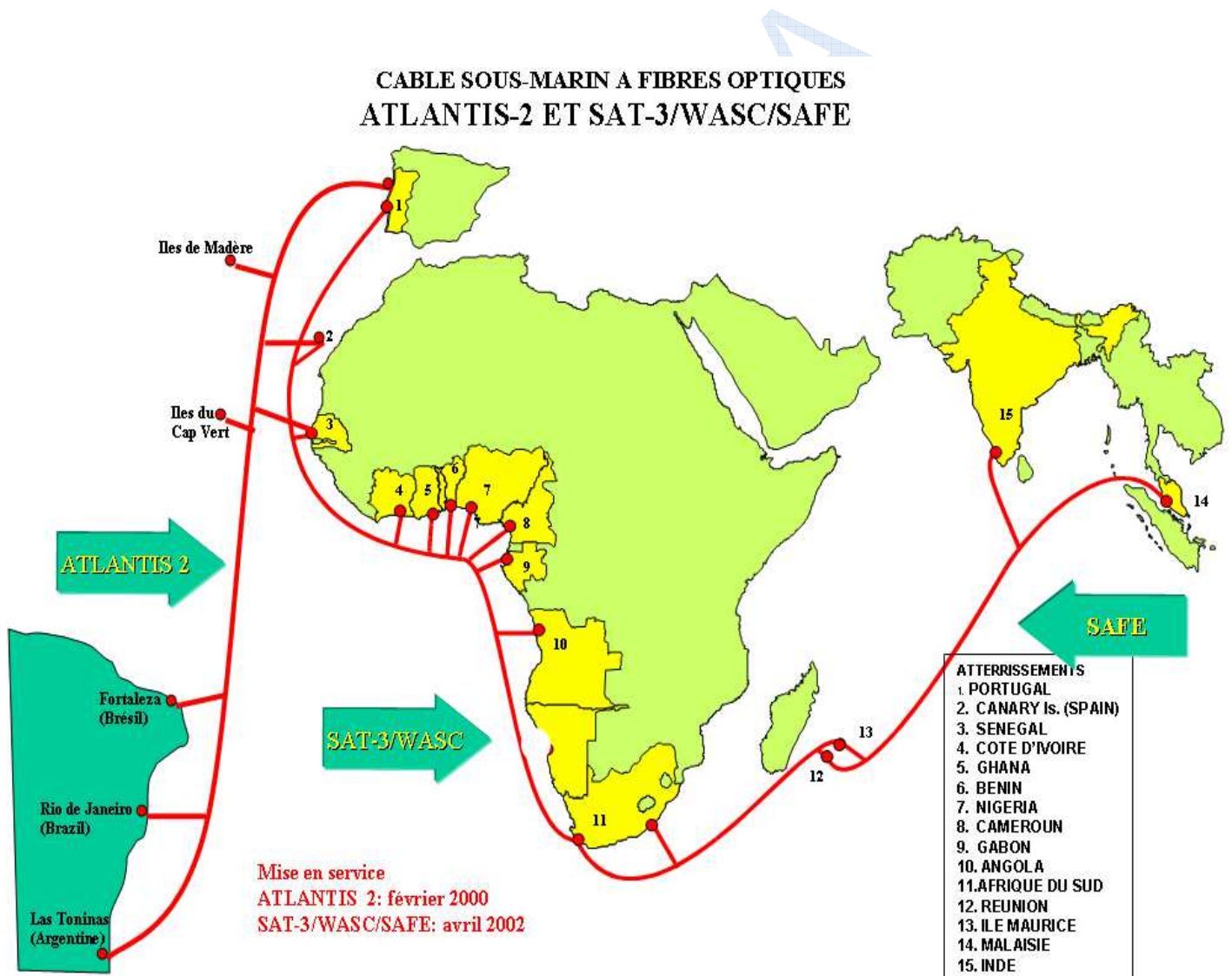
(Source: The International Telecommunication Union – ITU).

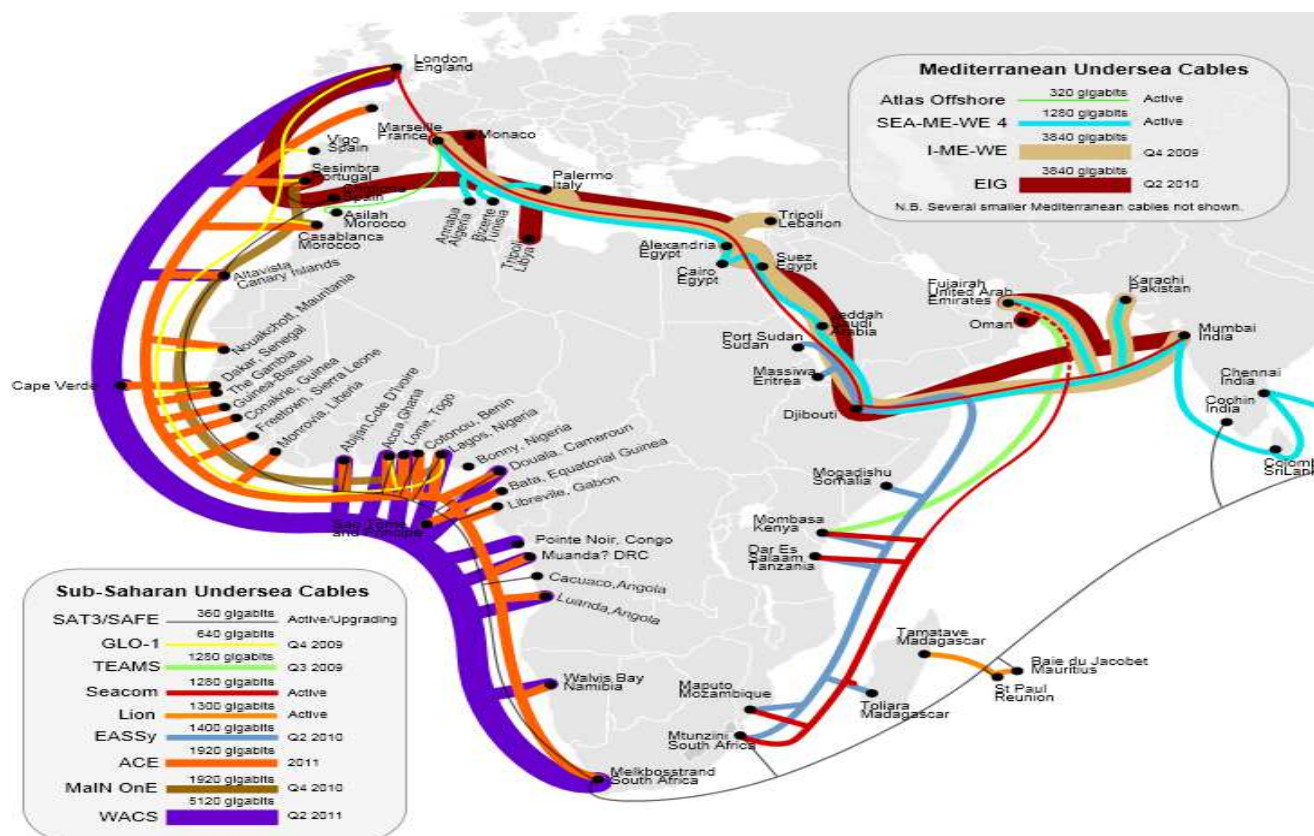
- A totally digitized high-speed network country-wide with with a 3000 km loop of optics fiber offering a range of various services (ADSL, Frame Relay, RNIS, VSAT etc.)
- International bandwidth : 18,7 Gbps (2014)
- Satellite telecommunications hub pointing to the 355.5 Intelsat satellite
- VSAT hub providing services pointing to the 328.5 Intelsat satellite
- National IP network and leased lines from 64 Kbps to 2 Mbps
- Generalization of all systems to 2.5 Gbps on all routes since 2007
- 100% digital telecom network with a loop of 3,000 km of optic fibre countrywide
- High speed connectivity (ADSL) in all district capitals since 2008
- 100% coverage by GSM and CDMA
- Existence of three major telecom operators on the market
  - ✓ SONATEL, subsidiary of Orange, which provides investors with specialized high-speed Internet links, as well as international leased lines at competitive rates
  - ✓ TIGO, subsidiary of Milicom International
  - ✓ EXPRESSO-SUDATEL



### C- Senegal, at the crossroads of international high speed networks

- ✓ Atlantis 2: 20 Gbit/s, connecting Portugal, Spain, Senegal, Cape Verde, Brazil and Argentina
- ✓ SAT-3/WASC/SAFE : 120 Gbit/s, connecting Europe, Africa and Asia
- ✓ Senegal is also connected to Northern America via the network of TELEGLOBE Canada
- ✓ Sub-regional connectivity via:
  - 2.5 Gbps ground fiber optic cable interconnecting Senegal-Mali-Mauritania and extended to Burkina Faso and Ivory Coast
  - 2.5 Gb/s fiber optic cable from Kidira-Bamako extended to Burkina Faso and Ivory Coast
  - 622 Mbps Senegal-Gambia terrestrial optic fiber rescued by digital beam to 155Mbit/s
  - 622 Mbps Senegal-Guinea Bissau fiber optic cable rescued by digital beam to 34 Mbps extended to Guinea-Conakry





## D- Senegal's comparative advantages in ICT and Teleservices

Senegal boasts an increasing reputation on the international scene and features among the prime destinations for outsourcing.

Many developing countries have, for the past several years, actively and successfully embarked on the promotion of the ICT and Teleservices sector. These include India, Malaysia, Morocco, Mauritius, Tunisia, etc.

Like these countries, Senegal has a real asset to capitalize in this sector. The Outsourcing Report 2009 of the US strategy counseling firm *At Kearney* confirmed the competitiveness of Senegal, which has recorded a 13-place leap to stand at the 26<sup>th</sup> position at the world ranking, ahead of competitors such as Morocco (30<sup>th</sup>) or South Africa (39<sup>th</sup>).

The country's comparative advantages in the ICT and Teleservices segment include the following:

- Facilities in terms of language for French-speaking contract givers;
- Presence of quality telecom infrastructure;
- Geographical and cultural closeness with Western principals, particularly those of the European market;
- Proper command of the French language;
- Availability of a quality and competitive workforce;
- Potential for the development of value-added IT services (*IT engineering and development, IT systems integration, Software application development and edition, data capture and processing, application maintenance, mobile applications development etc.*)



## **E- ICT, a powerful vector of growth acceleration**

- The Regulatory Agency in charge of Posts and Telecommunications (ARTP) guarantees a sound and fair competition to the benefit of end users of telecommunications networks and services.
- A secured legislative and statutory framework:
  - ✓ Full liberalization of the telecommunications sector since July 2004
  - ✓ A new Telecommunications Code adopted in February 2011
  - ✓ Orientation Act N° 2008-10 on Information Society
  - ✓ Act N° 2008-41 on Cryptology
  - ✓ Act N° 2008-08 Electronic Transactions
  - ✓ Act N° 2008-11 on Cybercrime
  - ✓ Act N° 2008-12 on the Protection of Personal Data
  - ✓ Determination of the number of fixed-term contracts (*order of 6 March 2008*)
- Specific adjustments of working hours:
  - ✓ *24/7 continuous operation*
  - ✓ *Individualized work schedules*
  - ✓ *Possibility of daily excess hours*
  - ✓ *Annual quota of 500 hours overtime per worker*

## **F- Investment opportunities in ICT and Teleservices**

<b>Business Process Outsourcing</b>	<p>Business Process Outsourcing (BPO) is a way of externalizing business processes of a company to a/some foreign service provider (s), or outsourcing functional services of a company of administrative body.</p> <p>This BPO market segments into the following offers:</p> <ul style="list-style-type: none"><li>✓ <i>Human Resource function (including payroll)</i></li><li>✓ <i>The accounting and financial function</i></li><li>✓ <i>Procurement</i></li><li>✓ <i>Customer relationship management</i></li><li>✓ <i>Translation</i></li><li>✓ <i>Transcription</i></li><li>✓ <i>Data capture</i></li><li>✓ <i>Digitizing</i></li></ul>
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## Call Centre

A Call Centre is a client relation management platform that handles communications from or to a company's actual and prospective customers thanks to computer telephony integration (CTI), a set of techniques facilitating the implementation of applications interworking with IT and telephony.

A Call Centre optimizes the telephony tool and its connections with IT applications and other media (*fax, minitel, Internet, Intranet, SMS, WAP, etc.*).

The processes break down in phone-in and phone-out activities with the following segments:

- |  |                                     |
|--|-------------------------------------|
| ✓ <i>Web call back</i>                 | ✓ <i>Projects detection</i>         |
| ✓ <i>Outsourced switchboard</i>        | ✓ <i>Commercial support</i>         |
| ✓ <i>Customer charge recovery</i>      | ✓ <i>Rendezvous management</i>      |
| ✓ <i>Help Desk Technique</i>           | ✓ <i>Telesales</i>                  |
| ✓ <i>Telesales</i>                     | ✓ <i>Customer loyalty campaigns</i> |
| ✓ <i>Telemarketing</i>                 | ✓ <i>Management of claims</i>       |
| ✓ <i>After-sales services</i>          | ✓ <i>Technical assistance</i>       |
| ✓ <i>Products/Services information</i> | ✓ <i>Teleprospection</i>            |
| ✓ <i>Personal data capture</i>         | ✓ <i>Commercial assistance</i>      |
| ✓ <i>Monitoring of orders</i>          |                                     |
| ✓ <i>Technical support</i>             |                                     |



**IT Engineering and Development**

IT development includes all the techniques aimed at automating the different entities of a company. It's about a set of processes that makes it possible to go from the specification of an automation requirement to the realization of a functional and reliable software package.

IT development and support is the sector where a workforce with top qualifications and expertise are the most needed. These include:

- ✓ *Specific developments*
- ✓ *Web developments*
- ✓ *Mobile application developments*
- ✓ *Development of decision-making applications*
- ✓ *of Client/Server Development*
- ✓ *Application maintenance*
- ✓ *System integration*
- ✓ *Testing platform (security, intrusion test)*
- ✓ *Support*
- ✓ *Research & Development (R&D)*

