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Senegal validates the African Union's study on Business Processing Outsourcing BPO/ICT Services in Senegal



29 April 2015. Dakar, Senegal – Senegal validated today a study on Business Processing Outsourcing and Information and Communication Technologies (BPO/ICT) Services in Senegal which was a joint initiative of the African Union Commission and the Ministry of Commerce of Senegal. The study was conducted by the African Union Commission with the support of the International Lawyers and Economists against Poverty (ILEAP) and The German Agency for International Cooperation (GIZ). The objective of the validation workshop is to bring together various stakeholders in the BPO/ICT Sectors to review the findings of the draft report and contribute to its finalization. The workshop was attended by the representatives of Ministry of Commerce, the Senegalese Customs representatives, the Private Sector, Members of the West African Economic and Monetary Union (UEMOA).

The information technology (IT) sector is a young one in Senegal, dating back only to the late 1990s. It is estimated that trade in IT sector-related services was worth US\$ 372 million in 2010, approximately 43% of the country's total services exports. It is from the success of the sector that Senegal was identified as a case study on successful services exporters in Africa. By analysing the experience of Senegal, the study seeks to improve the understanding of possible factors that may help to underpin the growth of ICT and BPO services exports in other African countries.

In his opening remarks, the Head of Trade Division for the Department of Trade and Industry of the African Union Commission, Mr. Nadir Merah, recalled the objective of the workshop and highlighted the importance of the BPO/IT services. He acknowledged that BPO/IT is an area with a lot of opportunities for Senegal and the continent. He also pointed out that the findings of the Report are a clear indicator that trade in services should be part of Continental Free Trade Area (CFTA) negotiations to be launched in June 2015. "The African Union Commission commends the Government of Senegal for the steps taken to exploit the opportunities in this sector. As we are all aware, the services sector is a major contributor to both the gross domestic product and employment in Senegal and the Continent", he mentioned. Mr. Merah further reiterated that the Action Plan on Boosting Intra-African Trade (BIAT) and the establishment of the CFTA provide an opportunity for Senegalese operators to secure market access within the continent. He suggested that Senegal must invest in human capital development, as this is imperative if the country is to move up the value chain in the Information Technology Outsourcing. The Head of Trade Division concluded by wishing the participants successful deliberations.

Mr. David Primack, the Executive Director of ILEAP, in his remarks, emphasized that the results demonstrated the role of the Private Sector and the Governments in collectively driving the exports success witnessed in BPO and IT Services in Senegal. He concluded by highlighting the importance in better understanding the key factors that helped shape the success in Senegal both to help strengthen the sector domestically as well as across the continent.

The Secretary General of the Ministry of Commerce of Senegal, Mr. Makhtar Lakh, thanked the African Union Commission and its partners ILEAP and GIZ for having initiated this study which falls within the scope of the Action Plan on Boosting the Intra-African Trade. He recalled the objective of the workshop and urged the participants to get actively involved in the discussion and come up with conclusions that will be useful to both, the Government and the stakeholders in services, in particular the outsourcing experts. "Given the quality and the diversity of the expertise gathered here today, I am convinced that the guidance document that will come out from your debates and discussions will make this study an important tool for the decision makers as well as for the services experts in Senegal and across the continent", he concluded.

The current study is one of the five case studies that the African Union Commission has undertaken highlighting successful service export strategies. The studies are designed to raise awareness of the service industry's export potential, and are particularly timely given the decision by the January 2015 Summit to launch CFTA negotiations in June 2015



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