Mauritania’s 1998–2001 telecommunications reforms resemble many World Bank-supported reform programs where overcoming capacity constraints can determine success in achieving development outcomes. Overcoming capacity constraints enabled this desert nation of over 2 million largely nomadic inhabitants to attain unanticipated levels of outcomes in three years of telecommunications reforms. New private investment of US$ 100 million in telecommunications was attracted over two years, equivalent to 10 percent of GDP; telephone line access multiplied twenty-fold; 6,000 new telecommunications-related jobs were created in the informal sector in the capital city (Noukachott) alone; and a multisector regulatory agency was established which is now regarded as a model in Africa. From lacking critical skills at the outset of these reforms, Mauritania became a source of lessons for neighboring countries on how to competitively tender utility licenses, effectively regulate utilities in a competitive setting, and privatize a telecommunications operator. Support for this capacity enhancement came from relatively modest external assistance with an estimated cost of slightly over one million dollars (World Bank Group staff time as well as consultancy support).  

These outcomes raise three questions of broader interest to capacity enhancement efforts. First, how did capacity enhancement amplify policy commitment, leading to target outcomes? Second, how were global and local knowledge combined, making the crucial difference in achieving results? Third, to what extent was the capacity enhancement process itself results-based and continually linked to outputs and outcomes? 

The complex interplay of success factors can be viewed by relating it to (i) the country environment; (ii) the client/Bank interface in the context of this specific reform; and (iii) Bank processes and the Bank team which supported the reform as a source of global knowledge and outside facilitation. 

**Country-specific success factors in capacity enhancement**

Mauritanian policy-makers recognized their own strong initial commitment — the essential condition for the subsequent success — as itself insufficient to realize ambitions for change amidst the institutionally constrained environment in 1998. National capacities, not financial resources, were seen as the binding constraint to implement a new telecommunications policy statement that represented
a break with past traditions of state monopoly. Moreover, prevailing investment surveys ranked the country in the bottom half of country risks in Africa. Mauritanian awareness of urgent capacity needs went beyond telecommunications policy and regulation and utility privatization, and extended to investor promotion and strategic use of media.

With the Bank as the key partner, capacity enhancement, which unfolded as an integral part of the reforms, was not only enabled by this initial commitment but also reshaped commitment in unforeseen ways. Parallel awareness-raising and action learning processes transformed the early vision of a small number of reform champions in the telecommunications sector, and inter-ministerial buy-in was achieved for a framework of broader utility sector reforms. Meanwhile, Mauritanians internalized a vision of success hinging on the joint capacities of a network of ministries and agencies (mainly the inter-ministerial committee, the project management unit, and the multi-sector regulatory agency, all of which were created under the reform, as well as the existing state-owned telecommunications operator, which had initially been the sole locus of reform planning). Eventually, the capacity enhancement encompassed a transformation process linked to the country’s poverty reduction strategy and went beyond being just a series of, albeit important, regulatory changes and transactions for restructuring the telecommunications sector.

A simple yet highly effective instrument for awareness-raising was the iterative fine-tuning of a project management planning tool jointly developed with the Bank team. This mapped a 280-action 36-month detailed reform package and implementation plan validated by worldwide experience and also customized for Mauritania’s circumstances. This detailed plan also enabled Mauritanians to diagnose and better understand their own gaps between what capacities were required for reform design and implementation and what actually existed. It sharpened the focus for learning at individual and organization levels, once a clear mapping of specific roles, responsibilities, and accountabilities for success emerged.

With early ownership of the capacity enhancement process, Mauritanians avoided equating national capacity with technical assistance. They judiciously used outside consultants mainly to fill short-term skills gaps, such as in legal, audit, and technical areas. Rapidly translating learning into action, Mauritanians boosted their own confidence through flawless execution of intermediate steps — such as adopting best practice basic telecommunications legislation, and separating and corporatizing telecommunications entities — in record time. Outside consultants who had advised on similar reforms in neighboring countries were surprised not only at the speed at which the Mauritanians wanted to implement their reforms, and to learn as they went along, but also their readiness to consider specific detailed reform options which had not been tried elsewhere in Africa. Having assimilated what the detailed content of a best practice telecommunications reform program could look like, it was left to the Mauritanians to take responsibility for difficult and innovative decisions as their capacities for evidence-based policy design grew.
along with confidence in rule-based decision-making.

Bank/client interface success factors in capacity enhancement

From the outset, Mauritanian counterparts and the Bank team accepted mutual responsibilities in which success would depend on a high level of trust and on joint learning. Neither side dwelled on preconceptions of what the country might or might not be able to achieve, given limited capacities and a tight time-frame. Instead, both focused on analysis which revealed to decision makers the substantive and process issues of specific reform alternatives. The Bank team continually mobilized global knowledge — in which the Bank has a comparative advantage — but the Mauritanian counterparts actively adapted and combined this knowledge with local understanding of institutions and processes. While focusing on the capacities of a core group of about ten individuals at various ministerial levels and below, the Bank team avoided favoring a particular agency or ministry. This helped the Bank team to directly or indirectly nurture a widening circle of dialogue with the individuals and institutions tasked with designing and eventually executing the reform program.

Mauritanian decision-makers thus acquired an informed view of the trade-offs between speed and quality, also taking into account the need for building consensus within government as well as private sector and civil society. This also placed squarely in their hands the decision whether to adjust the scope and speed of reform. Ultimately, as confidence in decision-making grew, Mauritanians became less risk-averse to bold decisions. The cumulative learning process re-shaped the initial policy commitment, enabling the Mauritanians to adopt policy changes and achieve successful outcomes not only in record time, in comparison to similar reforms elsewhere, but well beyond the scope of what had been originally envisaged in the March 1998 policy statement.

“What to learn when ” was guided by a pragmatic, single-minded focus on a key outcome: accelerating private investment under a new telecommunications regulatory framework. With ideas continually drawn from among Mauritanians or elsewhere, the Bank team ensured that all members of the core group were candidly presented a complete and independent view of where the decision priorities lay. Initially, the Bank team focused awareness raising on the risks of not addressing adverse investor perceptions of country risk and commercial potential. What could enhance interest among investors shopping globally for competitive telecommunications investment opportunities, amidst the backdrop of the East Asian financial crisis followed by the growing indebtedness of major telecommunications operators worldwide? Acting on the results of continual joint brainstorming on this question, the Mauritanians crafted a strategy which would come to differentiate their offering to private investors through unique policy content and optimal execution.

This practical capacity enhancement process also benefited an increasingly evidence-based approach to policy design and regulation. As capacity enhancement shifted to technical areas — tariffs, interconnection, and frequency management — Mauritanians came to critically scrutinize, compare, and contrast success factors in other country settings. The Bank/client team jointly sifted global good practices to ask what was relevant for a specific set of problems in Mauritania. During a study tour to Latin America, Mauritanian counterparts quizzed counterparts in Peru and Bolivia not only on their telecommunications reform experiences some three to four years earlier, but also on how they would have modified their approach in the contemporary market context which Mauritania was facing in the year 2000.

Joint learning processes evolved through Bank missions, but also through frequent videoconferences, e-mail exchanges, and a study tour. These were always linked to specific outputs and outcomes in the reform program (e.g., framing learning needs prior to the study tour and applying learning immediately, or preparing for the first investors’ conference with a focus on the unique selling points of the Mauritanian tender offering). Mauritanian officials became increasingly adept at articulating the specific choices shaping their pro-competitive reform strategy (e.g., privatizing the national operator through capitalization rather than sale of government shares). Eighteen months of this capacity enhancement process readied the Mauritanians in April 2000 to face their first investor forum during this reform with an offering enhanced by well-informed design and requisite institutional capabilities.

Four weeks later, every private bidder for the first license recognized that real capacity had been built, as each vigorously congratulated the government for a professionally and transparently conducted tender process concluded in May 2000. The same capacity that helped generate a new world record for proceeds (adjusted on a per capita income basis), for Mauritania’s first mobile telecommunications license, was then applied to the even more difficult transaction of privatizing the national operator. Evidence-based policy thinking led the government to boldly open all telecommunications services to competition prior to privatizing its own telecommunications operator, thus going well beyond the original policy. The stra-
The Bank telecommunications team tackled Mauritanian needs for customized solutions with a willingness to depart from the more traditional approaches to telecommunications reforms within the Bank. They resisted frequent skepticism that rapid results could be achieved in such a difficult environment. Avoiding narrowly casting the capacity enhancement process as telecommunications reform enabled the Bank team and counterparts to strategically ally with change processes and teams elsewhere. The ambit of the new regulatory agency extended to all utility sectors as a means of efficiently using scarce Mauritanian capacity, and telecommunications reforms joined the ongoing PRSP process through a working group on information and communication technologies. Both sides incorporated capacity enhancement as an integral part of project preparation and implementation. Bank costs remained below-average as part of preparing and supervising a Bank-financed telecommunications reform technical assistance project, less than 10 percent of which was actually used to achieve the results described here.

Finally, the Bank team underscored the value of capacity enhancement by encouraging the client to capture their early and later lessons, including through videotaped key events, such as investors’ conference and web site documentation of all stages of license tenders and regulations. Thus, Mauritians shared their experience with other countries. At least one subsequent telecommunication reform success (in Mali) can be partly attributed to this cross-country learning experience.2

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2 See separate forthcoming companion Findings paper “How Malians learned to succeed in telecommunications reform and enhance national capacity”. 

Bank-specific factors in successful capacity enhancement

Fundamental to the Bank’s knowledge broker and facilitator role was a strong Bank team value which considered counterpart abilities to understand and solve their own problems as paramount. For this, possessing or mobilizing technical expertise was imperative, but the Bank team also invested in relationship-building. Very candid exchanges with the client were coupled with what Mauritanian counterparts saw as a seamless working relationship between the Bank’s Country Department management, Country Office, and the telecommunications team. An “integrated” Bank team with effective communication channels enabled the client to request and receive, formally and informally, “just-in-time” knowledge and advice on critical-path issues in the reform, often against very tight deadlines. Mauritanian counterparts came to trust the Bank’s ability to provide clear, unambiguous, and timely guidance for a continuous problem-solving process for which the Mauritians always felt a strong sense of ownership.