

CHAIRMAN'S ADDRESS

Address by Jim Ovia, Chairman, The Nigerian Software Development Initiative (NSDI) at the presentation of the NSDI Report to His Excellency, President Olusegun Obasanjo, GCFR, and formal launch of the NSDI and Brand name 'SOFTWARE NIGERIA,' on Tuesday, February 15, 2005

Your Excellency, President Olusegun Obasanjo, GCFR, Honourable Ministers, Special Advisers, Senior Special Assistants to the President, distinguished members of the Nigerian Software Development Initiative (NSDI), ladies and gentlemen, good morning.

On behalf of members of the NSDI I feel highly honoured for this opportunity to make a formal presentation of our Report and invite Your Excellency to formally launch the NSDI and its brand name 'SOFTWARE NIGERIA'.

Mr. President's Vision for the ICT industry in Nigeria

We will all recall that sometime ago Mr. President visited Infosys Campus, electronic city, Bangalore, India and was inspired by the success story of that leading software company in India, which in fact is a major recipient of outsourced IT jobs from the US, and UK to India.

Mr. President planted a tree at the Infosys Campus to mark his visit. That tree is now a tourist spot along side the ones planted by other Heads of State.

The success story of Infosys, India, has inspired Mr. President to strongly believe that we could replicate the Indian experience here at home. This short testimony, ladies and gentlemen, is what led to the establishment of the NSDI with the brand name 'SOFTWARE NIGERIA'.

Your Excellency, our vision is to create a truly Nigerian software industry that would be respected for its high quality and adoption of global best practices, and whose range of products and services with the brand name 'SOFTWARE NIGERIA' would dominate the Nigerian market while competing strongly at the global level.

The Nigerian Software Industry and GDP growth

- Your Excellency, the size of Nigeria's software industry is currently estimated at over N15.0bn. In 2004 the estimated import value of software products was US\$900m.

- Given the estimated global market of over US\$260.0bn, it is our belief that a modern, globally competitive software industry in Nigeria would not only dominate the local and West African markets but will also capture a commensurate share of this global market within the next few years. (The importance of this market share is exemplified by the fact that 0.05% translates to US\$1.3bn).
- In 2003 and 2004, India's IT export to the US was US\$15.0bn and US\$18.5bn respectively. Software export accounted for about 55%. In 1976 when the idea was mooted nobody thought the Electronic city in Bangalore could be built; no one even thought the India software industry would become a multi-billion dollar export oriented industry today.
- Our study shows that the industry has the potential for being the single largest contributor to GDP within the next five years, if well harnessed.
- Well known, wholly Nigerian developed, software solutions, have been deployed and are operating successfully in Nigeria and some other African countries. These include, amongst others:
 - **E-Transact:** successfully built an electronic payment software currently being used in South Africa, Mexico, Zimbabwe
 - **Computer Software Associates:** Developed banking software being used by at least 15 Nigerian Banks and also in Togo, Ghana, Uganda and Tanzania.
 - **Socketworks:** Built an indigenous web-based portal, (C-portal) and a University Software solution that is digitizing campuses in Nigeria.
 - **Systemspecs:** Developed and supports the most popular and widely used Human Resources and Payroll Software in Nigeria today.

There are other Nigerian 'Software solutions' too numerous for me to mention here.

- We at the NSDI share the vision and commitment of Mr. President to build Nigeria's equivalent of Silicon Valley and Electronic City. It is our hope that very soon we shall invite Mr. President to commission a modern Software Park in Nigeria.

Summary of Recommendations

Your Excellency, your vision to leapfrog the emergence of Nigeria's equivalent to the Silicon Valley in the United States or the Electronic City in Bangalore, India within a few years, informed our deliberations significantly. To unleash the potential for growth in the software industry, the following critical success factors are highlighted for your attention:

Your Excellency, we humbly request you to:

1. Declare the development of the software industry a national priority.
2. Allocate wing 'B' of the Federal Secretariat, Ikoyi Lagos, (presently not being used) to the NSDI for the establishment of the Pioneer Software Park with modern facilities in Nigeria.(for the following reasons):
 - i. It would help bridge the infrastructure gap through shared facilities
 - ii. Harnessing of resources would be facilitated
 - iii. It would reinforce the public-private partnership in economic development.
3. Establish a Nigerian Software Commission to promote the orderly development of a software industry in Nigeria.
 - i. In India, Thailand, Ghana for example, Software and ICT occupy a full cabinet rank position represented by an ICT Minister.
 - ii. In China, Malaysia and Taiwan, there is a Commission, which also verifies and approves all software importation.
4. Enactment of other laws which would help create the legal, regulatory and institutional framework for the industry.
5. Direct all government offices and its agencies to patronise local software products and services.

We have, Your Excellency, included an action plan in our report and the NSDI would like to recommend the urgent establishment of an Implementation Committee to sustain the momentum you unleashed when you gave the mandate.

These recommendations if implemented, we believe, would help foster the right environment for the development of a modern, globally competitive software industry in Nigeria. Such an industry would contribute significantly to GDP growth, (wealth creation) employment generation and the development of appropriate knowledge capital that would enhance our national competitiveness in an increasingly information-driven global economy.

APPRECIATION AND PRESENTATION OF REPORT

Your Excellency, this has been a very unique and rewarding experience for us all. Let me therefore once again, on behalf of the members of the NSDI, express our profound gratitude to you for this wonderful opportunity to be of service to our dear country, Nigeria.

Mr. President, on behalf of NSDI, I hereby present to you the NSDI Report on the Development of the Software Industry in Nigeria and humbly request Your Excellency to launch the NSDI and its brand name, 'SOFTWARE NIGERIA'.

Thank you, Your Excellency, for your kind attention.

Jim Ovia.

February 15, 2005.