Chinese investments in Africa's telecom sector: contributions to skills and technology transfer? A case of Huawei in Nigeria

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Huawei In Nigeria

Established in 1999

- Huawei WA HQ, Lagos
- Regional training centre, Abuja
- Software R&D centre, Lagos
- Regional network operating center, Lagos
- Hosting centre, Lagos
- Branch office, Abuja
- Exhibition hall, Lagos
- Plus BPO centres in Lagos, Kano and Kaduna run by Huawei BPO solutions, a subsidiary of Huawei technologies Ltd.



Methodology

- Field study carried out in March and April 2016.
- 28 Semi structured Interviews
- Huawei manager
- Huawei Training Manager
- Training instructor
- Government officials from NITDA, NCC, FMCT, FMTI, FMLP, ONC
- Current Huawei employees
- Former employees of Huawei
- Participants of "1000" girls in ICT training program
- Huawei-UNILAG scholarship beneficiaries and UNILAG student affairs representative.
- Policy documents, CSR reports, Training reports, Media reports

Research findings

Modes of contribution to skills and technology transfer

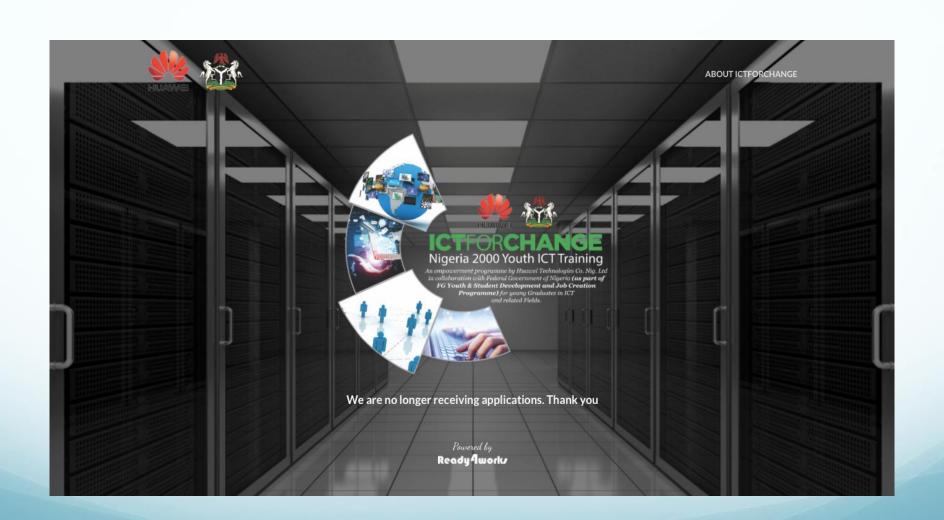
- Core business Activities
- Partnerships with the Nigerian Government
- Social contributions

Local Employment

- Around 1000 employees
- Over 70% workforce localisation rate

Training and skills building

- Employee training
- Training for Clients, partners and suppliers.
- 1000 girls in ICT training program
- "Ictforchange" 2000 youths ICT training program
- Overseas "Training" for Nigerian government officials





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Knowledge transfer

Horizontal linkages

Knowledge spillover via labour turnover

Vertical Linkages

Knowledge and productivity spillovers via:

Forward linkages

Supplier quality conferences and programs

Backward linkages

Technical support and training for clients

Introduction to new innovations and technology

Social contributions

- Huawei-UNILAG Scholarship
- \$6million USD investment innovation and experience Centre and joint open lab of UNILAG (Uni. of Lagos)
- African university of Science and technology, Abuja (Nelson Mandela Institute affiliate)





Conclusions

- Huawei is well placed to significantly contribute to skills development and technology transfer in Nigeria's telecom sector.
- There remains room for government to further leverage this engagement for local capacity building.