



**United Nations
Economic Commission for Africa**

**Expert Group Meeting
1-2 April 2019, Conference Room 8
UN Secretariat Building, New York, NY 10017**

Session 2: Regional Perspectives

**Mactar Seck
TCND/UNECA**

I. ICT Trends in Africa

- Digital economy one of the main drivers of growth in the continent : +5 percent of the GDP
- Technology adoption continues to rise in the continent
 - Mobile device main device for accessing the internet and using e-services growing exponentially: Smartphone penetration has risen from 37% in 2017 to 44% in 2018 and is projected to increase to 51% by 2019
 - Mobile penetration is rising : was estimated at 76% in 2018 with more than 1 billion sim cards, 7% per year over the past between 2012 and 2017
 - Social media use increasing : 191 millions : growth of 12% in 2017-2018
 - E-commerce in Africa is growing at 40% annually and is expected to grow to over \$300 billion by 2025
 - Investments in mobile broadband coverage (3G or 4G networks) on the continent are growing : [Rwanda, South Africa, Morocco, Mauritius, have rolled out 4G and fibre connectivity to deliver online e-government](#)

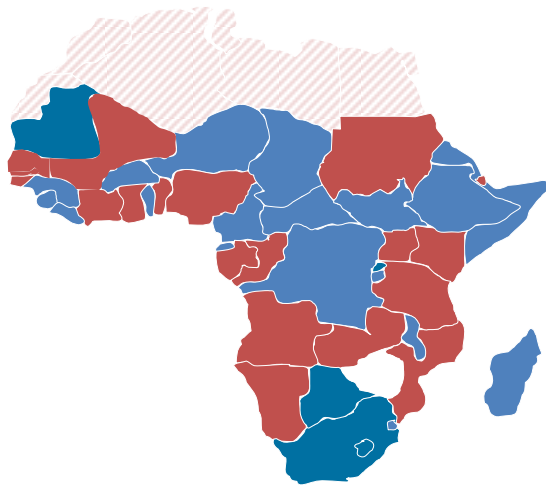
I. The Status of e-governance in Africa

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- 40 African governments have been making important steps in promoting transparency, efficiency democracy, good governance, citizen voice and accountability, reducing corruption, and promoting human rights with e-Government solutions::
 - Mauritius : Regional e-governance academy.
 - Nigeria in launching a Government Integrated Financial Management Information System (GIFMIS),
 - Botswana in creating an e-tax management solution :
 - Rwanda: Taxes online (from 25 days to 12 hours)
 - Ethiopia, cash registers are directly connected to the tax authority
 - Biometric polling cards have been used in at least 14 African countries
 - Rwanda: drones for delivering pharmaceuticals to remote villages
 - Mobile Money : M-Pesa has helped 2% of Kenya's population escape poverty
 - Mobile: ICT for Transport : Tracking Traffic Jams (Egypt : more than 46,000 daily users)

I. The Status of e-governance in Africa

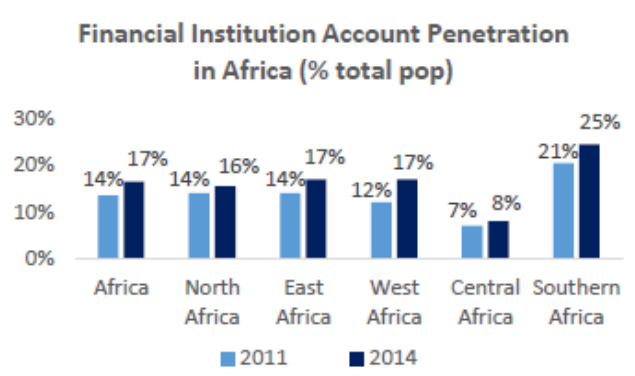
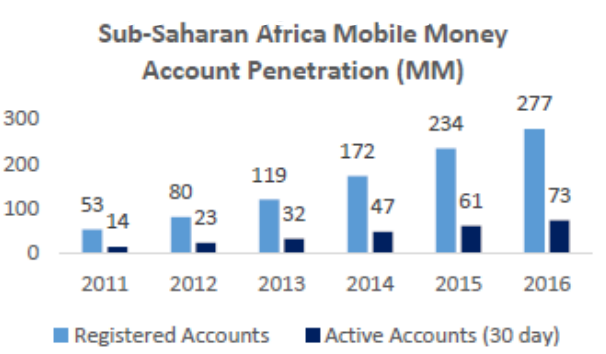
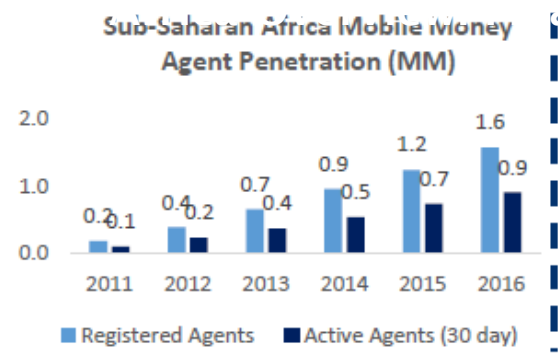
- Africa is lagging far behind the rest of the world with an average of (0.3433) compared to Europe (0.7727). Somalia is last (0.0566): (e-Government Development Index (EGDI)-2018)
- Government policies and regulation: 15 countries out of 55 post conflicts/armed conflicts
- Infrastructures development : Lack of high-speed (broadband) internet remains a hurdle for digital economy in Africa : Of the 25 least connected countries in the world, 21 are in Africa



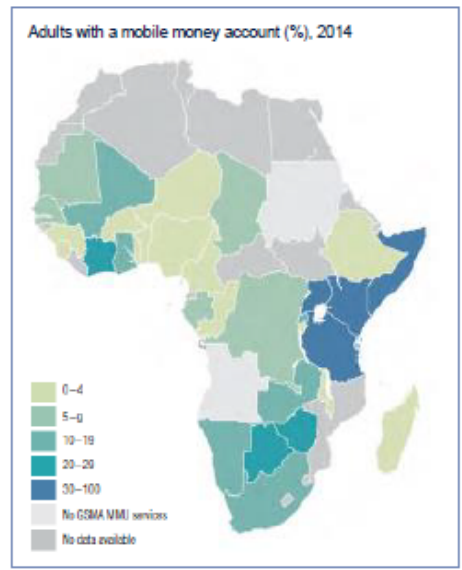
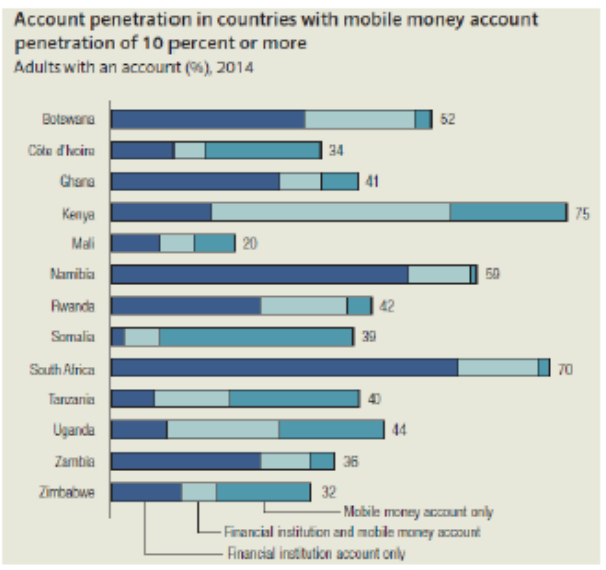
- Leadership /Policy/Legal Framework
- : Internet penetration very low: 22%
- Digital ID : In Africa 45% of the population lack a digital ID
- lack Citizen Engagement
- Consumer protection
- Cyber Security

I. Transaction online

- Mobile devices are the primary way by which people access internet
- Connection : dedicated line /Internet
- Seventeen African countries have introduced the electronic filing and payment systems
- Three countries (Kenya, Uganda and Zimbabwe) have made it compulsory for all taxpayers to pay their taxes electronically
- Africa is a leader in mobile money with transactions reaching USD \$19.9 billion in 2017 which is 63 per cent of the global figure. According to GSMA, there were currently 135 live mobile money services across the continent at the end of 2017, with 122-million active accounts
- Mobile money has been extremely successful in certain regions, particularly East Africa (Kenya 58%, Somalia 37%, Tanzania 32%, Uganda 35%)
- In 2018, Kenyans on average moved more than US\$100 million daily in mobile transactions, translating to \$40 billion in the year, nearly half the country's GDP (Central Bank of Kenya)
- Key markets remain relatively underpenetrated (Nigeria 2.3%, South Africa 14.4%)



Mobile money penetration in SSA



Key Highlights

- Overall **banking penetration is low** in Africa (24%) compared to the emerging market average (50%)
- There are a total of **467 MM financially excluded adults** across Africa and the Middle East (61% of the adult population). Of these, 46% are poor (bottom 50% of country's income distribution), 54% are women and 61% are rural populations
- Mobile money has been extremely successful in certain regions, particularly East Africa, and there are now **277 MM registered mobile money accounts in SSA (73MM MAU)**
- Africa is also one of the most **underinsured regions** worldwide, measured as total written premiums as a % of GDP: Nigeria (0.3%), Kenya (2.8%), Ghana (1.1%), Ethiopia (0.4%)... SA is an outlier at 14.7%.

Source: World Bank FinDex Database, Africa and the Global FinTech Revolution 2016 Report (Africinvest), GSMA, McKinsey "Digital Finance for All Report" 14
Axco Insurance

I. Digital Inclusion and E-Participation

- Citizen participation through the use of ICTs especially via mobile phones increased :
Commitment of stakeholders in the political process improved
- 41% of the African population are under 15 and two-fifths of the inhabitants of Sub-Saharan Africa have mobile phones
 - Sharing infrastructure and services
 - Interoperability of financial platforms
 - e-Consultation

I. Digital Inclusion and E-Participation

- low citizen participation,
- Digital Gender divide: the proportion of women using the Internet is 25% lower than the proportion of men using the Internet.
- Digital divide

Countries	1 GB mobile data bundle
Equatorial Guinea	\$34.8
DRC Congo	\$20
Angola	\$16.3
Guinea Bissau	\$15.66
Somalia	\$15
Zimbabwean	\$15
Sierra Leone	\$14.34
Chad	\$12.18
Lybia	\$11.32
Central African Republic	\$11.19

- Infrastructure limitations
- Financial inclusion :80% adults lack formal/semi-formal banking services
- Low literacy and schooling rates
- Lack of information in local language

- With 60% of population under 25, Africa is the world's youngest population : Skill gaps is a major constraints
- In the next ten years, there will be 1.3M software development jobs in Africa but only 400K computer science grads
- Since 2010, there has been a significant increase in the promotion of computer programming skills as a higher level digital skill that is relevant to all citizens regardless of vocational or professional goals
- The diffusion of ICT will change skill requirements, and ICT skills will be foundational requirements for many jobs
- Enrolment in Education has increased but basic numeracy literacy indicators remains low

ECA RESPONSE TO SUPPORT AFRICAN COUNTRIES IN THE DIGITAL ERA

ECA :Digital Identity: A Prerogative for Africa's

Agenda 2063



THE AFRICA WE WANT

Leaving no one behind



Mobile access & connectivity

- SIM registration
- Mobile transactions

Economic opportunity

- Sharing economy
- Opening small business
- Digital trade
- Cross-border trade



Social Services

- Maternal & child health services tracking
- eHealth, virtual health services
- Educational enrollment
- Land Management



CRVS

- Improve birth & death registration
- Tackle the scandal of invisibility



Financial inclusion

- E-payments
- P2P transfers
- Access to financial services

Democratic process

- Fair, fast and secure voting, tracked to an individual's verified digital id



Public Finance

- Domestic Resource Mobilization
- Effective targeting
- Payroll Integrity



Government services

- Social Intervention programs
- Cash transfers
- Pensions

. The ECA Digital Center of Excellence

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- Act as a convener and knowledge resource for countries considering the role of digital in their society
- Undertake research on the multivarious dimensions of the digital economy
- Key Pillars:
 - **Harmonization** : Promote harmonization of related standards across member states,
 - **Regulation** : Support the development of inclusive regulation to safeguard security and the upping of investments in infrastructure,
 - **Capacity Building and skills development** : Develop capacity and skills of key actors in member states, private sector, etc.
 - **Infrastructure** : Encourage financing and development

III. Recommendations

- Several goals of Agenda 2030 and Agenda 2063 can be realized if e-Government services and digital ID systems are harnessed in this regard the survey should integrate the core principles of digital ID : Inclusion, ownership, interoperability, privacy, security and safeguard, accountability, standards, neutrality, governance, etc.
- The survey should include questions related to the necessary standard policy guidelines and frameworks, strategies, mechanisms and tools to enable member states to formulate and implement regulatory, policy and standard framework for e-government
- Collaboration with the UN Regional Commission to develop the Report 2019/2020





THANK YOU!

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