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**“E-governance can help African countries tackle the economic and social challenges they face”**



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As the Ottoman saying goes, "without a state, no taxes, without taxes, no administration, without administration, no citizens, without citizens, no state". Even today, many developing countries fall victims to this vicious circle, particularly in Sub-Saharan Africa. Many impecunious governments do not meet the expectations of their citizens, whether in terms of governance or the welfare state, making them distrustful of authorities perceived as distant, not very transparent, or even deficient.

The current pandemic exacerbates this situation, as governments are more than ever confronted with the dual challenge of mobilizing resources in a deteriorating economic and even security context, while at the same time facing a sharp rise in social demands (healthcare, subsidies for basic products, support for economic activity).

While it is not a miracle solution, e-governance can help African governments meet this dual challenge, as many successful experiences show, even in Africa. First of all, e-governance allows to increase government resources and bring transparency. The advantages of digitizing administrative procedures include precise calculation of tax bases, payments systematization and increased efficiency in combating fraud.

In Tanzania, the E-Government Authority enables companies to pay their taxes online. Many countries (Benin, DRC) have set up digital single-windows in ports and have put them under concession, in order to better control international flows (including port customs, a significant source of revenue in many countries), bring transparency and control costs. Rwanda has set ambitious targets by launching a 2.0 government on Irembo, an online platform putting citizens and the government in direct contact, both on tax matters and administrative formalities, such as birth and death certificates, driver's license, land registry, etc. In terms of macroeconomics, digitization also enables governments to better calibrate - and even increase - their recourse to debt, thanks to a more accurate calculation of their real GDP. For example, in 2013, a new calculation method almost "doubled" Nigeria's GDP to \$510 billion.

E-governance is also an essential tool for implementing effective public policies, and not only for an elite population with no ties to the informal economy. E-governance can also improve the targeting of fragile communities, by facilitating the compiling of socio-economic data online. Similarly, social aid payment and monitoring can be optimized via a digital platform. In Kenya and Nigeria public e-vouchers give small farmers access to agricultural inputs thanks to a start-up called Cellulant. And many African governments wish to draw inspiration from India, where the Aadhaar biometric identification system, covering the entire population of 1.2 billion people, facilitates social aid distribution to the most vulnerable.

These different African and international success stories provide an insight into four prerequisites for developing e-governance.

The first prerequisite is to have a strong political will and a precise action plan. Thanks to its long-term strategy, Mauritius improved its ranking from the 93<sup>rd</sup> in 2012 to the 63<sup>rd</sup> in 2020 in the UN global e-governance survey. This progress is notably the result of cooperation between Mauritius and Estonia, a pioneering European country in the field.

The second prerequisite is to have a dedicated government body and adequate financial resources, which can in part be provided by the private sector under a public-private partnership, as well as by major international institutions. For instance, Tunisia has obtained \$100 million from the World Bank to develop its e-governance.

The third prerequisite is to invest in training and in human resources development. E-governance has the potential to become a new industry on its own, creating jobs for local talent (e.g., for coders, IT engineers, project managers), as is the case with Atos Senegal, which employs in high value added jobs more than 200 local graduates majoring in IT and digital.

Finally, it is crucial to have reliable and secure infrastructure, whether legal or physical (electrical network, data centers, fiber, etc.). Morocco, a pioneer in this area, has seen a number of "sovereign data centers" flourish on its territory since 2017, the latest - the Benguerir Data Center - having just been announced by the Office chérifien des phosphates (OCP). The French fund STOA recently invested in the data center operator Etix, which notably has data centers in Ghana, and in a South African optic fiber operator. These investments are in line with STOA's objective to develop essential infrastructure in Africa.

Like in telecom and fintech before, Africa is now in a position to "leapfrog" on e-governance. First success stories at a country level exist. The benefits of such a move are twofold: for citizens, better quality of public services and more targeted aid; and for governments, increased efficiency and renewed trust from their citizens who are growing increasingly demanding of their governments.

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