



United Nations
Economic Commission for Africa

Digital Transformation as a Catalyst for inclusive and sustainable growth in Africa

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September 2021

Leveraging Africa's economic size



- Africa is the economic size of India, but **fragmented** into over 55 AU member States
- Many of these pieces are **very small**: 21 have a GDP less than \$10bn
- Businesses face on average **6.9% tariffs** and **14.3% equivalent non-tariff barriers** trading across Africa's 107 unique land borders

DIGITALIZATION A CATALYST FOR INCLUSIVE AND SUSTANABLE GROWTH IN AFRICA

DIGITAL TECHNOLOGY :

1. **5.2 % of the continent's GDP by 2025, contributing nearly \$180 billion to its economy.**
2. **By 2050, 8.5% of the continent's GDP, \$712 billion to its economy**
3. **28,2 % Internet Access;**
4. **21 % of adults across Africa have mobile money accounts**
5. **Number of technology hubs grew 40% → to 643 by end of 2019**

COVID-19: HAVE EXPANDED THE USE OF TECHNOLOGY

1. Finance,
2. Education,
3. Health,
4. Retail,
5. Agriculture and
6. Government.

IMPACT OF DIGITAL TECHNOLOGY FOR AFRICA RECOVERY

1. The global Fintech revolution is expected to **triple access to financial services in Africa**, creating a new market of **350 million customers**.
2. Mobile money transactions in Africa account for close to **10% of GDP, compared with 7% in Asia and less than 2% in other regions.**

KEY CHALLENGES

- Low level of Connectivity /Access to electricity
- Infrastructures Development
- Policies and regulations, and Private sector involvement
- Skills development/ Ability of people to use the digital solutions
- Concerns regarding cybersecurity, data protection and regulation are increasing.
- Access to finance



ECA's key achievements to advance digital technology in Africa (1/2)



DIGITAL POLICY

- Africa Digital Transformation Strategy 2020-2030
- AfCFTA
- African Framework of Good Digital Identity
- African Data Governance Framework



DIGITAL INFRASTRUCTURE

- Broadband Expansion
- Regional and intra-continental connectivity to support cross-border trade and the AfCFTA
- African Trade Exchange (ATEX), a business-to-business e-commerce platform.



DIGITAL FINANCE

- Universal access to digital financial services
- Africa wide payments infrastructure/platform in place

ECA's key achievements to advance digital technology in Africa (2/2)



DIGITAL SKILLS

- Series of coding camps aimed at young women and girls to build skills and capacity in digital technologies
- African Research Center on AI
- Launch of 1081000 flex Program on Fintech, AI with Alibaba
- Launch of the ICC-ECA Centre of Entrepreneurship
- Developing nanotechnology capacity in Africa



DIGITAL PLATFORM

- African COVID19 Information Platform (ACIP) for curating and sharing information on COVID-19
- African Medical Supplies Procurement Platform AMSP
- African Trade Exchange (ATEX), a business-to-business e-commerce platform.



DIGITAL ENTREPRENEURSHIP

- Support for entrepreneurial universities
- Origin: Setting up a space for design and entrepreneurship support and incubation
- Africa Business Heroes

KEY RECOMMENDATIONS

- Building digital infrastructure to facilitate access and to reduce the digital gap and inequality
- Creating enabling environments to allow national stakeholders to manage digital risks in coordination with the existing work of international and African organizations.
- Strengthening education systems to equip the workforce with the adequate skills;
- Leveraging digital technologies to promote entrepreneurship and foster the digital transformation of regional value chains and
- Implementing decisions taken at the continental, regional and national levels that encourage economic diversification
- Promoting innovative **Private Sector** financing
- Embracing the Digital Transformation Strategy and the African Continental Free Trade Area (**AfCFTA**) to streamline policies and regulation





Ideas
to
Action