



# **Digital Economy and Sub-Regional Integration : What drivers for a Sustainable Development in Central Africa?**

*On the occasion of Sub-Regional Conference on Digital  
Economy Development for Central African Countries*

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A silhouette of a person with arms raised in triumph against a sunset over a body of water. The sun is low on the horizon, creating a bright glow and reflecting on the water. The person is standing on a dark, silhouetted landmass.

# INTRODUCTION

Africa Rising

Inspiring and encouraging  
Africans to rise up and make a  
positive impact on the continent

# Improving Africa's position in the digital world stage.

- From a consumer mind set to a more creative and innovative approach.
- Creating a greater impact and added value in today's world as result of moving from a posture of spectator to that of Actor in a globalized and competitive world.
- Using the tools of digital economy to enhance the quality of life of Africans and to ensure sustainable development for the entire the continent in general and the Central African region in particular.

# **Understanding the basics of digital economy: An Asset for the strengthening of sub-regional integration**

- What is digital economy ?
- It refers to an economy that is based in a large part on digital technologies, including digital communication networks ( Internet, intranet, etc.), computer, software, and other information technologies.
- It is characterized by the digitation of many products and services and the use of the Internet and other networks to support economic activities. The traditional marketplace shifts to a virtual marketspace. Competition in such an environment is very intense and major changes occur. The impact of digital economy on business can be identified at three basic levels:
  - improving direct marketing,
  - transforming organizations, and
  - redefining organizations.

- What is Regional Integration?
- Regional integration is about getting things moving freely across the whole of Africa. This means getting goods to move more easily across borders; transport, energy and telecommunications to connect more people across more boundaries; people to move more freely across frontiers, and capital and production to move and grow beyond national limits.



*"Africans must seek growth that is primarily anchored on their priorities and that is capable of delivering structural transformation. Regional integration is a key strategy for development."*



United Nations  
Economic Commission for Africa

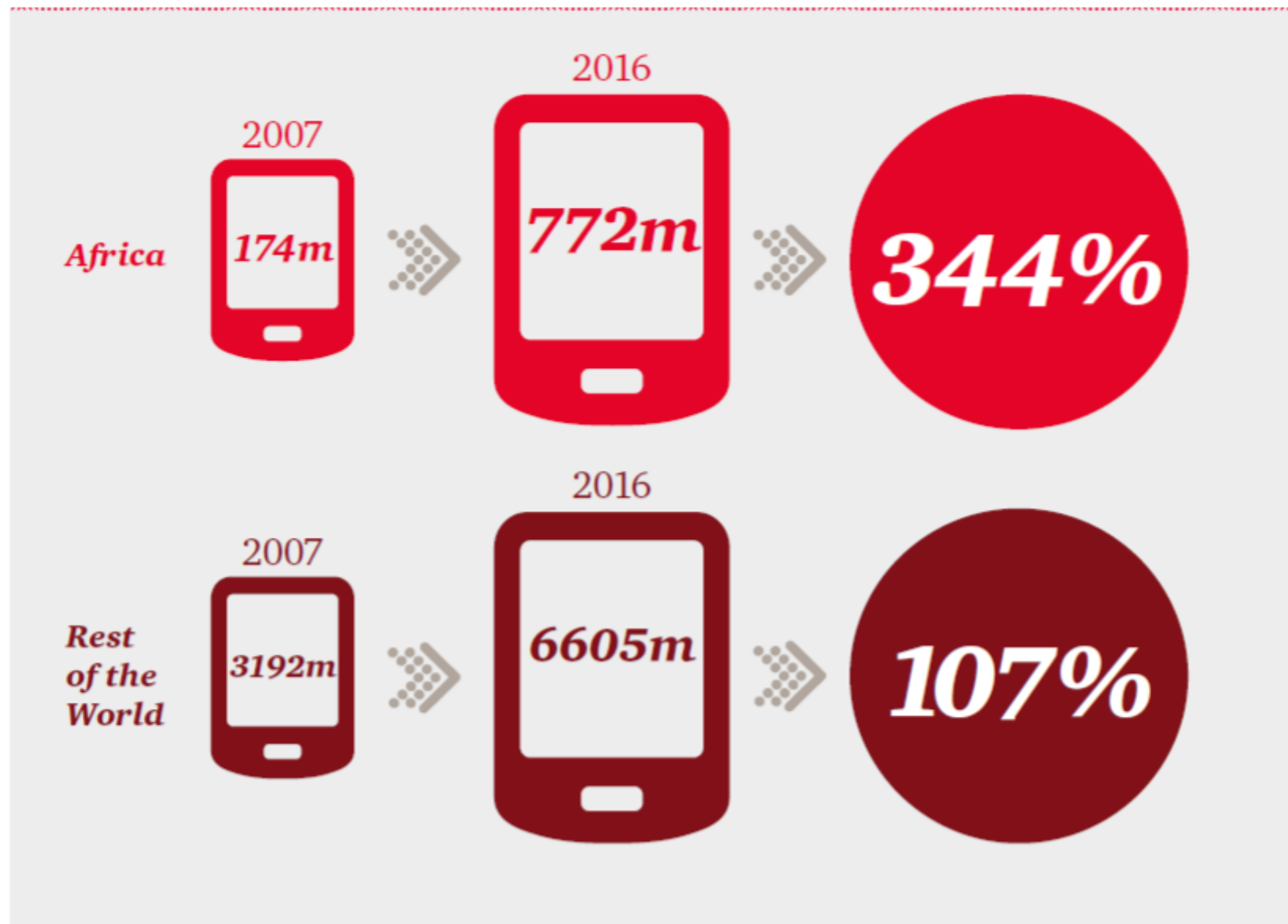
# The Improving situation of ICT in the ECCAS zone



- A recent study published by UNECA concerning the gap to erase in ICT, The ECCAS zone with a economic intra trade exchange rate of 1.8% and a market of 180 million people (15% of the population of Africa), the region registered one of the highest growth in telecommunication in Africa with 81 million subscribers (45% penetration) and more than 25 mobile operators.
- These statistics according to the GSMA (Global System for Mobile Communication Association) in their report «The Mobile Economy Sub-Saharan Africa 2017» portrays a huge potential for the sub-region that can create a digital chain value.
- There is an emergence of innovation and start-ups, more jobs created and social inclusion. The GSMA report of 2016 also shows that roaming is essentially used by senior state officials (45%), officials of international organisations (40%) and well-off tourists in the region (15%).

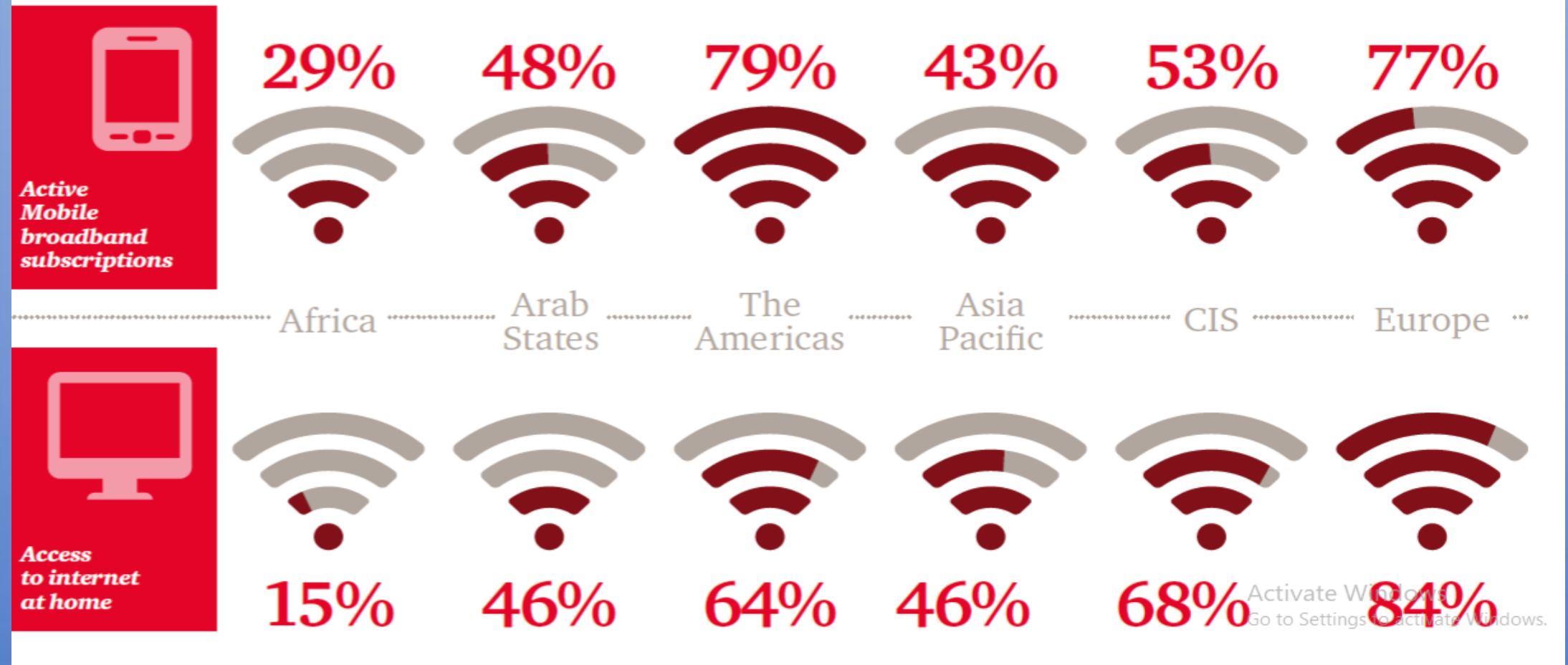


Figure 1: Growth in mobile phone usage



However, access to internet is still not yet at the reach of many people in the continent.

Figure 7: Access to the internet



Activate Windows  
Go to Settings to activate Windows.

A group of workers in high-visibility vests are installing solar panels on a roof. The scene is set against a clear blue sky. The workers are focused on their task, with some kneeling and others standing. The solar panels are arranged in rows, and the workers are using tools to secure them. The overall atmosphere is one of active labor and sustainable development.

**The Vital Conditions  
required to attain  
Sustainable Development in  
the ECCAS Zone**

- In order to achieve a stronger impact in a competitive world, there are some inevitable actions which must be undertaken in terms of:
  - ✓ Organisation (creating an enabling environment that promotes and protects innovators)
  - ✓ Coordination
  - ✓ Identity (Putting in a content that empowers Africans and not alienates them from their culture and environment)
  - ✓ Inculcate an entrepreneur spirit and foster Economic Pan-Africanism (Training with a focus on ICTs)
    - Well educated citizens and skills revolution underpinned by science, technology and innovation for a knowledge society; (Agenda 2063)
  - ✓ Digitalizing the economy
  - ✓ In order to attain the vision of the AGENDA 2063

# What is the Vision for Africa ?

- *“The Vision of the African Union is to become an integrated, prosperous and peaceful Africa, driven by its own citizens and representing a dynamic force in the global arena.”*

# Agenda 2063

## The Africa We Want

# Infrastructure (Renewable Energy)

- Cities and other settlements are hubs of cultural and economic activities, with modernized infrastructure, and people have access to all the basic necessities of life including shelter, water, sanitation, energy, public transport and ICT.
- Putting in place infrastructures that accelerate the dynamics of integration.



## Developing Regions with the Highest Potential for Solar, Wind, Hydro and Geothermal

Region	Total Renewable Energy	Solar	Wind	Hydro	Geothermal
Africa	18	24	8	11	9
East Asia/Pacific	4	5	3	6	4
Europe/Central Asia	3	0	6	5	14
Latin America/ Caribbean	7	5	8	9	3
Middle East	1	0	1	0	0
South Asia	0	0	1	1	0
All World Bank	33	34	27	32	30

Source: Buys et al. (2007). \*188 countries (close to world total of 193 countries per the World Almanac statistics 2012)

# Inculcating an innovative, creativity and technologically-inclined research

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Rankings

## Global Innovation Index 2017 rankings

Country/Economy	Score (0–100)	Rank	Income	Rank	Region	Rank	Efficiency Ratio	Rank	Median: 0
Switzerland	67.69	1	HI	1	EUR	1	0.95	2	
Sweden	63.82	2	HI	2	EUR	2	0.83	12	
Netherlands	63.36	3	HI	3	EUR	3	0.93	4	
United States of America	61.40	4	HI	4	NAC	1	0.78	21	
United Kingdom	60.89	5	HI	5	EUR	4	0.78	20	
Denmark	58.70	6	HI	6	EUR	5	0.71	34	
Singapore	58.69	7	HI	7	SEAO	1	0.62	63	
Finland	58.49	8	HI	8	EUR	6	0.70	37	
Germany	58.39	9	HI	9	EUR	7	0.84	7	
Ireland	58.13	10	HI	10	EUR	8	0.85	6	
Korea, Rep.	57.70	11	HI	11	SEAO	2	0.82	14	
Luxembourg	56.40	12	HI	12	EUR	9	0.97	1	
Iceland	55.76	13	HI	13	EUR	10	0.86	5	
Japan	54.72	14	HI	14	SEAO	3	0.67	49	
France	54.18	15	HI	15	EUR	11	0.71	35	
Hong Kong (China)	53.88	16	HI	16	SEAO	4	0.61	73	
Israel	53.88	17	HI	17	NAWA	1	0.77	23	
Canada	53.65	18	HI	18	NAC	2	0.64	59	
Norway	53.14	19	HI	19	EUR	12	0.66	51	
Austria	53.10	20	HI	20	EUR	13	0.69	41	
New Zealand	52.87	21	HI	21	SEAO	5	0.65	56	

THE GLOBAL INNOVATION INDEX 2017

Lithuania	41.17	40	HI	37	EUR	27	0.59	84	
Croatia	39.80	41	HI	38	EUR	28	0.66	52	
Romania	39.16	42	UM	4	EUR	29	0.69	39	
Turkey	38.90	43	UM	5	NAWA	4	0.84	9	
Greece	38.85	44	HI	39	EUR	30	0.56	87	
Russian Federation	38.76	45	UM	6	EUR	31	0.61	75	
Chile	38.70	46	HI	40	LCN	1	0.60	77	
Viet Nam	38.34	47	LM	1	SEAO	9	0.84	10	
Montenegro	38.07	48	UM	7	EUR	32	0.63	62	
Qatar	37.90	49	HI	41	NAWA	5	0.61	68	
Ukraine	37.62	50	LM	2	EUR	33	0.83	11	
Thailand	37.57	51	UM	8	SEAO	10	0.75	24	
Mongolia	37.13	52	LM	3	SEAO	11	0.74	27	
Costa Rica	37.09	53	UM	9	LCN	2	0.69	43	
Moldova, Rep.	36.84	54	LM	4	EUR	34	0.78	22	
Saudi Arabia	36.17	55	HI	42	NAWA	6	0.53	96	
Kuwait	36.10	56	HI	43	NAWA	7	0.79	18	
<b>South Africa</b>	<b>35.80</b>	<b>57</b>	<b>UM</b>	<b>10</b>	<b>SSF</b>	<b>1</b>	<b>0.53</b>	<b>97</b>	
Mexico	35.79	58	UM	11	LCN	3	0.61	74	
Armenia	35.65	59	LM	5	NAWA	8	0.80	17	
<b>India</b>	<b>35.47</b>	<b>60</b>	<b>LM</b>	<b>6</b>	<b>CSA</b>	<b>1</b>	<b>0.66</b>	<b>53</b>	
TFYR of Macedonia	35.43	61	UM	12	EUR	35	0.59	80	
Serbia	35.34	62	UM	13	EUR	36	0.61	67	
Panama	34.98	63	UM	14	LCN	4	0.69	38	
Mauritius	34.82	64	UM	15	SSF	2	0.48	109	





El Salvador	26.68	103	LM	17	LCN	16	0.48	107
Honduras	26.36	104	LM	18	LCN	17	0.52	101
Egypt	26.00	105	LM	19	NAWA	17	0.59	81
Bolivia, Plurinational St.	25.64	106	LM	20	LCN	18	0.57	85
Mozambique	24.55	107	LI	5	SSF	10	0.61	70
Algeria	24.34	108	UM	35	NAWA	18	0.47	111
Nepal	24.20	109	LI	6	CSA	7	0.49	105
Ethiopia	24.16	110	LI	7	SSF	11	0.72	32
Madagascar	24.15	111	LI	8	SSF	12	0.68	45
Côte d'Ivoire	23.96	112	LM	21	SSF	13	0.69	40
Pakistan	23.80	113	LM	22	CSA	8	0.62	64
Bangladesh	23.72	114	LM	23	CSA	9	0.55	93
Malawi	23.45	115	LI	9	SSF	14	0.53	98
Benin	23.04	116	LI	10	SSF	15	0.47	110
<b>Cameroon</b>	<b>22.58</b>	<b>117</b>	<b>LM</b>	<b>24</b>	<b>SSF</b>	<b>16</b>	<b>0.56</b>	<b>92</b>
Mali	22.48	118	LI	11	SSF	17	0.60	78
Nigeria	21.92	119	LM	25	SSF	18	0.52	102
Burkina Faso	21.86	120	LI	12	SSF	19	0.24	127
Zimbabwe	21.80	121	LI	13	SSF	20	0.56	89
Burundi	21.31	122	LI	14	SSF	21	0.41	117
Niger	21.18	123	LI	15	SSF	22	0.36	123
Zambia	20.83	124	LM	26	SSF	23	0.59	79
Togo	18.41	125	LI	16	SSF	24	0.28	126
Guinea	17.41	126	LI	17	SSF	25	0.40	118
Yemen	15.64	127	LM	27	NAWA	19	0.40	119

Note: World Bank Income Group Classification (July 2016): LI = low income; LM = lower-middle income; UM = upper-middle income; and HI = high income. Regions are based on the United Nations Classification: EUR = Europe and Central Asia; NAC = Northern America; LCN = Latin America and the Caribbean; CSA = Central and Southern Asia; SEAO = South East Asia, East Asia, and Oceania; NAWA = Northern Africa and Western Asia; SSF = Sub-Saharan Africa.

A person in silhouette is running and flying a large, colorful kite in the shape of the African continent against a sunset sky. The kite is multi-colored with a rainbow gradient. The person is in the lower left, and the kite is in the upper right. The sky transitions from orange at the bottom to blue at the top.

# The potential of ICT in driving sustainable development in Central Africa

# The transformational Power of the Digital Economy in the 21<sup>st</sup> Century

- Historically, manufacturing drove economic transformation. Today, new technologies have spawned a growing number of services and agro-industries—including horticulture—that share many characteristics with manufacturing.
- According a Brookings Institution study publish and entitled Rethinking Africa's Structural Transformation, ICT-based services, tourism, and transport are outpacing the growth of manufacturing in many African countries.
- Between 1998 and 2015, services exports grew more than six times faster than merchandise exports. Kenya, Rwanda, Senegal, and South Africa have vibrant ICT-based services sectors. Tourism is Rwanda's largest single export activity, accounting for about 30 percent of total exports.

- In 2014, 9.5 million tourists visited South Africa, contributing 3 percent to its GDP. Ethiopia, Ghana, Kenya, and Senegal all actively participate in global horticultural value chains. Ethiopia has achieved extraordinary success in flower exports, so much so that the country is now a global player in the sector.
- According to a study by Pr. Emmanuel Tonye entitled “Développement des Télécommunications au Cameroun à l'horizon 2035 », published in January 2016, where he says that by 2035, 86.5% of jobs in the tertiary sector shall come from ICT.
- Digitization is transforming African economies in four major ways: retail payments systems, financial inclusion, sustainable business models, and revenue administration.
- Information and Communications Technology (ICT) sector is powering various activities, such as banking, buying and selling goods and services, and access to health, education and entertainment.

# In the domain of business

- Technology has the potential to open up new markets, increase choice and speed up delivery.
- There is Jumia, whose parent company surpassed the [US\\$ 1 billion market value](#) in 2016. Jumia offers ecommerce services (retail, travel, food) in various African countries including Cameroon, Côte d'Ivoire, Egypt, Ghana, Kenya, Morocco, Nigeria and Uganda, etc.



# In the domain of Governance and Corruption

- Blockchain technology is capable of helping government, regulators and cooperation to track toll gate payments, petrol bonds, national identity cards, social security, healthcare services, academic degrees, tax collection, budget allocation, and more. Blockchain technology can help us keep accurate and comprehensive records of public expenditure, which are essential for tackling corruption and waste.
- Cameroon Business Blockchain Council (CBBC) committed to bring awareness and delivering certified and highly engaging training in the field of Blockchain technology for individuals, governments, entrepreneurs and institutions across diverse sectors.



# **Digitization and financial inclusion**

- Digitization has become an easier platform to support financial inclusion and female financial empowerment. Obstacles to financing access, such as physical distance, minimum balance requirements, little to no credit, and low-income flows can be circumvented. Savings have increased, micro-savers have opened bank accounts, and banks are now able to price short-term loans.

# In the area of healthcare



- Technology is helping to overcome the traditional barriers of distance and limited access to healthcare.
- Examples range from portable eye examination kits (PEEK of Dr. Andrew Bastawrous) to cardio screening (like Cardiopad of Arthur Zang), which can be transmitted for diagnosis by a remote specialist.
- In turn, big data analysis and drone surveillance are helping to detect early signs of a potential epidemic and then track its spread to help target care and contain the outbreak.







**CONCLUSION**

# THE SOFT POWER 30

## HARD POWER

Hard power is the exercise of influence through coercion, relying on tactics like **military force, payments, and economic sanctions.**



MILITARY



PAYMENT



SANCTIONS

VS

## SOFT POWER

Soft power use attraction and persuasion to change minds and influence behaviour. Its sources include **culture, political values, and positive global engagement.**



CULTURE



GOVERNMENT



ENGAGEMENT



**THANK YOU**

for your

**ATTENTION!**